

CITIZENS MEDICAL CENTER, INC.
Colby, Kansas

Page 1 of 11

Policy #: 82.1

Original Date: 6/1/87

Revision Date: 11/01/06; 12/13/10; 11/11/2013
05/08/2017; 06/03/2020; 09/30/2020

Approval:

Department: Billing

Subject: Financial Assistance

POLICY:

As part of its mission and commitment to provide access to health care for all people, Citizens Medical Center, Inc. (hereinafter referred to as CMCI) provides financial assistance who are eligible pursuant to this Financial Assistance Policy. It is the policy of CMCI to provide full or partial financial assistance to patients and/or guarantors, within the limits of Citizens Medical Center, Inc. resources, based on the patient and/or guarantor's current financial situation and ability to pay.

The financial assistance process will be carried out with respect and with regard for the dignity of the applicant. Application of the policy will be made regardless of race, color, religion, creed, sex, national origin, age, disability, or sex (individual's sex assigned at birth, gender identity, or gender otherwise recorded is different from the one to which such services are ordinarily or exclusively available).

OVERVIEW:

In compliance with section 501(r) (6) of the Internal Revenue Code (IRC). Citizens Medical Center, Inc. will inform their patients and/or guarantors of the financial assistance policy (FAP) and will make reasonable efforts to determine a patient's and/or guarantor's eligibility for financial assistance. The patient(s)/guarantor(s) will be notified in writing of the determination. If the determination is made that an individual is eligible for assistance, CMCI will reverse, when possible, adverse results of any collection efforts and will refund any over-paid amounts to the individual. CMCI will also issue a new billing statement which represents the amount generally billed to individuals with insurance. This amount will be calculated using the "look-back" method, based on actual past claims paid to CMCI by Medicare and by other private insurers'.

SCOPE:

This Financial Assistance Policy applies to the following providers or practices who deliver emergency or other medically necessary medical care in the hospital facility:

- a. Family Center for Health Care
- b. Citizens Medical Center
- c. Northwest Surgical Center

A list of providers and practitioners who are covered under this policy and who are not covered by this policy is maintained on our website at www.cmciks.com (Addendum A) and is available free of charge at the Citizens Medical Center Admissions, Family Center for Health Care Front Office, Patient Resource Department, and emergency room lobby at Citizens Medical Center, by calling 785-460-1777, or by mail at FCHC 310 E College Dr, Colby Ks 67701.

PURPOSE:

It is the purpose of this policy to establish financial assistance guidelines for patients and/or guarantors to assist in determining eligibility for financial assistance to those who are unable to meet the financial obligations incurred at Citizens Medical Center, Inc. for health care.

INTRODUCTION

- I. This policy addresses:
 - A. Eligibility criteria for financial assistance
 - B. The extent to which financial assistance will include free or discounted care
 - C. The basis for calculating Amounts Generally Billed (AGB) to the patient
 - D. The method for applying for financial assistance
 - E. Methods to communicate the policy to patients and communities served
- II. The following definitions are to be used when applying this policy:
 - A. Uninsured – the patient has no insurance or coverage for medically necessary or emergent care under governmental programs and is not eligible for any third party payment such as worker’s compensation or third party liability
 - B. Underinsured – The patient has limited insurance coverage that does not provide coverage for the medically necessary care or emergent care rendered or the maximum liability under insurance coverage has been exceeded

- C. Medically indigent – Persons whom the hospital has determined are unable to pay some or all of their medical expenses for medically necessary or emergent care because their medical bills exceed 30% of the greater of household income or assets. Expenses from non CMCI providers deemed patient responsibility are not covered by assistance but could be considered with documentation.

