

HMH CARRIER CLINIC

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Title: Financial Assistance Policy	Chapters: Fiscal
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References: Federal and state laws, regulations, guidelines and policies	Executive Signature: Vice President, CFO

INTRODUCTION:

In connection with its mission to promote the health of the community it serves, and subject to the availability of resources, HMH Carrier Clinic will from time to time provide Financial Assistance in the form of discounted or free care and services to uninsured or underinsured patients who are unable to pay for these healthcare services.¹ In order to do so, HMH Carrier Clinic has established this Financial Assistance Policy (FAP) to ensure that the decision to provide financial assistance is based upon uniform, objective criteria, and to ensure that processes and procedures exist for identifying and assisting patients who may be in need of such financial assistance.

PURPOSE:

To inform patients of the availability of financial assistance, provide an opportunity for patients to apply and qualify for financial assistance, and comply with IRC Section 501(r), which includes, in part, the following requirements:

1. Maintaining a Financial Assistance Policy,
2. Communicating availability of resources to patient's subject to this policy,
3. Making available all related documentation to this policy to patients at no charge,
4. Providing emergency medical care pursuant to EMTALA,
5. Setting limits on amounts billed to individuals eligible for financial assistance, and
6. Limiting extraordinary collection activity in advance of determination of an individual's eligibility for financial assistance

DEFINITIONS:

- "Financial Assistance" refers to financial assistance to uninsured or underinsured patients who may prove financial hardship for any deductible, co-pay, or balance not covered by

¹ Insured patients who are unable to meet any co-payment and deductible requirements are to be evaluated for a waiver of these obligations under the [Corporate Policy on Direct-to-Consumer Marketing and Patient Waivers of Co-payments and Deductible.](#)

their government or commercial insurance benefits, in which case they may qualify for financial assistance based on the patient's "available household resources" as compared to federal guidelines.

- "Uninsured" means the patient has no level of insurance or third party assistance to assist with meeting the patient's payment obligations.
- "Underinsured" means the patient has some level of insurance or third party assistance, but still has certain out of pocket expenses that may exceed the patient's financial obligations.
- "Available Household Resources, (AHR)" is the sum of all income and assets earned or held by the patient and all family relatives if the patient resides with an adult relative (that is, a relative by blood, marriage or adoption), such relative(s) shall be part of the patient's Household, and the income and assets of such relative(s), in addition to the patient's income and assets shall be included in the determination of total AHR, whether or not the patient is claimed as a dependent on that relative(s) income tax returns. Further details of the financial categories noted herein are described further in the Application for Financial Assistance.

POLICY:

1. Notice of Availability of Financial Assistance. HMH Carrier Clinic provides its patient's access to Financial Assistance subject to specific personal financial conditions and resources. All patients will be informed of the availability of Financial Assistance. This is accomplished via signs throughout the hospital campus and pertinent information on the HMH Carrier Clinic website; and during the admissions process or before discharge, the Plain Language Summary (PLS) of this policy is provided to the patient, family, and/or guarantor as practicable.

If after admission, the patient, family and/or the guarantor desires further details, they may obtain a copy of the Financial Assistance Policy and/or the Application for Financial Assistance by contacting a patient service representative, social service department representative, or after discharge, by contacting a patient services representative (908-281-1624), or may obtain such information on the HMH Carrier Clinic website: <https://carrierclinic.org/2019/08/09/carrier-clinics-financial-assistance-policy/>

2. Applicability. Financial Assistance pursuant to this Policy shall refer to financial assistance in the provision of medically-necessary health care services and supplies by employed Licensed Independent Practitioner (LIP's) of HMH Carrier Clinic to qualifying patients. Financial Assistance shall not apply to services rendered by non-employed physicians or other providers and suppliers who bill patients separately for their services and supplies at HMH Carrier Clinic. See Exhibit A – Listing of eligible and non-eligible providers at: <https://carrierclinic.org/2019/08/09/carrier-clinics-financial-assistance-policy/>.

3. Qualifying for Financial Assistance Any patient seeking Financial Assistance must fully

complete the *Application for Financial Assistance* (the “*Application*”), which includes providing relevant personal and family financial documentation as outlined in the *Application*. Decisions to consider qualification will be based on the total Available Household Resources (AHR) as compared to the United States Department of Health and Human Services Federal Poverty Guidelines (US DHHS FPG) on a sliding scale basis. AHR includes patient and family financial resources including: all sources of income, balances in checking, savings, investments and mutual fund accounts, and certain real estate, other than primary residence, as further defined in the *Application*. The *Application* further details the resources that will be considered in the evaluation and decision to provide Financial Assistance, which is solely based on information and documentation provided by the patient, family, or guarantor.

- Financial Assistance does not apply to any Somerset County resident who meets the criteria for medical indigence for the provision of inpatient and detoxification services and is eligible for Somerset County Chapter 51 funding grant with Carrier Clinic.

The patient and/or the patient’s guarantor (if applicable) will receive a written communication upon the review of the *Application* and supporting documentation within 45 days from receipt of the completed *Application* indicating the decision with respect to that *Application* and any further balances due. Questions on the outcome may be directed to the Director of Patient Financial Services (908-281-1526). The *Application* is available while at the hospital or on the HMH Carrier Clinic website at: <https://carrierclinic.org/2019/08/09/carrier-clinics-financial-assistance-policy/>

4. Financial Assistance Discount Percentage. The amount of approved Financial Assistance will be based on a sliding scale using the documented available household resources (AHR) and the US DHHS FPGs, as follows: HMH Carrier Clinic reserves the right to modify the criteria considered in reviewing Household income and assets upon notice consistent with this Policy.

