

**McCone County Health Center
605 Sullivan Avenue
Circle, Montana 59215**

Department:

**Critical Access Hospital
Rural Health Clinic**

Policy: Financial Assistance

Revision Dates: 2/7/2025, 2/7/2024, 2/3/2023

Approval Date:

PURPOSE:

McCone County Health Center (MCHC) is committed to providing access to emergency and medically necessary affordable healthcare services to all patients regardless of their ability to pay. MCHC intends, with this policy, to establish a process for use in circumstances in which Financial Assistance, compliant with all federal, state, and local laws shall be offered to those receiving services. The policy addresses:

- Patient Notification of Financial Assistance
- Financial Assistance Eligibility Criteria
- Instructions for Applying for Financial Assistance
- Determination and Patient Notification
- The method of calculating amounts charged to individuals who qualify for assistance under this policy
- Measures to widely publicize the policy

RESPONSIBILITY:

The Office Manager is responsible for instituting and managing the policy.

SCOPE:

- This policy applies to all emergency and medically necessary inpatient and outpatient services provided to patients who qualify for Financial Assistance in accordance with the terms and conditions listed in this policy. For these purposes, the policy also covers the rendering of professional services by eligible physicians and other practitioners employed or contracted by MCHC for hospital services performed, as listed on Appendix C of this policy. Any other physicians or practitioners of care at MCHC are not subject to this policy and each patient will be responsible for satisfaction or resolution of any bills issued by such physicians or practitioners for their professional services.
- MCHC will provide health care services to individuals that are in need of emergency or medically necessary care, regardless of the ability of the patient to pay for such

services and regardless of whether such patients may qualify for Financial Assistance under this policy.

- MCHC will not engage in any actions that discourage individuals from seeking emergency medical care, such as by demanding that emergency department patients pay before receiving treatment or by permitting debt collection activities in the emergency department or other areas where such activities could interfere with the provision of emergency care on a non-discriminatory basis.
- Any services that are deemed as not medically necessary are not eligible for Financial Assistance.

DEFINITIONS:

1. **Medically Necessary Health Care Services:** Emergency medical services provided in an emergency setting, services for which, if not promptly treated, would lead to an adverse change in the health status of an individual. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting, and medically necessary services, evaluated on a case-by-case basis at MCHC's discretion. Appendix C of this policy includes a listing of eligible and non-eligible services, physicians, and practitioners.
2. **Amounts Generally Billed (AGB):** Amounts Generally Billed (AGB) means the amounts generally billed for emergency or other medically necessary care to individuals who have insurance covering such care. AGB percentage is determined annually by using a 12 month measurement period utilizing the look back method. The AGB percentage is calculated by all hospital claims allowed by Medicare and all private health insurers divided by gross charges for those claims. The measurement period is July 1 through June 30 of each year and the start date for the new calculation will be October 1 of each year which is within the 120 day requirement. Currently, the AGB percentage for MCHC does not need to be calculated annually, since patients approved for financial assistance pay 0% of their financial responsibility for eligible hospital, physician, and practitioner services, which is clearly less than the amounts generally billed to individuals who have insurance covering such care.
3. **Completed Application:** A completed Financial Assistance Application (FAA) form, signed and dated, and supporting proof of income.
4. **Eligibility Period:** The period during which MCHC will accept and process FAAs. This period shall be from the date of service until 240 days after MCHC provides the patient with the first billing statement for the care provided.
5. **Extraordinary Collection Actions:** Those actions that MCHC may take in the event of nonpayment following the expiration of the notification period. These may include referral to an external collection agency, the reporting of adverse information about the individual to consumer credit reporting agencies or credit bureaus, garnishment of an individual's wages, and/or commencement of a legal civil action against an individual.
6. **Financial Assistance:** Full reduction in charges to patients for emergency or Medically Necessary Health Care Services, in the case of patients who have qualified for Financial Assistance or are presumptively eligible as those terms are defined in this policy. Financial Assistance does not include contractual shortfalls from government programs, but may include insurance co-payments, deductibles, or both.
7. **Notification Period:** The period during which MCHC will make every reasonable effort to inform the patient of the availability of financial assistance under this policy prior to initiating extraordinary collection actions. This period will be from the date of service

until 120 days after MCHC provides the patient with the first billing statement for the care provided.