 - D. Medically necessary care - Medically necessary care is defined as accepted health care services and supplies provided for the evaluation and treatment of a disease, condition, illness or injury and consistent with the applicable standard of care. This includes appropriate services and supplies that are neither more nor less than what the patient requires at a specific point in time. Medically necessary care must reflect the efficient and cost-effective application of patient care including, but not limited to, diagnostic testing, therapies (including activity restriction, after-care instructions and prescriptions), disability ratings, rehabilitating an illness, injury, disease or its associated symptoms, impairments or functional limitations, procedures, psychiatric care, levels of hospital care, extended care, long-term care, hospice care and home health care. Financial assistance is not available for elective services otherwise classified as non-covered or not-medically necessary by CMS/Medicare or Medicaid
- III. Emergency medical treatment will be provided without regard to ability to pay and regardless of whether the patient qualifies for financial assistance under this policy. Emergency medical treatment will be provided in accordance with the requirements of the Emergency Medical Treatment and Active Labor Act ("EMTALA") and the requirements of Section 501(r) of the Internal Revenue Code. All determinations of financial assistance eligibility and financial assistance practice in general shall be consistent with Section 231(h) of the Health Insurance Portability and Accountability Act and shall be made in a manner consistent therewith. There will be no discrimination against patients based on ability to pay in the provision of emergency medical treatment.
- IV. Financial Assistance is a resource of last resort. Citizens Medical Center, Inc. reserves the right to allow or disallow assistance based on the patients or guarantor's ability to pay as determined in the financial investigation process as set forth herein. Furthermore, CMCI reserves the right to deny financial assistance for the failure of patient to take reasonable steps in making applications for Medicare, Medicaid, and other governmental medical assistance programs in which they may be entitled to participate, and for the failure to comply with the terms and conditions of this policy.

PROCEDURE:

- I. The Financial Assistance Application will be forwarded to a patient and/or guarantor, upon request. The Financial Assistance Application must be completed in its entirety with all requested information submitted.

- A. If an incomplete application is returned, a letter will be sent requesting the missing information and an additional ten more days will be allowed to provide the information. If that requested information is not returned the request will be denied.
- B. After the application for Financial Assistance has been completed, account(s) being considered for Financial Assistance will be put in a “hold” status while the application is being reviewed (no longer than 30 days). The hold status will prevent account(s) from proceeding through the collection process, including assignment to a collection agency.
- C. Upon receipt of the completed application and supporting documents, the account will be reviewed and the application will be processed in accordance with the eligibility criteria and program administration set forth in this policy. A letter will be sent to the patient or guarantor advising them of the determination. Basis for determination will be included in the letter.
- D. A patient may download an application from the CMCI website, <https://cmci.com/citizens-medical-center/finance-billing/> and/or pick one up from CMC Admissions or FCHC Front Office.

II. Determination of Eligibility:

- A. The level of assistance to be provided, total or partial, will be determined by an evaluation and analysis of the patient’s income and other income resources. The Federal Poverty Guidelines (FPG) issued by the Department of Health and Human Services will provide the initial framework to determine an individual’s ability to pay. Other factors to consider include, but are not limited to patients who:
 - 1. Uninsured or Underinsured
 - 2. Are ineligible for any government health program
 - 3. Complete the required application
 - 4. Are deemed unable to pay for care based on financial need as determined upon review of a completed application.
 - 5. Medically Indigent
 - 6. Presumptive Eligibility - Patients are considered to be eligible for financial assistance if any of the following apply:
 - a. Eligible for Medicaid in Kansas or any other state Medicaid program including the Medicare Savings Program
 - b. Homeless
 - c. Food Stamp eligible
 - d. Receiving low income/subsidized housing
 - e. Receiving Medicare “Extra Help” from Social Security or SSI
 - f. Deceased with no estate

- B. If a patient is determined to be presumptively eligible, financial assistance will be granted for a period of 6 months ending on the date of presumptive eligibility determination. Assistance will be applied to all eligible services received six months prior to the determination date. The patient will not receive assistance for services after the date of determination without completion of a FAA or a new determination is made.

