

# MAINEGENERAL HEALTH

**FUNCTIONAL AREA:** Rights and Responsibilities

**POLICY #:** RI-27

**EFFECTIVE DATE:** 01/98

**REVISED:** 09/00, 12/02, 01/05, 01/07,  
02/09, 02/11, 06/11, 09/13, 06/15, 06/16,  
03/17, 11/17, 10/18, 09/19, 09/20

**TOPIC:** Financial Assistance Policy

## **AUTHORIZATION:**

Chair, Finance Committee

Chief Financial Officer

Senior Director, Revenue Cycle

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- I. PURPOSE:** To establish a policy and procedure for MaineGeneral Medical Center (the licensed hospital including both its Augusta and Waterville campuses) and its outpatient physician practices, collectively referred to as "MGMC," relating to providing Kennebec Valley Access to Care and Financial Assistance (also known as "free care") to qualifying patients in accordance with Maine Department of Health and Human Services policy 10-144 Chapter 150, Hospital Finance Rules, and in accordance with IRC 501(r), to be known as the "Financial Assistance Program" or "FAP". MGMC's Financial Assistance Program is intended to assist patients who are residents of Maine and who do not have the ability to pay for their emergency and medically necessary health care because they are low-income patients who are uninsured (and have attempted to obtain insurance from all sources available to them), or have limited or exhausted insurance benefits ("underinsured").
- II. POLICY:** MGMC will provide financial assistance to Maine patients, by partially or fully waiving patient financial obligations, for Qualifying Medical Services, for a patient who: (i) is a Maine Resident, (ii) has an inability to pay, (iii) is uninsured or underinsured, (iv) completes and provides to MGMC the Patient Financial Assistance Application ("PFA Application"), with timely submission of the necessary supporting documentation, (v) received qualifying medical services from MGMC; and (vi) is determined eligible for financial assistance in accordance with the requirements of this policy ("PFA Eligible Patients"). The MGMC Board of Directors and Finance Committee must approve any changes to this policy. Patients who qualify for assistance under this policy will not be charged more than amounts generally billed ("AGB") to insured individuals for qualifying medical services, as described in Section IV(A)(1) below.
- III. RESPONSIBILITY:** The Revenue Cycle Director or his/her designee(s) will be responsible for the administration of this policy.
- IV. PROCEDURE:**
- A. DEFINITIONS:
- (1) Amounts Generally Billed (AGB): MaineGeneral determines AGB by multiplying the gross charges for any emergency medical services or other medically necessary care it provides to a

FAP-eligible patient by an AGB percentage of 54.5%. MaineGeneral calculated the AGB percentage of 54.5% based on all claims allowed by Medicare and private health insurers over a specified 12-month look back period, divided by the associated gross charges for those claims. The calculation for AGB can be obtained from the Reimbursements Department upon request.

(2) Emergency Medical Conditions: Emergency medical conditions is defined in accordance with Title 42 U.S.C. § 1395dd(e)(1) (Emergency Medical Treatment and Active Labor Act (EMTALA)). Generally, a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in placing the patient's health (or health of an unborn child) in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of bodily organs.

(3) Federal Poverty Guidelines (FPG): Guidelines issued each year in the Federal Register by the U.S. Department of Health and Human Services (HHS). Generally, the Guidelines set a minimum amount of gross income that a family is estimated to need for food, clothing, transportation, shelter and other necessities; and it varies according to family size. Current guidelines can be referenced at <http://aspe.hhs.gov/POVERTY/>.

a.) Income tests are established in accordance with DHHS MaineCare eligibility guidelines.

b.) Family Unit (FU) as defined by DHHS Free Care Guidelines section 1.02, paragraph A (2).

(4) Maine Resident: Is an individual living in the state voluntarily with the intention of making a home in Maine. An individual who is visiting or is in Maine temporarily is not a resident. For example, visiting tourists, students, or temporary workers from out of state do not qualify as residents. A copy of the most recent Maine State Income Tax Return may be requested as proof of residency. A driver's license or state ID may also be used.

