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| Departmental: Patient Accounting | | |
| Policy Number: 910.005 | Date Issued: 01/2017 | Includes a Protocol: No |
| Subject: Financial Assistance Policy | | |
| Attachment: none | | |

Policy:

Franciscan Healthcare (FH) is committed to providing necessary medical services to all patients regardless of their age, sex, race, religion, national origin, or ability to pay. This Financial Assistance Policy is intended to comply with Section 501(r) of the Internal Revenue Code and shall be interpreted and applied in accordance with such regulations. This policy applies to all FH billings (hospital and clinics).

I. ELIGIBILITY FOR FINANCIAL ASSISTANCE

A. General Eligibility

Eligibility for financial assistance will be considered for those patients who are uninsured, underinsured, ineligible for any government health care benefit program and who are unable to pay for their care based upon a determination of financial need in accordance with this policy. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation. When a patient's circumstances do not satisfy the particular requirements for financial assistance under this policy, a patient may still be able to obtain financial assistance. These situations will be evaluated on a case by case basis based on the patient specific circumstances, such as catastrophic illness, or medical indigence, at the discretion of FH.

B. Categories of Care Eligible for Financial Assistance

This financial assistance policy provides guidelines for financial assistance to individual patients receiving emergency and other non-elective medically necessary services based on financial need. Cosmetic procedures are not eligible for financial assistance under this policy.

II. COVERED PROVIDERS

Care provided by FH and its employed physicians and practitioners is covered by this policy.

Care provided by independent community physicians and other independent service providers is not subject to this policy. Patients should contact these other providers to determine whether care is eligible for financial assistance.

Patients may obtain a current list of providers who are and are not subject to this policy at no charge by contacting the Patient Financial Counselor at 430 N Monitor St, West Point, NE 68788 or calling 402-372-4029 or visiting <https://franhealth.org/patients-visitors/patient-financial-information.html>.

III. LIMITATION ON CHARGES & CALCULATION OF AMOUNT OWED

Patients who are deemed to be eligible for financial assistance under this policy will not be charged for care covered by this policy more than Amounts Generally Billed by FH to individuals who have health insurance covering such care. Discounts granted to eligible patients under this policy will be taken from gross charges.

A. Calculation of Amounts Generally Billed

The "Amount Generally Billed" or "AGB" is the amount FH generally bills to insured patients. FH determines its AGB utilizing the method detailed below.

FH utilizes the look-back method to establish its AGB and AGB Percentage. The AGB is FH's gross charges multiplied by the AGB Percentage. Patient's may obtain FH's most current AGB Percentage and a description of the calculation in writing free of charge by visiting FH's Patient Financial Counselor at 430 N Monitor St, West Point, NE 68788, the emergency room front desk or the admissions desk, by calling 402-372-4029 or by visiting <https://franhealth.org/patients-visitors/patient-financial-information.html>.

FH calculates its AGB Percentage on an annual basis. For purposes of this policy, each new AGB Percentage will be implemented within 120 days of the 12-month period used by FH to calculate the AGB Percentage.

B. Amount of Financial Assistance/Discount

Financial assistance is generally determined by a sliding scale of total household income based on federal poverty guidelines. When total household income is less than 100% of the federal poverty guideline, a 100% discount from gross charges applies. When total household income is between 100% and 200% of the federal poverty guideline, a partial discount applies. See Schedule A for the Financial Assistance Guidelines. Please note that the amounts within Schedule A are updated annually based upon federal poverty guidelines published in the Federal Register.

If financial assistance provided to the patient results in a charge of greater than AGB, the patient shall be provided additional financial assistance such that the patient is not personally responsible for more than AGB. In determining whether an eligible patient has been charged more than AGB, FH considers only

those amounts that are the personal obligation of the patient. Amounts received from third party payors are not considered charged or collected from the patient.

IV. APPLICATION PROCESS & DETERMINATION

Patients who believe they may qualify for financial assistance under this policy are required to submit an application on FH's financial assistance application form during the Application Period. Completed applications must be returned to Franciscan Healthcare, ATTN: Patient Financial Counselor, 430 N Monitor St, West Point, NE 68788.

For purposes of this policy, the "Application Period" begins on the date care is provided to the patient and ends on the later of (i) the 240th day after the date the first post-discharge (whether inpatient or outpatient) billing statement is provided to the patient OR (ii) not less than 30 days after the date FH provides the patient the requisite final notice to commence extraordinary collection actions ("ECAs").

Patients may obtain a copy of this policy, a plain language summary of this policy, and a financial assistance application free of charge (i) by mail by calling 402-372-4029, (ii) by email (upon patient election) by emailing billing@franhealth.org, (iii) by download from <https://franhealth.org/patients-visitors/patient-financial-information.html> or (iv) in person at (a) the emergency room, (b) any admission areas, or (c) from Patient Financial Counselor at 430 N Monitor St, West Point, NE 68788.