III. Limitation of Charges and Calculation of Amount Generally Billed (AGB)

- A. Once an individual has been determined to be eligible for assistance that individual will not be charged more for eligible services than the amount generally billed (AGB) to those who have insurance coverage. CMC determines AGB by multiplying the gross charges for care provided to patients by the AGB %. CMC has elected to use the look back method in which the AGB % is based on Medicare fee for service and all private insurance as primary payer. This AGB is calculated by dividing the total of all claims allowed by Medicare fee for service and all private insurance as primary payer during the prior 12-month period by the total gross charges for those claims. The AGB is updated annually and is maintained on our website at www.cmciks.com (Addendum B) and is available free of charge at the Citizens Medical Center Admissions, Family Center for Health Care Front Office, Patient Resource Department, and emergency room lobby at Citizens Medical Center, by calling 785-460-1777, or by mail at FCHC 310 E College Dr, Colby Ks 67701.

IV. Amount of Financial Assistance

- A. Charity Care Discounts- Financial assistance will be considered in accordance with this policy to patients who are uninsured or underinsured and who have household incomes less than 300% of the federal poverty guidelines or in the alternative, patients who are determined by the hospital to be medically indigent. The hospital will use poverty guidelines published in the spring of each year by the U.S. Department of Health and Human Services as the basis for a sliding scale of financial assistance determination. (See Addendum C). Patients who qualify for medically indigent will be responsible for their medical bills up to 30% of the greater family or household income. Any remaining amount will be considered financial assistance under this policy. Discounts granted to eligible patients under this policy will be taken from gross charges.

V. Application Process

- A. For the purpose of this policy the “Application Period” begins on the date the care was provided to the patient and ends on the later of the 240th day after the first post discharge billing statement is provided to the patient or not less than 30 days after the date Citizens Medical Center provides the patient the required final notice to commence extraordinary collection actions (ECAs).
- B. Patients may obtain a copy of this policy, a plain language summary, and financial assistance application free of charge on our website <https://cmciiks.com/citizens-medical-center/finance-billing/> and is available free of charge at the Citizens Medical Center Admissions, Family Center for Health Care Front Office, Patient Resource Department, and emergency room lobby at Citizens Medical Center, by calling 785-460-1777, or by mail at FCHC 310 E College Dr, Colby Ks 67701
- C. The application process can take place prior to service, at the time of service (during admission or discharge), or after the billing process.
- D. The application process includes completing a form "Financial Assistance Application". The applicant must provide copies of their previous year income tax return, pay stubs covering their previous two months of earned income, verification of Social Security, Veterans Administration benefits, pension payments, child support, alimony, rental income and bank statements. If self-employed the applicant must provide income/expense records for the previous two years. Copies of other supporting evidence may be required by the Patient Resource Manger to substantiate information gathered on the Application for Financial Assistance such as titles, Medicaid determination, determination of guardianship, birth certificates, court-ordered child support, credit reports, etc
 - 1 CMCI may not deny assistance under this policy for the failure to provide information that was not required to be submitted with the application.
- E. A completed application for assistance must be received during the Application period.
- F. If the application is not complete when submitted by, CMCI staff will contact patient by phone or letter requesting missing information and the application will not be processed by CMCI.

- G. False information on the application may result in denial or revocation of any approved financial assistance, in which all collection actions may resume.
- H. The application must be signed by the legal responsible party of the accounts in order to be valid.

VI. Accounting for Financial Assistance

- A. Write-off to charity will not occur until the facility has received payment from all other available sources.
- B. Amounts written off to financial assistance will be accounted for separately from bad debt and contractual allowances
- C. Amounts written off to financial assistance will be reported separately on the income statement presented to the Board of Trustees
- D. Final approval of the financial assistance write off will be the Patient Resource Manager. If a conflict of interest arises, approval will be deferred to the CFO. The Patient Resource Managers hall also be responsible to determine whether CMCI has taken reasonable efforts to determine whether the patient is eligible for financial assistance prior to taking any ECAs.