2019 FINANCIAL ASSISTANCE PROGRAM (FAP)											
SLIDING SCALE PERCENTAGE REDUCTION											
FAMILY SIZE	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
1	37,470	34,972	32,474	29,976	27,478	24,980	22,482	19,984	17,486	14,988	12,490
	OR MORE	37,469	34,971	32,473	29,975	27,477	24,979	22,481	19,983	17,485	14,987
2	50,730	47,348	43,966	40,584	37,202	33,820	30,438	27,056	23,674	20,292	16,910
	OR MORE	50,729	47,347	43,965	40,583	37,201	33,819	30,437	27,055	23,673	20,291
3	63,990	59,724	55,458	51,192	46,926	42,660	38,394	34,128	29,862	25,596	21,330
	OR MORE	63,989	59,723	55,457	51,191	46,925	42,659	38,393	34,127	29,861	25,595
4	77,250	72,100	66,950	61,800	56,650	51,500	46,350	41,200	36,050	30,900	25,750
	OR MORE	77,249	72,099	66,949	61,799	56,649	51,499	46,349	41,199	36,049	30,899
5	90,510	84,476	78,442	72,408	66,374	60,340	54,306	48,272	42,238	36,204	30,170
	OR MORE	90,509	84,475	78,441	72,407	66,373	60,339	54,305	48,271	42,237	36,203
6	103,770	96,852	89,934	83,016	76,098	69,180	62,262	55,344	48,426	41,508	34,590
	OR MORE	103,769	96,851	89,933	83,015	76,097	69,179	62,261	55,343	48,425	41,507
7	117,030	109,228	101,426	93,624	85,822	78,020	70,218	62,416	54,614	46,812	39,010
	OR MORE	117,027	109,227	101,425	93,623	85,821	78,019	70,217	54,615	46,813	39,011
8	130,290	121,604	112,918	104,232	95,546	86,860	78,174	69,488	60,802	52,116	43,430
	OR MORE	130,289	121,603	112,917	104,231	95,545	86,859	78,173	69,487	60,801	52,115

5. Calculation of Amounts Generally Billed (AGB) and Amount Due. Individuals eligible for Financial Assistance will not be charged more for emergency or medically necessary care than the AGB to individuals who have insurance covering such care. The Discount Percentage will be applied to the AGB. The AGB is calculated utilizing the look-back method, based on the Medicare Inpatient Psychiatric Facility Prospective Payment System (IPF PPS) for psychiatric services and all insurances for addiction services as follows:

Psychiatric Services AGB percentages

a) Inpatient: 42.9%

b) Outpatient: 53.9%

Addiction services AGB% is 49.9%

After applying the AGB adjustment, the resulting amount is then subject to the applicable Discount Percentage described in paragraph (3) above. Any remaining balance after applying the Discount Percentage will be billed to the patient and/or guarantor.

6. Effect of Non-Payment: Balances remaining after the application of the Discount Percentage are subject to timely payment consistent with standard HMH Carrier Clinic billing and collection practices. Failure to pay the outstanding bill may be subject to various collection activities including referral to an outside collection agency. For further information, see **Billing and Collection Policy**, a copy of which is available at <https://carrierclinic.org/2019/08/09/carrier-clinics-financial-assistance-policy/>
7. Resource Limitation. A provision for Financial Assistance will be included in the annual budget as approved by the Board of Trustees .
8. Other Benefits Apply First. Patients may be eligible for Financial Assistance only after applicable insurance coverage and government assistance programs, including but not limited to Medicaid, have first been explored (and applied, to the extent available). Non-compliance with insurance policy guidelines (*i.e.*, appeals, referrals, and non-authorized services) or failure to pursue available government assistance programs may preclude Financial Assistance, as determined by HMH Carrier Clinic in its discretion.
9. Non-Discrimination. No patient will be denied Financial Assistance pursuant to this Policy on the basis of race, creed, nationality, origin, citizenship, or immigration status. Financial assistance will be provided to the patient and his or her financial guarantor who, after an individualized examination of circumstances surrounding ability to pay, is determined to be unable to pay all or a portion of billed services or out of pocket financial responsibilities.
10. All-Inclusive Policy. No Financial Assistance shall be provided by HMH Carrier Clinic to uninsured or underinsured patients outside the context of this policy.
11. EMTALA Obligations Not Affected. Notwithstanding the foregoing, HMH Carrier Clinic will provide, through its employed Licensed Independent Practitioners without discrimination, care for Emergency Medical Conditions (within the meaning of Section 1867 of

the Social Security Act (42 USC 1395dd)) to all individuals seeking such care, regardless of their ability to pay or their eligibility for financial assistance under this policy. See HMH Carrier Clinic's **EMTALA Policy**.

12. Translations. This policy and all related documents referenced herein and in the Billing and Collection policy have been translated into languages of the consumers identified in the organization's most current Community Health Needs Assessment report. These are available on request at no charge and at: <https://carrierclinic.org/2019/08/09/carrier-clinics-financial-assistance-policy/>

13. Policy Approved by Governance. This policy and all updates are reviewed and approved by organizational leadership and Board of Trustees.