A. Completed Applications

Upon receipt, FH will suspend any ECAs taken against the patient and process, review and make a determination on completed financial assistance applications submitted during the Application Period as set forth below. FH may, in its own discretion, accept complete financial assistance applications submitted after the Application Period.

Determination of eligibility for financial assistance shall be made by the following individual(s):

| <u>Potential Write-off Amount</u> | <u>Approval Authority</u> |
|-----------------------------------|----------------------------|
| \$0.00 - \$500 | Patient Accounting Manager |
| \$501 - \$3,000 | CFO |
| \$3,001- & Above | CFO and CEO |

Unless otherwise delayed as set forth herein, such determination shall be made within 30 days of submission of a timely completed application. Patients will be notified of FH's determination as set forth in the Billing and Collection provisions detailed in the separate Billing and Collection Policy #910.006.

To be considered "complete" a financial assistance application must provide all information requested on the form and in the instructions to the form.

FH will not consider an application incomplete or deny financial assistance based upon the failure to provide any information that was not requested in the application or accompanying instructions. FH may take into account in its determination (and in determining whether the patient's application is complete) information provided by the patient other than in the application.

For questions and/or assistance with filling out a financial assistance application, the patient may contact the Patient Financial Counselor at Franciscan Healthcare at billing@franhealth.org or 402.372.4029.

B. Incomplete Applications

Incomplete applications will not be processed by FH. If a patient submits an incomplete application, FH will suspend ECAs and provide the patient with written notice setting forth the additional information or documentation required to complete the application. The written notice will include the contact information of the Patient Financial Counselor (telephone number and physical location of the office). The notice will provide the patient with at least 15 days to provide the required information; provided, however, that if the patient submits a completed application prior to the end of the Application Period, FH will accept and process the application as complete.

C. Presumptive Eligibility

Presumptive eligibility may be determined in certain situations based on the approval of FH's management and on the basis of individual life circumstances. Individuals who are uninsured and are represented by one or more of the following may be considered eligible for the most generous financial assistance in the absence of a completed Financial Assistance Application Form:

- Individual is homeless;
- Individual is deceased and has no known estate able to pay hospital debts; and
- Individual is currently eligible for Medicaid, but was not at the date of the service.

For any individual presumed to be eligible for financial assistance in accordance with this policy, the same actions described throughout this policy would apply as if the individual had submitted a completed Financial Application Assistance Form.

D. Financial Assistance Disqualification

Disqualification before or after financial assistance has been granted may be for reasons that include, but not limited to one of the following:

1. Information Falsification: Financial assistance will be denied to the patient if the patient or responsible party provides false information, and
2. Third Party Settlement: Financial assistance will be denied if the patient received a third party financial settlement associated with the care received at FH. The patient is expected to use the settlement amount to satisfy any patient account balance.

V. COLLECTION ACTIONS

For further information on the actions FH may take in the event of non-payment, please see FH's Billing and Collection Policy, Policy #910.006. Patients may obtain the Billing and Collection Policy free of charge (i) by contacting the Patient Financial Counselor at email: billing@franhealth.org or at 402-372-4029, (ii) by request in person at patient financial services, the emergency room front desk or the admissions desk, or (iii) by download at <https://franhealth.org/patients-visitors/patient-financial-information.html>.

VI. EMERGENCY MEDICAL CARE

Emergency medical treatment will be provided without regard to ability to pay and regardless whether the patient qualifies for financial assistance under the financial assistance policy, See Policy #600.137. FH will not take any action that may interfere with the provision of emergency medical treatment, for example, by demanding payment prior to receiving treatment for emergency medical conditions or permitting debt collection activities that interfere with the provision of emergency medical care in the emergency department. Emergency medical treatment will be provided in accordance with FH policies governing and implementing the Emergency Medical Treatment and Active Labor Act.

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2023 Poverty guidelines

| Size of household | 2023 | 100% | 80% | 60% | 40% | 20% |
|-------------------|-----------|-----------|-----------|-----------|-----------|------------|
| 1 | 14,580.00 | 14,580.00 | 18,225.00 | 21,870.00 | 25,515.00 | 29,160.00 |
| 2 | 19,720.00 | 19,720.00 | 24,650.00 | 29,580.00 | 34,510.00 | 39,440.00 |
| 3 | 24,860.00 | 24,860.00 | 31,075.00 | 37,290.00 | 43,505.00 | 49,720.00 |
| 4 | 30,000.00 | 30,000.00 | 37,500.00 | 45,000.00 | 52,500.00 | 60,000.00 |
| 5 | 35,140.00 | 35,140.00 | 43,925.00 | 52,710.00 | 61,495.00 | 70,280.00 |
| 6 | 40,280.00 | 40,280.00 | 50,350.00 | 60,420.00 | 70,490.00 | 80,560.00 |
| 7 | 45,420.00 | 45,420.00 | 56,775.00 | 68,130.00 | 79,485.00 | 90,840.00 |
| 8 | 50,560.00 | 50,560.00 | 63,200.00 | 75,840.00 | 88,480.00 | 101,120.00 |

Source: Based on the 2023 Federal Poverty Guidelines (FPG)