VII. Collection Actions

- A. Citizens Health will engage in reasonable efforts to determine whether an individual is eligible for assistance under this policy before engaging in extraordinary collection actions (“ECA”).
- B. ECA includes any actions taken that require a legal or judicial process in an attempt to collect payment from an individual covered under this policy. ECA that require legal or judicial process include, but are not limited to
 - 1 Placing a lien on an individuals property
 - 2 Foreclosing on an individuals real property
 - 3 Attaching or seizing an individual bank account or any other personal property
 - 4 Commencing a civil action against an individual

- 5 Causing an individuals arrest
 - 6 Causing an individual to be subject to a writ of body attachment
 - 7 Garnishing an individuals wages
- C. CMCI may send accounts to one or more collection agencies, but such action is not considered an ECA. Collection agencies will be held, in a written agreement, to the terms and conditions of this policy and will not take ECA's without the prior authorization of CMCI.
- D. CMCI will not take ECA's against an individual for at least 120 days from the date CMCI provides the individual with the first post-discharge bill for care; and provides at least thirty (30) days' written notice to the individual that:
- 1 Notifies the individual of the availability of financial assistance
 - 2 Identifies the specific ECA(s) CMCI intends to initiate against the individual
 - 3 States a deadline after which ECAs may be initiated that is no earlier than 30 days after the date the notice is provided to the individual
 - 4 Provides a plain language summary of the financial assistance policy with the aforementioned notice
 - 5 Makes a reasonable effort to orally notify the individual about the potential availability of financial assistance at least 30 days prior to initiating ECAs against the individual describing how the individual may obtain assistance with the financial assistance application process
- E. Once an individual has submitted a complete application within the Application Period while determining if the individual is eligible according to the policy CMCI will,
- 1 Suspend any ECA against the individual, including that which was initiated by the collection agency
 - 2 Not initiate any new ECAs
 - 3 Make and documents a determination as to whether individual is eligible according to the policy.

- F. If an individual submits an incomplete application at any time during the application period, CMCI will
 - 1 Suspend any ECA against the individual including that which was initiated by the collection agency
 - 2 Provide written notice with a copy of the policy, to the individual describing the information necessary to complete the application; the written notice will include the contact information (telephone number, and physical location of the office) of the Patient Resource Manager. The notice will provide the patient with at least 14 days to provide the required information; provided, however, that if the patient submits a completed application prior to the end of the Application Period, CMCI will accept and process the application as complete
 - a If CMCI does not receive the required information within the required timeframe, collection actions may resume.

VIII. Notification Process

- A. Once a determination of financial assistance has been authorized, Patient Financial Services will
 - 1 Provide the individual with a revised bill setting forth: (i) the amount the patient owes for care provided after the application of financial assistance, (ii) how the revised amount was determined; and (iii) either the AGB for the care provided or instructions on how the patient can obtain information regarding the ABG for the care provides
 - 2 Provide the patient with a refund for any amount the patient has paid in excess of the amount owed to CMCI (unless such amount is less than \$5); and
 - 3 Take all reasonably available measures to reverse any ECAs previously taken.
- B. The financial assistance determination may be up to 180 days over the course of treatment for which financial assistance was originally sought, unless there is a change in the financial or marital status of the individual.
 - 1 Change in marital status of the individual within the 180 days period of approval of the original application will void

the original application.

- 2 A new Application for Financial Assistance with the supporting information of the new spouse will need to be provided for a determination.
 - 3 Change in financial status (i.e., lottery winning, loss of employment, etc.) within the 180 days may result in a reprocessing of the original application to determine changes in individual financial responsibility for future balances from the date of change to the end of the 180 days.
- C. If such an individual qualifies for less than 100% financial assistance, CMCI will
- 1 Notify the individual regarding the basis for the financial assistance
 - 2 Payment plan options will be provided for the remaining balance.