8. **Patient(s):** The person who MCHC provides services and/or the person who is legally responsible for payment for such services.
9. **Dual Eligible:** Medicare beneficiaries who receive Medicaid assistance, including those who receive the full range of Medicaid benefits and those who are Qualified Medicare Beneficiaries (QMB), Specified Low Income Medicare Beneficiaries (SLMB), and Qualifying Individuals (QI).
10. **Presumptively Eligible:** There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. There might be adequate information provided by the patient through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, MCHC could use outside agencies in determining estimated income amounts for the basis of determining charity care eligibility and potential discount amounts. Presumptive eligibility may be determined based on individual life circumstances that may include:
 - a. Homeless
 - b. State funded Prescription Programs
 - c. Participation in Women, Infant, and Children Program (WIC)
 - d. Supplemental Nutrition Program (SNAP) eligibility
 - e. Subsidized school lunch program eligibility
 - f. Deceased with no estate
 - g. Mentally incapacitated with no one to act on his or her behalf
 - h. Medicaid eligible, but not on the date of service or for non-covered services
 - i. Dual Eligible: Medicare beneficiaries who receive Medicaid assistance; including those who receive the full range of Medicaid benefits and those who are Qualified Medicare Beneficiaries (QMB), Specified Low Income Medicare Beneficiaries (SLMB), and Qualifying Individuals (QI). Discount dependent on level of Medicaid coverage in relation to current discount scale.
 - j. Enrolled in one or more governmental programs for low-income individuals having eligibility criteria
 - k. Incarceration in a penal institution

POLICY:

1. **Patient Notification:** MCHC will make all reasonable efforts to notify a patient regarding the availability of Financial Assistance under this policy by:
 - a. Attempting to determine whether a patient has third-party coverage for any part of the emergency or Medically Necessary Health Care service provided.
 - i. If a patient does not have third-party coverage, the Office Manager may contact patients to determine if they qualify for third party funding.
 - ii. If a patient does not have or qualify for third party funding the Office Manager will explain the FAP, provide an Application for Financial Assistance, and provide assistance with

completing the Application, if desired.

- b. Offering the patient, a plain language summary of the Financial Assistance available under this policy at the time of admission or before discharge from MCHC.
 - c. Providing the information during the Notification Period about the availability of Financial Assistance on or with at least three (3) billing statements and all other written communications to the patient.
 - d. Informing patients during the Notification Period about the availability of Financial Assistance during oral inquiries regarding the amount due for the care that occurred.
 - e. Providing the patient with at least one written notice informing the patient about the Extraordinary Collection Actions that MCHC may take if the patient does not submit an Application for Financial Assistance or pay the amount due by at least thirty days following the date of the notice. The notice will not be mailed or delivered to a patient prior to the end of the Notification Period giving the patient 30 days to respond.
 - f. MCHC will not engage in any Extraordinary Collection Actions against a patient until such time as it determines the patient's eligibility for Financial Assistance under this policy during the 120 day Notification Period and has provided the patient with the notice as described above.
- 2. Patient Eligibility Criteria:** Financial Assistance will be given for emergency or Medically Necessary Health Care services to patients who qualify based on information provided via the Application for Financial Assistance or to patients who have been determined to be Presumptively Eligible. In addition, Financial Assistance may be provided in other circumstances on a case-by-case basis as determined by MCHC.
- a. The Office Manager will oversee the financial assistance application process. Financial Assistance under this policy is a resource of last resort and is provided to patients who are uninsured, or underinsured, and are unable to pay for their care based upon a determination of financial need in accordance with this Policy. Determination of eligibility of a patient for Financial Assistance shall be applied regardless of the source of referral and without discrimination as to race, color, creed, national origin, age, handicap status, or marital status. If a patient provides information that is inaccurate or misleading, the patient may be deemed ineligible for Financial Assistance and, accordingly, may be expected to pay their bill in full.
 - b. Patients desiring consideration under the MCHC FAP must apply for Financial Assistance and are fully required to complete MCHC's Application for Financial Assistance and to disclose the required financial information. It is preferred, but not required, that a request for charity and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be made at a later point in the collection cycle.
 - i. Exceptions:
 - 1. If a patient has been determined to be Presumptively Eligible for Financial Assistance under this policy.
 - ii. Application for Financial Assistance can be obtained from the following locations:

1. Call (406) 485-3381 to request a copy be mailed
 2. Website at www.mcconehealth.org; or
 3. In person at MCHC's Critical Access Hospital (CAH) Business Office, McCone County Rural Health Clinic or Emergency Room located at 605 Sullivan Avenue in Circle, MT.
- iii. Patients needing assistance for completing the Application for Financial Assistance should contact MCHC's Office Manager at:
1. (406) 485-3381
 2. e-mail bloudon@mcconehealth.org; or
 3. In person at MCHC's CAH Business Office located at 605 Sullivan Avenue in Circle, MT.
- iv. Patients seeking Financial Assistance under this policy may be required to apply and may request assistance in applying for Medicaid or other government programs prior to submitting an Application for Financial Assistance or as soon as it is identified that the patient may be eligible for another program.
- v. Completed applications for Financial Assistance must be returned during the Eligibility Period in any of the following ways:
1. In person at the MCHC CAH Business Office located at 605 Sullivan Avenue in Circle, MT; or
 2. Mail to MCHC, Attention: Office Manager, PO Box 48, Circle, MT 59215.

