

POLICY

SUBJECT: Financial Assistance

Date of Origin: 2/9/2016
Number: 953

Business: All Madonna Business Lines
System: Financial Management
Department: Patient Financial Services
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POLICY:

The purpose of the Madonna Rehabilitation Hospital (MRH) Financial Assistance Program is to provide services to indigent low income residents of our community who are uninsured or underinsured and do not have adequate financial resources to pay for necessary healthcare services provided by MRH.

PROCESS:

Eligibility Criteria

Patients who meet the following qualifications will be considered for financial assistance:

1. All inpatient hospital services, Transitional Care, Outpatients referred from the Madonna Rehabilitation Hospital Inpatient Programs and housing (applicable to inpatient only) as appropriate, shall be considered for inclusion under the Financial Assistance Program. Outpatients returning for follow-up clinics and assessments for brain injury, spinal cord injury, stroke and pediatrics shall be considered for inclusion under the Financial Assistance Program for clinical charges and housing. Long-term care nursing services and Outpatients from external referral sources are not covered by this program.
2. Patient meets the respective rehabilitation program admission criteria with good prognosis for recovery in a manageable timeframe.
3. Is a United States citizen.
4. Is a legal resident of the State of Nebraska.
Legal residents of contiguous states and children 0-18 years of age will be evaluated on a case by case basis.
5. Outpatients referred from the Madonna Rehabilitation Hospital Inpatient Program, 19 years and older shall be eligible for financial assistance for up to 60 visits provided they have a skilled rehabilitation need, have the ability to make significant functional progress in a reasonable time and meet the financial calculation requirement.
6. The amount of coverage provided to outpatient by financial assistance does not impact the number of visits. Examples:
 - a. Patient has no insurance and was approved for financial assistance to cover entire PT session = 1 visit

- b. Patient has insurance and financial assistance was approved to cover \$30 co-pay for PT session = 1 visit
 - c. The visit limitation resets each fiscal year
7. Outpatients referred from the Madonna Rehabilitation Hospital Inpatient Program, under the age of 19 shall be eligible for financial assistance provided they have a skilled rehabilitation need for acquired injuries that require the expertise of Madonna Rehabilitation Hospital, have the ability to make significant functional progress in a reasonable timeframe and meet the financial calculation requirement.
 8. Exceptions to funding and/or hospital services covered within this policy are at the discretion of the Vice President of Rehabilitation, the Vice President of Patient Care and/or delegated official.

Basis For Calculating Amounts Charged To Patients Amounts Generally Billed (AGB)

Madonna Rehabilitation Hospital limits the amount charged for medically necessary care provided to patients who are eligible for financial assistance under this policy to not more than gross charges for the care multiplied by the AGB percentage. The AGB percentage is determined using the look-back method, calculated annually. The percentages are determined by utilizing the sum of all claims paid by Medicare fee for service and all private health insurers divided by the sum of the gross charges for these claims. See Exhibit A for the most current AGB percentages. The AGB percentage is calculated at each service level.

Method For Applying For Financial Assistance

1. Financial counseling or screening for financial assistance eligibility is available from Patient Financial Services.
2. The patient may request the Financial Assistance Application in person, over the phone, by mail or by accessing the electronic version via the Madonna Rehabilitation Hospital website.
3. Madonna Rehabilitation Hospital staff may initiate the application on behalf of the patient under circumstances where the patient may be unable to complete the application. It is ultimately the patient or patient representative's responsibility to request and provide the accurate information.
4. In order to process the Financial Assistance Application, verification of income must accompany Financial Assistance Request Forms, please provide the following:
 - a. Federal tax return including W-2(s)
 - b. Payroll stubs for last 2 months
 - c. Bank statements for the current month and/or other income verification
5. Additional information will be needed from the patient to substantiate the following:

- a. Household information
- b. Size of household
- c. Dependents
- d. Physical Address
- e. Monthly Income
- f. Monthly Expenses
- g. Total Assets
- h. Total Liabilities

Presumptive Financial Assistance Eligibility

The hospital facility may use information obtained from sources other than an individual seeking financial assistance to presumptively determine that the individual is eligible. Examples are expired patients with no estate, homeless patients, accounts returned from collections for lack of collectability, and bankruptcy.