(5) Medically Necessary Care: Is defined as Inpatient and Outpatient Hospital Services provided for the purpose of evaluation, diagnosis or treatment of an injury, illness, disease or symptoms which otherwise untreated would post a threat to a patient's health status and there is no effective, more conservative or less costly course of treatment available.

(6) Otherwise Ineligible Services: Services that are not Medically Necessary and are therefore not eligible for Financial Assistance under this policy include:

- Elective, cosmetic, experimental, clinical research services
- Reproductive; some Endocrinology, and Infertility services
- Assistive hearing or listening devices
- Elective vision correction services including, but not limited to, LASEK, PRK, Conductive Keratoplasty, Intac's corneal ring segments, Custom contoured C-CAP, and Intraocular contact lens
- Patient convenience items, take home supplies, outpatient pharmacy, eyeglasses, durable medical equipment/supplies or program fees

- Services covered under grant funding or eligible for payment by another funding source
- Transplant-related services
- Bariatric related services, including pre-procedure testing
- Private duty nursing
- Dental services
- Services deemed non-covered by Medicare

(7) Qualifying Medical Services: Qualifying Medical Services by definition includes emergency medical services necessary to treat emergency medical conditions and other medically necessary care provided by MGMC.

B. ELIGIBILITY FOR FINANCIAL ASSISTANCE: To be Eligible Applicants must meet the following requirements:

(1) Be a Maine Resident. All Maine resident patients who receive Qualifying Medical Services at MaineGeneral may apply for Financial Assistance. In unique or unusual circumstances, Non-Maine residents may receive Financial Assistance subject to the review and approval of the Chief Medical Officer of MGMC or as allowed under the Kennebec Valley Access to Care program.

a.) This policy does not apply to international patients who come to Maine in order to seek treatment from a MGMC provider.

(2) Have an Inability to pay as determined by MaineGeneral’s Income (Section 2(a)) Guidelines.

a.) MGMC Income Eligibility Guidelines:

Type of Assistance	Eligibility Guidelines	Percentage Discount
1. Full Waiver	(1) FI at or below 150% of FPG	100% (AGB)
2. Partial Waiver	(1) FI between 151% - 200% of FPG; and (2) Qualify under Asset Test	20% (AGB)
3. Partial Waiver	(1) FI between 201% - 225% of FPG; and (2) Qualify under Asset Test	0% (AGB)

b.) MGMC Asset Test: Applicants with total household assets worth more than \$10,000 for an individual or \$12,000 for a household with greater than 1 member will not qualify for Kennebec Valley Access to Care or Free Care Partial Waiver.

(3) Be Uninsured or Underinsured. All Applicants must pursue public and/or private health insurance payment options for qualifying Medical Services provided by MGMC in conjunction with seeking assistance from MGMC. The Patient, or a Patient’s Guarantor’s, cooperation in applying for applicable state or federal programs and other identifiable funding sources, including but not

limited to, COBRA coverage (a federal law allowing for a time-limited extension of health care benefits) is required. The Patient, or a Patient's Guarantor, who does not cooperate in applying for programs that could pay for the Patient's Healthcare Service may be denied Financial Assistance. MaineGeneral shall make affirmative efforts to help a Patient, or a Patient's Guarantor, apply for public and private programs. The Patient, or a Patient's Guarantor, must cooperate with any insurance claim submission and exhaust their insurance, potential insurance coverage, or cost share program before the Patient may become eligible for Financial Assistance from MGMC under this Policy.

- a.) If the individual seeking Financial Assistance meets the income guidelines but is covered by insurance or by state or federal programs of medical assistance, amounts remaining due after payment by the insurer or medical assistance program may be considered for a Financial Assistance Waiver for households at or below 150% FPL.
- b.) Financial Assistance may not be available for people who opt out of available and affordable insurance coverage. Affordable insurance coverage is considered to be insurance premiums and maximum out of pocket amounts that total 10% or less of gross annual income.
- c.) Financial Assistance is not typically available for:
  - Insurance payments
  - Insurance deductibles
  - Individuals who fail to reasonably comply with insurance requirements, such as obtaining authorizations or referrals.