3. Patient Application Process:

- a. **Completed Applications:** If MCHC receives a completed Application for Financial Assistance during the Eligibility Period, MCHC will suspend any Extraordinary Collection Actions that may be in effect for no more than 30 days. The application must be complete and be accompanied by the following types of documentation:
 - i. Most recent IRS tax return with all schedules of the individual/household, and any additional tax return where the individual is claimed as a dependent, any operating note, K-1, or other documentation to be used to identify an applicant's income.
 - ii. Paystubs or proof of other monthly income sources for the last 90 days. This could include, but is not limited to, Social Security Income and Pension Benefits.
 - iii. Failure to provide this information may result in the denial of Financial Assistance under this policy.
 - iv. MCHC may not deny patient assistance under this policy for the failure to provide information that was not required to be submitted in either this policy or the Application for Financial Assistance.
 - v. Communal living organizations tax returns.
- b. **Incomplete Applications:**

- i. Provide the patient with a written notice that:
 - 1. Informs the patient about the Extraordinary Collection Actions that MCHC may initiate or resume if the Application for Financial Assistance is not completed; and
 - 2. Allows the patient 30 days to respond to the written notice.
 - ii. If after the written notice as provided above, the patient fails to complete the Application for Financial Assistance within 30 days, MCHC may initiate or resume Extraordinary Collection Actions.
- 4. **Patient Notification of Determination:** The patient shall be notified of the determination within thirty (30) working days of receipt of the completed application and MCHC will suspend any Extraordinary Collection Actions for at least 30 days. The notification will include the following:
 - a. If approved for Financial Assistance under the provision of this policy:
 - i. Discount gross charges as described in the “Method of Charging” section of this policy.
 - ii. Refund any excess payments made by the individual if necessary.
 - iii. Take all reasonably available measures to reverse any Extraordinary Collection Actions that occur.
 - iv. MCHC management reserves the right, in its discretion, to re-determine a patient’s eligibility for Financial Assistance based on changed circumstances, or changes in the terms or conditions of this policy.
 - b. If not approved for Financial Assistance under the provision of this policy:
 - i. Provide the patient with instructions on how to set up a payment plan and deadline to avoid MCHC from initiating any Extraordinary Collection Actions.
 - ii. Provide the patient with a written notice of the Extraordinary Collection Actions MCHC may take or resume in the event of non-payment of the amount(s) owing.
 - iii. Include instructions for appeal or reconsideration.
- 5. **Method of Charging:** All patients are billed gross charges. Gross charges are discounted based on income levels, dual eligibility, and the medical necessity of the service. Therefore, gross charges are used as a starting point to calculate discounts to those eligible for financial assistance. If a patient is determined to qualify for Financial Assistance under this policy, the patient’s billed charges that qualify for financial assistance will be 100% written off, so the patient will never be charged more than the same Amounts Generally Billed (AGB) for emergency or other Medically Necessary Health Care Services as patients who have insurance coverage. The calculation for AGB is defined above in the definition section of this policy and the percentage is noted on Appendix B of this policy.
- 6. **Financial Assistance Free Care:**
 - a. Federal Poverty Guidelines:
 - i. The Patient’s annual household income is compared to the most current published “Annual Update of the HHS Poverty

Guidelines” that are in effect. MCHC’s gross charges for medically necessary inpatient and outpatient services will be free if household income is at or below 200% of the poverty guidelines as shown in Appendix A, and if there is no other source of payment.

- ii. The Poverty Guideline can be found at <http://aspe.hhs.gov/poverty> and is updated annually at the beginning of each calendar year when the government poverty guideline is updated.

7. Collection Practices: MCHC’s management shall develop policies and procedures for internal and external collection practices which include the following:

- a. Actions may be taken in the event of nonpayment (i.e., collections action and reporting to credit agencies).
- b. Take into account the extent to which the patient qualifies for charity.
- c. A patient’s good faith effort to apply for a governmental program or for financial assistance from MCHC.
- d. MCHC will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for financial assistance under this FAP. Reasonable efforts shall include:
 - i. Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital.
 - ii. Documentation that MCHC has offered or has attempted to offer the patient the opportunity to apply for financial assistance pursuant to this policy and that the patient has not complied with the hospital’s application requirements.
- e. In implementing this Policy, MCHC’s management shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.

8. Appealing A Financial Assistance Determination: The patient may appeal a denial of eligibility for Financial Assistance by providing additional verification of income, medical debt, or family size to the MCHC Office Manager within 30 calendar days of receipt of notification. The Office Manager will review all appeals for a final determination. Written notification of the final determination will be sent to the patient.

