

**NORTH MISSISSIPPI HEALTH SERVICES, INC.  
CHARITY CARE FINANCIAL ASSISTANCE POLICY AND  
APPLICATION GUIDELINES**

**I. POLICY**

North Mississippi Health Services= (ANMHS@) Financial Assistance Policy for its system of Hospitals is to provide medically necessary health care services for patients in its service area as defined by NMHS from time to time. The intent of this policy is to provide financial assistance for use in circumstances in which financial assistance, in accordance with all applicable federal (IRC 501(r)) and state laws is offered to Hospital patients who are unable to NMHS pay for their health care services.

**II. PURPOSE**

This policy serves to establish and ensure a fair and consistent method for the review and completion of requests for financial assistance to our patients in need.

**III. ELIGIBILITY DEFINITIONS**

The following definitions are applicable to all sections of this policy:

1. **HOSPITALS**. Hospitals covered under this policy, subject to local Hospitals modifications and adjustments: North Mississippi Medical Center, Inc. dba NMMC-Tupelo; Clay County Medical Corporation dba NMMC-West Point; Marion Regional Medical Center, Inc. dba NMMC-Hamilton; Webster Health Services, Inc. dba NMMC-Eupora; Tishomingo Health Services, Inc. dba NMMC-Iuka; Pontotoc Health Services, Inc. dba NMMC-Pontotoc, Monroe Health Services, Inc. dba NMMC Gilmore-Amory. Also included are Rural Health Clinics and Provider Based Clinics that are part of any of the Hospitals.
2. **INCOME**. Any household income (including spouse/partner), whether from active or passive activities, such as rental, social security, disability, retirement, alimony or child support, unemployment benefits, inheritance, investment, annuity pay-outs, sale of long-term assets, proceeds from life insurance, third party settlements or lump sum annuity payments, will be considered as income; noncash benefits (food stamps and housing subsidies) are not considered income.
3. **PATIENT MAXIMUM LIABILITY**. The amount that the patient=s annual household income exceeds the applicable Federal Poverty Guidelines.
4. **FINANCIAL ASSISTANCE GUIDELINES**. A matrix is developed annually for determining a patient=s liability for payment of Hospitals billed charges. This matrix includes the Federal Poverty Guidelines. The Federal Poverty Guidelines are adjusted annually. Included in the matrix is the number of individuals in the household.
5. **HOSPITAL=S SERVICE AREA**. For North Mississippi Medical Center, Inc., the twenty-four (24) county service area in North Mississippi and Northwest Alabama,

including these counties: Lee, Prentiss, Pontotoc, Itawamba, Monroe, Chickasaw, Choctaw, Alcorn, Tishomingo, Union, Benton, Calhoun, Clay, Lafayette, Lowndes, Marshall, Oktibbeha, Tippah, Webster, and Yalobusha in Mississippi, and Colbert, Franklin, Lamar, and Marion in Alabama. For NMHS community Hospitals: the primary county is the country in which the affiliate Hospitals is located:

Pontotoc Health Services, Inc. - Pontotoc County; Tishomingo Health Services, Inc. - Tishomingo County; Clay County Medical Corporation - Clay County; Webster Health Services, Inc. - Webster County and Montgomery County; Monroe Health Services, Inc.- Monroe County.

6. **AMOUNTS GENERALLY BILLED (AGB)**. The AGB is based upon a one (1) year look back of the sum of all amounts of claims that have been allowed by the health insurers divided by the sum of the associated gross charges for those claims discount of paid claims data for all insurance plans. The AGB includes the full amount allowed by insurance plans, the amounts insurance plans paid, and the amounts owed by patients. AGB may differ for each hospital. The AGB discount rate for where care was provided will apply. If you have questions about the AGB or how the AGB is calculated, please contact Revenue Integrity at 662-377-7530.
7. **CHARITY CARE**. Charity Care results for provider=s policy to provide health care services free of charge to individuals who meet the established criteria.
8. **EXTRAORDINARY COLLECTIONS ACTION (ECAs)**. Actions taken by a Hospitals in an attempt to collect a patient debt that includes credit reporting, wage garnishments, liens on personal property or other civil legal actions.
9. **FINANCIAL ASSISTANCE**. Financial Assistance results from provider=s policy to provide health care services at a discount to individuals who meet the established criteria.
10. **FAMILY/HOUSEHOLD**. Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance
11. **GROSS CHARGES**. The total charges at the organization@s full established rates for the provision of patient care services before deductions from revenue are applied.
12. **UNINSURED**. The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.
13. **UNDERINSURED**. The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.
14. **THIRD-PARTY LIABILITY CLAIMS**. Any claim a patient may have against another individual, insurer, or entity responsible for covering that patient=s cost of medical

services. Emergency Medical Conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