(4) Submit a Patient Financial Assistance Application. The Patient, their Guarantor or other designated representative must complete and provide to MGMC the Patient Financial Assistance Application ("PFA Application"), with timely submission of all requested supporting documentation. The PFA Application and instructions describe all the supporting documentation required to be submitted as part of the application. Contact information for MGMC staff available to provide assistance in completing application forms is provided with the application. Additional information can be obtained by contacting the MaineGeneral Business Office at (207) 872-4680 or toll free 1-877-255-4680.

(5) Received Qualifying Medical Services from MGMC. Not all services provided by MGMC qualify for Financial Assistance, only Qualifying Medical Services as defined by this Policy are eligible. In rare situations where a treating practitioner considers a service otherwise ineligible by this Policy, to be Medically Necessary, the treating practitioner may request that the Chief Medical Officer review the services provided and make a case-specific determination of Medical necessity. If after review, the Chief Medical Officer determines the otherwise ineligible service is medically necessary, the service will be considered a qualifying Medical Service for that specific patient only.

- a.) MGMC reserves the right to modify the list of ineligible services under Section IV(A)(5)(a) at its discretion, in accordance with the definitions of this policy, and requirements of state and federal law.
- b.) MGMC maintains separately from this Policy and makes available free of charge to the Public, a list of Providers that provide Qualifying Medical services at MGMC under this program.
  - i.) This list is available online at the MGMC website and in paper upon request.
  - ii.) This list will include the date it was created and last updated.
  - iii.) All MGMC employed physician services are covered by this policy "as the hospital facility itself" and are not required to be listed individually.

(6) Notice of Determination Decision. When determined eligible for Financial Assistance in accordance with the requirements of this Policy ("FAP Eligible Patients"), the decision will be in writing.

C. POLICY COMMUNICATION NOTICE. MGMC shall make this Policy, a plain language summary of the Policy and PFA application form (the "Policy Documents") readily available in writing and free of charge to the public. MGMC shall widely publicize this policy and its Financial Assistance Program within the communities serviced by its hospital in the following ways:

(1) Education and Provision of Policy Information to Individuals: MGMC will educate and provide information about this policy on its website, availability of Financial Assistance brochure, and as part of patient bills by other methods determined by MGMC, including but not limited to the following:

a) MGMC Hospital Inpatients:

A Financial Counselor or designee will provide a written notice regarding the availability of the Financial Assistance Program to inpatients as appropriate.

In cases where patients are uninsured, financial counselors will follow up as appropriate, mailing information and scheduling follow up visits.

b) MGMC Hospital Outpatients:

Brochures describing our Financial Assistance Program are available at check-in areas. Initial patient bills also include notification of the availability of MGMC's Financial Assistance Program. Subsequent patient statements will also include notice to patients about the availability of the program.

(2) Other Kinds of Notification:

a) The Policy Documents are posted on the MGMC website.

- b) The Policy Documents are available in paper upon request and without charge either in person or by mail.
- c) Posted Notice in Facilities. MGMC posts conspicuous signage notifying individuals about the Financial Assistance Program in public areas. Areas with signage are at minimum: Central Business Office, Main Patient Access points, the admitting and registration waiting areas, Emergency Departments and at other appropriate locations. The posted guidelines are annually based on changes in the federal poverty guidelines.
- d) MGMC provides the Policy Documents to local community agencies (including but not limited to: KVCAP, Bread of Life Ministries, Family Violence Project and Mid-Maine Homeless Shelter) that can assist with informing and notifying residents of the community serviced by the hospital, who are most likely to require financial assistance about the Program.
- e) MGMC also makes financial counseling available to patients about their MGMC bills.
- f) MGMC provides information on this Policy and associated policies to appropriate MGMC administrative and clinical staff.
- g) MGMC encourages the referral of patients for financial assistance under this Policy by MGMC representatives or medical staff, registration personnel, financial counselors, social workers, case managers, chaplains and religious sponsors.
- h) MGMC encourages and supports requests for financial assistance under this Policy by a patient, a patient's Guarantor, patient's family member, close friend, designee or associate of the patient, subject to the limitations of applicable privacy laws.
- i) MGMC will respond to any oral or written requests for more information about this Policy made by a patient or any interested party.
- j) Non-discrimination. MGMC is committed to upholding the multiple federal and state laws that preclude discrimination on the basis of race, color, religion, sex, sexual orientation, including transgender status and gender expression, national origin, citizenship status, age, disability, genetic information, or veteran status in employment, provision of health care services and all other programs and activities, or any other classification protected by federal, state or local laws.
- k) Interpreter Services and Translation. The Policy Documents are available in English and in the primary language of populations with limited proficiency in English that constitute the lesser of 1,000 individuals or 5% of the community serviced by MGMC's primary service area. An electronic copy of the Policy Documents is available and will be provided