Collection Process

1. In all instances, the hospital will make every effort to work with the patient/guarantor to determine an equitable payment schedule following established guidelines with consideration of the patients' financial and medical circumstances.
2. Patients are not sent for outside collections prior to receiving multiple notices regarding the availability of financial assistance and adequate time in which to apply for assistance. Prior to accounts being listed for collections, the Patient Financial Services billing and collection process will be completed, the patient's record reviewed to verify reasonable efforts were taken to ensure that financial assistance was offered if appropriate based upon established guidelines. Collection agencies will be directed to follow MRH's guidelines regarding collection.
3. Legal Action, including the garnishment of wages, may be taken by MRH if there is evidence that the patient or responsible party has income and/or assets to meet his or her obligation. Legal action will be taken by MRH in situations where the patient or responsible party is not cooperative in providing documentation regarding income and/or assets.
4. MRH will not force the sale or foreclosure of a patient's primary residence to pay an outstanding medical bill.

List Of Providers That Are Covered By This Policy

See Exhibit B

DEFINITIONS:

Bad Debt: Expenses resulting from treatment for services provided to a patient and/or guarantor who, having the requisite financial resources to pay for health care services, has demonstrated by his/her actions an unwillingness to comply with the contractual arrangements to resolve a bill.

Financial Assistance: Providing inpatient and outpatient medical treatment, diagnostic services and other approved services, according to established hospital guidelines, to uninsured or underinsured patients who cannot afford to pay for the care.

1. Uninsured/underinsured patients who do not have the ability to pay based on established criteria;
2. Insured/underinsured patients whose coverage is inadequate to cover a catastrophic situation;
3. Patients whose income is sufficient to pay for basic living costs but not medical care, and also those patients with generally adequate incomes who are suddenly faced with catastrophically large medical bills;
4. Patients who demonstrate ability to pay part but not all of their liability.

Financial assistance does not include bad debt or contractual shortfalls from government programs, but may include insurance co-payments, deductibles or both.

Medical Necessity: An individual who has a rehabilitation need and the ability to make significant functional progress in a reasonable time.

Nebraska Resident: An individual who is of legal age or is an emancipated minor and shall have established a home in Nebraska where he or she is habitually present for a period of at least one hundred and eighty days, with the bona fide intention of making this state his or her permanent residence, supported by documentary proof. An extension of this definition includes:

1. The parents, parent or guardian having custody of a minor seeking financial assistance shall have established a home in Nebraska where such parents, parent, or guardian are/is habitually present for a period of at least one hundred and eighty days, with the bona fide intention of such parents, parent or guardian to make this state their his or her permanent residence, supported by documentary proof; or
2. A nonresident of Nebraska prior to marriage, and marries a person who has established a home in Nebraska where he or she is habitually present for a period of at least one hundred and eighty days, with the bona fide intention of

making this state his or her permanent residence, supported by documentary proof.

Presumptive Assistance: Determination of financial assistance eligibility when there is no financial assistance form on file because documentation was lacking that would support the provision for financial assistance; however, there is adequate information provided by the patient or through other resources to provide sufficient evidence to determine eligibility for financial assistance.

Uninsured/Underinsured: Those individuals who have no health insurance or other source of third party coverage (or insufficient coverage), which would apply to the services for which the individual sought treatment, when this is due to the lack of sufficient financial resources to pay for health care services as determined by MRH financial eligibility guidelines.

Visit: A daily, discipline-specific treatment session/s. Disciplines include neuropsychology, physical therapy, occupational therapy and speech therapy.

Example: Patient has PT twice in one day = 1 visit

 Patient has PT and OT in one day = 2 visits

Exhibit A

AGB Percentages

Amounts Generally Billed are equal to charges multiplied by the percentages below for each patient service area.

	FY 2017
Madonna Rehabilitation Hospital - Lincoln	60.58%
Transitional Care Unit	39.16%
Outpatient Services	51.03%
Madonna Rehabilitation Specialty Hospital - Lincoln	51.01%
Madonna Rehabilitation Specialty Hospital – Omaha	50.00%

Exhibit B

List of providers that are covered by this policy:

Madonna Rehabilitation Hospital - Lincoln
Madonna Rehabilitation Specialty Hospital - Lincoln
Madonna Rehabilitation Hospital - Omaha
Madonna Rehabilitation Specialty Hospital - Omaha
Rehabilitation Specialists

SIGNATURES:

Business or System Leader:

Senior Vice President & CFO

Title

Victor Witkowicz

Signature

2/15/2016

Date

Author:

Director, Patient Financial Services

Title

Terri Melvin

Signature

06/29/2017

Date