IX. Method of Communication

- A. CMCI will will make the Financial Assistance Policy widely available to individuals through one or a combination of the specific notification measures:
- 1 The policy and all addenda and related documents, including a plain language summary of the policy, will be posted on the website
- B. conspicuous statement regarding the availability of financial assistance will be included in or on all billing statements
- C. The policy information will be distributed at the patient access points
- D. The policy information will be posted conspicuously in public areas (i.e., including registration areas, emergency department, waiting rooms, etc.)
- E. The policy and/or the plain language summary of the policy will be presented to the patient as they present for medical services, including admission
- F. The policy and/or the plain language summary will be distributed in

information with discharge materials

G. The policy will be mentioned when discussing an individual's bill over the telephone

H. The policy will be distributed to the following public agencies:
Thomas County Health Department

I. The policy will be made available for public inspection and/or copying without charge at 310 E College Drive Family Center for Health Care or 100 E College Drive Citizens Medical Center during 8:00 am - 5:00 pm Monday – Friday.



Addendum A Covered/Non-Covered Providers

Services for the listed providers are covered under the CMCI Financial Assistance Policy.

Nurse Anesthetists

- John Evans
- Kamau Gitau
- Richard Kilgore
- Bradley Wertz
- Jessica Berg
- Russ Miller

Nurse Practitioners

- Jenny Niblock
- Kristina Benson
- Luetta Flanagan
- Robert Hieger
- Tricia Carney
- Stephanie Mesch

Physicians

- Family Practice
 - Dr. Dan Kuhlman
 - Dr. Kara Kuhlman
 - Dr. Kysha Nichols-Totten
 - Dr. Sarah Gabel
 - Dr. Darren Matchell
 - Dr. Derek Totten
 - Dr. Mallory Forsyth
- General Surgery
 - Dr. Kelly Gabel
 - Dr. Brenda Kopriva
 - Locum?
- Psychiatry
 - Dr. Marguerite French
- Otolaryngologist (ENT)
 - Dr. Phillip Fitzpatrick

Physician Assistants

- Adam Horinek
- Alexandra Keller

FAP Covered/Non-Covered Providers

Updated 9/30/2020

- Amanda Reid
- Brian Unruh
- Jennifer Haag
- Regina Taylor
- Brady Gilson

Dieticians

- Rachel Schiferl
- Courtney McCarty

Psychiatry

Dr. Marguerite French

Services for the listed provider groups are NOT covered under the CMCI Financial Assistance Policy

- Plains Radiology
- Peterson Laboratory
- Hays Orthopedics
- Western Orthopedics
- Dreiling Schmidt Cancer Institute
- Central Care Cancer Center
- Heartland Cancer Center
- Debakey Heart Institute
- Fry Eye Associates
- Great Plains Health (Sleep Med and Heart)
- Hanger Prosthetics and Orthotics
- HaysMed
- High Plains Podiatry
- Meier Clinics
- Mile High Neurology
- Mountain Rheumatology
- Vascular Institute of the Rockies
- Rocky Mountain Women's Care
- Western KS Urological Associates
- Advances Allergy, Asthma, & Immunology
- Maternal Fetal Associates
- Turning Point Counseling Services
- CKF Addiction Treatment
- Prairie Senior
- Citizens Medical Equipment



Addendum B Amounts Generally Billed

CMCI determines AGB by multiplying the gross charges for care provided to patients by the AGB %. CMCI has elected to use the look back method in which the AGB % is calculated by dividing the total of all claims allowed by Medicare fee for service and all private insurance as primary payer during the prior 12-month period by the total gross charges for those claims. This AGB is based on audited data from the last fiscal year and will be updated annually.