by electronic mail upon request. MGMC will make reasonable efforts to communicate this Policy to persons it has reason to believe cannot read the notice or other materials. Likewise, translation and interpreter services are also available.

D. PFA APPLICATION PROCESS:

- (1) All MGMC patients will be provided with a reasonable opportunity to apply for Financial Assistance under this policy.
- (2) PFA Applications are available on the MGMC website, Financial Counseling Offices, Central Business Office, and MGMC Primary Care physician practices.
- (3) PFA Applications will be submitted to the Financial Counseling team for review and processing. In order for balances to qualify for free care, they cannot be in collections more than 6 months.
- (4) Reasonable and necessary documentation to substantiate the Applicant's (household) income, household assets or that the Applicant is not covered by insurance or eligible for coverage by State or Federal Programs for Medical Assistance are required to be provided by the Applicant. Documentation required may include most recent federal/state tax return(s), bank statement(s), W-2, and pay stub(s).
- (5) Any health insurance coverage or third party payor responsible for the services that are being considered for forgiveness under this Financial Assistance Policy must make payment before Financial Assistance full or partial waiver will occur. Patients who participate in cost share programs or reimbursement plans may be required to provide proof of denial or non-coverage before balance(s) are considered eligible for forgiveness.
- (6) The Financial Counselors at MGMC's main hospital campuses; HACCC, and the Central Business Office are available to provide assistance in completing the PFA Application and other assistance application forms, including MaineCare Financial Assistance or other assistance/program applications. General inquiries can be first made of the MaineGeneral Central Business Office at (207) 872-4680 in Waterville, Maine.
- (7) In accordance with Federal Emergency Medical Treatment and Labor Act (EMTALA) regulations, MGMC shall not initiate screening any patient for Financial Assistance or obtaining payment information prior to the rendering of emergency services.

E. DETERMINATIONS:

- (1) MGMC will, within seven working days after the receipt of a completed PFA Application, send notification to the patient or responsible party as to the determination of eligibility under the Financial Assistance Program.
  - a) Approved determinations will indicate:

- i.) The amount of services that will be provided at no charge, (Full 100%, Partial 1 AGB plus an additional 20% reduction of the adjusted balance or Partial 2 AGB reduction only);
- ii.) As applicable it may indicate enrollment in the Kennebec Valley Access to Care program to those who meet income and asset guidelines and who are a member of a participating primary care practice. All MGMC primary care practices participate;
- iv.) the date on which the determination was made; and
- v.) that the determination may be good for a maximum of 6 months from the received date of the initial application, depending on the medical needs of the patient.

b) Denied Determinations: MGMC shall provide each Applicant who requests Financial Assistance under this policy and is denied in whole or in part, a written and dated Denial Notice, which shall include:

- i.) a statement of the reasons for the full or partial denial;
- ii.) a statement that the Applicant has a right to appeal and have a fair hearing
- iii.) a description of how to obtain a hearing; and
- iv.) the name and telephone number of the person who should be contacted, should the provider/patient have questions regarding the Notice of Denial.