9. Community Notification:

- a. This policy, Application for Financial Assistance form, a plain language summary of the policy, and any notices or publications regarding the policy will be made available on MCHC’s website in pdf form in English and in any other language spoken by the lesser of 1,000 or 5% of the residents of the community served by the MCHC as determined using the most current data published by the Census Bureau.
- b. This policy, Application for Financial Assistance form and plain language summary shall be available upon request, without charge from the Office Manager in the MCHC Business Office, McCone County Rural Health Clinic or Emergency Department, and by mail.

- c. A plain language summary shall be conspicuously displayed in MCHC patient waiting areas, Emergency Department, and in the Patient Accounts Department in a manner that is calculated to attract visitor's attention.
- d. A plain language summary of this policy will be offered to all patients upon admission or discharge at MCHC.
- e. A plain language summary and financial assistance application is included with patient billing statements.
- f. MCHC will provide the plain language summary of the policy to local service organizations to ensure those that are most likely to require Financial Assistance are aware of MCHC's policy.
- g. Discuss Financial Assistance with patients when they call about their bill.
- h. Contact information for the Office Manager can be found in the Application for Financial Assistance form on the hospital website www.mcconehealth.org.

Appendix A

Federal Poverty Guidelines

Federal Poverty Guidelines ("FPG") are published annually in the Federal Register by the U.S. Department of Health and Human Services. This information is available online at <http://aspe.hhs.gov/poverty>.

This table is applicable for Calendar Year 2025.

Family Size	100% of FPG	200% of FPG
1	\$15,650	\$31,300
2	\$21,150	\$42,300
3	\$26,650	\$53,300
4	\$32,150	\$64,300
5	\$37,650	\$75,300
6	\$43,150	\$86,300
7	\$48,650	\$97,300
8	\$54,150	\$108,300
For each additional person, add:	\$5,500	\$11,000

Appendix B

Amounts Generally Billed Calculation

An individual who qualifies for a Financial Assistance discount will not be required to pay more for emergency medical conditions and other medically necessary care than the amounts generally billed to individuals who have insurance covering such care (the "AGB percentage").

MCHC uses the "look-back method", as described in Reg. 1.501(r)-5(b)(3). The AGB calculation is based on the total composite Medicare and all private insurance paid claims. The AGB Limit is calculated by dividing the sum of the allowed claims and the remaining patient responsibility (including co-pays, co-insurance and deductibles) by the gross charges related to those claims. The calculation will be for the 12-month period from July 1 to June 30 of each year and will include all allowed claims during that period. The start date for the new calculation will be October 1st of each year.

Currently, the AGB percentage for MCHC does not need to be calculated annually, since patients approved for financial assistance pay 0% of their financial responsibility for eligible hospital, physician, and practitioner services, which is clearly less than the amounts generally billed to individuals who have insurance covering such care.

Appendix C

Providers and Services Eligible for Financial Assistance Program

Financial Assistance Policy (FAP) - Providers that operate within MCHC	
<p><u>Eligible for FAP</u></p> <ul style="list-style-type: none"> • McCone County Health Center and their Physicians, Nurse Practitioners, and Physician Assistants for Critical Access Hospital services 	<p><u>Not Eligible for FAP</u></p> <ul style="list-style-type: none"> • McCone County Rural Health Clinic Physicians, Nurse Practitioners, and Physician Assistants for Clinic services • Telemedicine/telehealth providers from other organizations • Radiologist
Financial Assistance Policy (FAP) - Services	
<p><u>Eligible for FAP</u></p> <ul style="list-style-type: none"> • Emergency medical services • Non-elective services • Medically necessary services, evaluated on a case by case basis 	<p><u>Not Eligible for FAP</u></p> <ul style="list-style-type: none"> • Swing Bed long-term care services • McCone County Rural Health Clinic services • Non-medical services such as vocational and social services • Elective, cosmetic, or experimental services • Nonemergent services a patient can get in their own county • Durable Medical Equipment • Health Fair Tests • Screenings • Telemedicine/telehealth services • Radiologist professional services • Physical Therapy

Appendix D

Billing and Collection Practices

MCHC and its agents take the following actions to encourage individuals to pay their bills.

- The first billing statement is sent at the beginning of the month following discharge or service completion. A Financial Assistance Application is included with each statement that is sent.
- Approximately 30 days later, a second billing statement is sent.
- Approximately 30 days later, a third billing statement is sent.
- Approximately 30 days later, a final demand letter is sent stating that if the account is not paid for in 30 days it will be sent to a collection agency.
- Approximately 30 days later, the account may be sent to a collection agency.
- A collection agency may report an account to a credit bureau.
- A collection agency may commence a lawsuit after receiving written authorization from a MCHC representative.

It is the Office Manager's responsibility to determine that MCHC has made reasonable efforts to determine an individual's eligibility for Financial Assistance free care and may, therefore, initiate extraordinary collection actions.