<u>Year</u>	<u>AGB%</u>
2020	42.81%



Addendum C Financial Assistance Discounts

Citizens Health Sliding Fee Discount Pay Class											
2020 Federal Poverty Guidelines	At or Below 100%	125.00%	130.00%	138.00%	150.00%	185.00%	200.00%	235.00%	250.00%	300.00%	301.00%
Sliding Fee Discount	100%	100%	100%	80%	80%	80%	80%	60%	60%	60%	No Discount (Issue Prompt Pay 10% discount)
Family of 1	\$12,760.00	\$15,950.00	\$16,588.00	\$17,609.00	\$19,140.00	\$23,606.00	\$25,520.00	\$29,986.00	\$31,900.00	\$38,280.00	>38,281
2	\$17,240.00	\$21,550.00	\$22,412.00	\$23,791.00	\$25,860.00	\$31,894.00	\$34,480.00	\$40,514.00	\$43,100.00	\$51,720.00	>51721
3	\$21,720.00	\$27,150.00	\$28,236.00	\$29,974.00	\$32,580.00	\$40,182.00	\$43,440.00	\$51,042.00	\$54,300.00	\$65,160.00	>65161
4	\$26,200.00	\$32,750.00	\$34,060.00	\$36,156.00	\$39,300.00	\$48,470.00	\$52,400.00	\$61,570.00	\$65,500.00	\$78,600.00	>78601
5	\$30,680.00	\$38,350.00	\$39,884.00	\$42,338.00	\$46,020.00	\$56,758.00	\$61,360.00	\$72,098.00	\$76,700.00	\$92,040.00	>92041
6	\$35,160.00	\$43,950.00	\$45,708.00	\$48,521.00	\$52,740.00	\$65,046.00	\$70,320.00	\$82,626.00	\$87,900.00	\$105,480.00	>105481
7	\$39,640.00	\$49,550.00	\$51,532.00	\$54,703.00	\$59,460.00	\$73,334.00	\$79,280.00	\$93,154.00	\$99,100.00	\$118,920.00	>118921
8	\$44,120.00	\$55,150.00	\$57,356.00	\$60,886.00	\$66,180.00	\$81,622.00	\$88,240.00	\$103,682.00	\$110,300.00	\$132,360.00	>132361
For each additional person, add	\$4,480.00	\$5,600.00	\$5,824.00	\$6,182.00	\$6,720.00	\$8,288.00	\$8,960.00	\$10,528.00	\$11,200.00	\$13,440.00	>13441

Discount applied to gross charges and/or patient responsibility i.e. co-pays, deductibles, co-insurance

Addendum D

Financial Assistance Policy - Plain Language Summary

Overview

Citizens Health is committed to offering financial assistance to patients who have health care needs and may be unable to pay for all or part of their care. Patients seeking financial assistance must apply for the program, which is summarized below.

Eligible Services

Emergent, urgent, and medically necessary services provided by Citizens Medical Center, Family Center for Health Care, and NWKS Surgical Associates are covered under this policy.

Eligibility Requirements

Financial assistance is generally determined by a sliding scale of total household income based on the Federal Poverty Level (FPL). If your household income is at or below 137% of the FPL you may be eligible for a discount of 100%. Patients with a household income of 138%-300% of the FPL may qualify for a discount from a scale of 60% to 80%. Financial assistance may also be available for individuals determined to be medically indigent. No person eligible for financial assistance under the financial assistance policy will be charged more for medically necessary services than amounts generally billed to individuals who have insurance coverage. Financial assistance can be applied to any self-pay or self-pay after insurance balance. Please refer to the full policy for complete explanation and details.

How to apply

- The Financial Assistance Policy may be obtained at no charge by any of the means listed below. In addition, Financial Assistance applications may be obtained, completed, and submitted as follows: Obtain an application at CMC Admissions or FCHC Front Office
- Request an application be mailed or emailed to you by calling (785) 460-1777 or email: vohlrogge@cmciks.com
- Request an application by mail at FCHC attn: Valerie Ohlrogge 310 E College Dr Colby, KS 67701
- Download the application through the Citizens Health website: <https://cmciks.com/citizens-medical-center/finance-billing/>
- Obtain information about the FAP from the Thomas Co. Health Dept in Colby at (785) 460-4596

Individuals who need assistance in completing this application may contact CH Patient Resource Manager at 785-460-1777 or in person at 310 E College Dr. Colby, Ks 67701 where a representative will be available to answer any questions regarding the application process, the financial assistance policy or this summary.