



**Patient Financial  
Services' Financial  
Assistance Policy**

**Departments:** Billing,  
Patient Accounts,  
Registrations

**Subject:** Patient Financial  
Assistance

Policy:

It is CarolinaEast Medical Center policy to provide financial assistance to all patients and financially responsible parties in a professional, compassionate and equitable manner. The Medical Center is committed to helping patients by providing dedicated Financial Counselors and onsite Department of Social Service (DSS) Workers. The method for applying for financial assistance may be made verbally or in writing by the patient or initiated by Medical Center staff. A written application may be required for Medicaid assistance and charity. The Medical Center shall publicize its financial assistance services and standard charges by providing financial assistance handouts to patients at time of registration, providing information on our website and patient bills and by publicizing in local media.

The Medical Center and its agents shall refrain from extraordinary collection actions before making reasonable efforts to determine whether a patient qualifies for financial assistance.

The Medical Center shall provide, without discrimination care for emergency medical conditions (within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd)) to individuals regardless of their eligibility under this financial assistance policy or their inability to pay for services.

It is policy to support patients with the following financial assistance. All Medical Center patients qualify unless otherwise noted. *This policy does not apply to physician offices.*

- Financial Counseling
- Insurance Claims - CarolinaEast will file insurance carriers on behalf of patients.
- Charge Discount - only self pay patients without medical insurance benefits qualify
- Eligibility screening and application assistance for Medicaid
- Advise patients of alternative sources of payment i.e. cancer program and vocational rehabilitation
- Establish reasonable payment arrangements in line with a patient's income
- Estimation of Financial Liability
- Charity Care – available to all patients that qualify as determined by the “Patient Financial Services Charity Policy”
- Free Charge Audits

**Purpose:**

The purpose of this policy is to describe the available financial assistance services, detail patient qualifications, explain the consequences of noncompliance and prescribe procedures.

For the purpose of this policy the term patient(s) shall have the same meaning as a financially responsible party.

**Procedures:**

Financial Counseling –

Financial counseling is a service to help patients understand their financial obligation and to explain available financial assistance. Financial Counselors will make a reasonable effort to initiate self pay counseling for inpatients and other high cost services.

The Medical Center shall make available Financial Counselors and DSS Workers during normal business hours.

Registration staff is tasked with obtaining insurance benefits and making a reasonable effort to communicate a patient's financial liability and advise the patient of the Medical Center's financial assistance services.

**Self Pay Charge Discount:**

A self pay patient's financial liability will be discounted the greater of forty percent (40%) or the average of the three lowest paying contracted commercial payers. The discount only applies to medically necessary services. Cosmetic procedures do not qualify.

Annually the Medical Center will review the three commercial payers' contractual adjustments to determine what discount will apply.

The effective date for the new discount will start with service or admission dates on or after the first day of October of each year.

For the purpose of this discount a patient will be considered self pay even with medical insurance benefits provided a full payer denial is received.

An insurance deductible, copayment or coinsurance amount does not qualify for this discount.

*Noncompliance Consequences:* If the patient or subscriber fails to assist the Medical Center or their insurer in claim adjudication resulting in a payment denial the patient will not be treated as a self pay for the purpose of this discount. Likewise if a patient chooses not to use their insurance the discount will not apply. Additionally even if the patient fails to make any payment the discount will still apply notwithstanding the claims cooperation restriction.

#### **Eligibility screening and application assistance for Medicaid:**

All patients at any time may request assistance in determining Medicaid eligibility to pay Medical Center services.

When a Financial Counselor or registrar performs financial counseling the staff member will assist the patient in arranging an interview with a DSS worker when appropriate or whenever a patient requests a screening interview.

#### **Advise patients of alternative sources of payment:**

In addition to assisting patient in Medicaid eligibility screening staff will advise patients of other sources of payment.

#### **Reasonable Payment Arrangements (Plans):**

The Medical Center will not impose excessive payment arrangements. An interest free payment plan shall be in line with a patient's income. In general reasonable means five - ten percent of the patient's net family income (after taxes). Staff shall have authority to establish smaller payment plans when circumstances warrant. The Medical Center reserves the right to establish a minimum payment, approve payment plans and require a down payment. A patient initiated payment arrangement that has not been approved by the Medical Center may be accepted or rejected. The fact a payment was made and deposited by the Medical Center does constitute acceptance. The Medical Center does not recognize restricted endorsement statements on checks.

The Medical Center also reserves the right to refer patient accounts to a bank or outside company to establish or maintain payment arrangements.

*Noncompliance Consequences:*

When an approved payment plan is in default the Medical Center may void the arrangement, reinstate the plan, alter the plan, require payment in full, or refer the account to an outside collection agency. An unapproved plan may be referred to a collection agency.

**Estimation of Financial Liability:**

Medical Center staff will make reasonable efforts to communicate a patient's financial liability whether verbally, online, in writing or by providing standard charges for scheduled services. An estimate is not a guarantee of cost.

**Charity Care:**

Charity Care is available for medically necessary services in accordance with the Patient Financial Services' Charity Care policy. Charity Care is the forgiveness of a Medical Center debt, which is primarily determined by household income. To qualify the household gross income from all sources must be no more than two hundred percent (200%) of the Federal Poverty guideline per family size, all efforts for alternative payment including a Medicaid eligibility assessment/ denial must be exhausted and financial documentation may be required.

*Noncompliance Consequences:*

Charity Care may be denied or retracted regardless of the patient's financial circumstances for any of the following:

- If available insurance benefits are denied because of any action or inaction by the patient or subscriber
- Requested financial documentation is not provided
- Patient does not cooperate with a Medicaid eligibility assessment or the application process
- Fraudulent activity
- Family income exceeds 200% of Federal Poverty Guidelines per family size.
- Medically unnecessary services
- Discharge date exceeds the statute of limitation
- Excessive reserves such as stocks and bank deposits

**Free Charge Audits:**

Clinical auditors upon a patient's request will conduct a charge audit to determine the validity of charges by reviewing the patient's medical record and physician orders. This audit is available to all patients provided charges affect payer reimbursement or patient liability. Additionally the patient must commit to paying legitimate charges.

### **Collection Actions:**

The Medical Center and its collection agents shall refrain from extraordinary collection actions before making reasonable efforts to determine whether a patient qualifies for financial assistance. Extraordinary action is defined as filing suit. Reasonable efforts to determine if a patient qualifies for financial assistance includes but is not limited to the following:

- Staff initiated financial counseling
- A statement on patient bills inviting patients to contact the Medical Center to learn more about available financial assistance
- Medical Center's web site
- Handouts at time of registration
- Documentation of financial counseling
- Obtaining a consumer credit report prior to filing suit

The Medical Center through its agents will file a derogatory public record on a patient's credit file for unpaid debts greater than \$24.99 to be utilized in collection efforts. The Medical Center reserve the right to file suit against a patient who does not make reasonable payment arrangements provided sufficient income and assets exist.

Medical Center staff and collection agents shall comply with all applicable collection laws and regulations such as PL-95 "Fair Debt Collection Act", <http://www.ftc.gov/os/statutes/fdcpajump.shtm>.

Refer to the "Patient Financial Services Collection Activity Policy" for additional information.