(2) Appeal. Applicants who are denied free care have the right to request a Fair Hearing. Applicant or his/her representative may request a hearing verbally or in writing by contacting the Administrative Hearing Unit, Maine Department of Health and Human Services ("DHHS"), within 60 days from the date of the MGMC written notice of denial.

a) Applicants will be instructed to call or send appeal requests to:

**Administrative Hearing Unit  
Department of Health and Human Services  
11 State House Station  
Augusta, ME 04333-0011**

**Tel.: (207) 624-5350 TTY Users: Dial 711 (Maine Relay)  
\* Important: Applicants need to provide DHHS a copy of the MGMC denial notice.**

(3) Deferral of Determination:

a) Under the conditions specified in paragraphs (b) below, a determination of qualification for Financial Assistance may be deferred for up to 60 days, for the purpose of requiring the Applicant to obtain and present evidence of ineligibility for

medical assistance programs or to verify that the services in question are not covered by insurance, or as set forth in section 3(b) below.

- b) If an Applicant for Financial Assistance, who meets the income guidelines and who is not covered under any state or federal program of medical assistance, meets any of the following criteria, qualification for the program shall be deferred:
- Age 65 or over
  - Blind
  - Disabled
  - A member of a family in which a child is deprived of parental support or care due to the following criteria and the individual's income is less than the guidelines.
  - Death of a parent;
  - Continued absence of the parent(s) from the home due to incarceration in a penal institution; confinement in general; chronic or specialized medical institution; deportation to a foreign country; divorce; desertion or mutual separation of parents; unwed parenthood; or
  - Unemployment of a parent who is the principal wage earner.
  - Individuals under 21 whose parental income is less than the guidelines.
  - Pregnant women whose income is less than the MaineCare pregnancy coverage income guidelines.
  - A child up to the age of one year who is born to a woman who meets any of the above criteria.
  - An individual between 18 and 65 years of age who does not meet any of the above, but who is a resident of the State of Maine and whose income meets eligible guidelines for MaineCare (Medicaid).
  - An individual between 18 and 26 years of age, who was in Maine Foster Care through the age of 18 years.
- c) If an individual does not meet any of the criteria specified at Section E(3)(b) above, but the facility is unable to determine the coverage of the individual and has a reasonable basis for believing that the individual may be covered by insurance or eligible for federal or state medical assistance programs, it may defer the determination concerning Financial Assistance until such coverage is determined or denied.
- d) If an individual with household income between 151%-225% FPL; requesting financial assistance, appears to meet the criteria above and does not cooperate in the completion of an application for state or federal assistance, the application for free care may be denied.
- e) The financial Assistance Unit at MGMC will be available to assist patients with completing applications for various assistance programs. Patients identified as needing help with

applications may be referred to a Financial Counselor or to a Kennebec Valley Access to Care Intake Specialist for assistance.

(4) Reasons for Deferral:

- a) When an application is deferred under paragraph 3 above, the Applicant shall be notified of the reasons for deferral.

- F. **BILLING AND COLLECTION:** A separate billing and collection policy is utilized to explain collection actions, including but not limited to extraordinary collection actions (ECA). The MGMC will not engage in ECAs until after notice and a reasonable effort to determine eligibility under this policy occurs. The MGMC will not conduct ECA within 120 days of the first post-discharge billing statement. See Policy RI-30.
- G. **DEVIATION:** In extenuating circumstances, MGMC may deviate from the above criteria, if in the best interest of the facility or patient, as determined by authorized MGMC personnel. Exceptions to the policy will be reviewed with the Revenue Cycle Director and the Chief Financial Officer prior to approval.
- H. **COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA):** MGMC will conduct a CHNA and adopt an implementation strategy at least once every three years. This report is available on the MGMC website and in paper upon request, without charge.

**V. POLICY ACCESSIBILITY:**

- Original approved MaineGeneral Health Policies are maintained in Administration at the ACH.
- Entities of MaineGeneral Health maintain and file policies specific to their areas in a designated Administrative area of their own.
- Copies of MGH policies are filed in the Health Sciences Library of the Thayer Center for Health (TCH), Waterville.
- Employees can access policies via the MaineGeneral Connect site.

**VI. POLICY APPLIES TO:**

- MaineGeneral Medical Center  
 MaineGeneral Rehabilitation & Long Term Care  
 MaineGeneral Community Care  
 MaineGeneral Health  
 All

**VII. CITATIONS/BEST PRACTICE REFERENCES:** N/A

**VIII. POLICY ATTACHMENTS:** (No Attachments)