#### **IV. FINANCIAL ASSISTANCE**

1. Hospitals will provide emergency and medically necessary inpatient and outpatient Hospitals services (including emergency room services) to patients with household income levels at or below 150% of the federal poverty guidelines free of charge. The amount of eligible charity will be any remaining balance on the account less the patient=s maximum liability. Those above 150% of the federal poverty guidelines are eligible for discounts as in Section 6. Hospital will provide without discrimination and in compliance with the Emergency Medical Treatment and Active Labor Act (EMTALA) care for emergency medical conditions to individuals regardless of their eligibility for charity care, financial assistance or government assistance. In accordance with the Emergency Medical Treatment and Labor Act (EMTALA), emergency and medically necessary care will not be delayed or withheld based on a patient=s ability to pay. Any evaluation of financial arrangements will occur only after an appropriate medical screening examination has occurred and necessary stabilizing services have been provided in accordance with EMTALA and all applicable State and Federal regulations.
2. The NMHS FAP does not cover charges for patients or treatments with the following conditions:
  - a.
    - i. The patient has any third-party insurance coverage. A discretionary exception may be made for insured patients is the provision for the medically under-insured.
    - ii. The patient=s primary residence is outside the service area.
    - iii. The patient is currently in the custody of a correctional facility.
    - iv. The patient is eligible for financial assistance under another city, county, state, federal or another assistance program which supersedes the FAP.
    - v. If patient charges resulted from a work-related accident, patients are not eligible to apply unless they can provide proof of no third-party coverage.
    - vi. If patient charges resulted from an auto accident, patients are not eligible to apply unless they can provide proof of no third-party coverage.
  - b. The NMHS FAP does not cover charges for the following non-covered services:
    - i. Charges for related services by providers who do not participate in the NMHS FAP Program are not covered under the FAP. A non-inclusive list of examples of which may consist of outside or

specialty laboratory services, radiologists, pathologists, ambulance services, non-participating physicians, as well as services provided at facilities that are not owned by NMHS. A list of facilities that are not NMHS-owned may be found on the NMHS website under Financial Assistance.

- ii. This policy applies to medically necessary inpatient, outpatient or emergency room services and is not applicable only to Professional (doctor=s) fees, except that listed in any Appendix.
3. NMHS= charity care financial assistance is applicable only to items and services defined as Acovered items and services@ for emergency and medically necessary treatment. Acovered items and services@ shall include at a minimum those items and services covered by the Mississippi Medicaid Program that are provided by Hospital(s).
4. Hospitals may direct patients to the most appropriate care settings for the services needed, but, in no case, will emergent patients be directed to non-emergent care settings. Hospitals may direct non-emergent patients to appropriate care settings where available capacity exists.
5. This policy applies only to individuals residing in the Hospital service area, as defined in the definitions section of this policy.
6. This policy is not applicable to physicians or their immediate family members.
7. This policy applies only to those individuals who cooperate fully with Hospitals request for information with which to verify patient=s eligibility, including appropriate identification. It is patient=s responsibility to respond truthfully, promptly, and completely to Hospitals request for information but in no event more than 240 days from date of first billing statement. In addition, patient=s full cooperation in applying for Medicaid or coverage by other governmental programs is required, if so requested; however, NMHS reserves the right to use external scoring systems to predict eligibility for financial assistance. In these cases, NMHS may deem an individual to be eligible for Financial Assistance.

## **V. PROCEDURE**

1. Notice of NMHS Hospital Financial Assistance Policy
  - a.
    - i. Hospital will post, at inpatient and outpatient admission areas, notice of its charity care policy.
    - ii. Hospital will make available at inpatient and outpatient admission areas the most currently available poverty guidelines and financial assistance policy and application and, on its web page: ([www.nmhs.net](http://www.nmhs.net)) and upon written request to the Business Office at 662-377-3219 to ask questions or have an application mailed to them.

2. Eligibility Determination.

a. i. Hospitals personnel will provide patients with a copy of its financial assistance policy and an application for financial assistance upon request or once a patient is identified as potentially eligible for financial assistance. A plain language summary will be offered to patients at admission or discharge. The timing of the delivery of this policy and application will depend upon when the identification is made and may be at the time of service, during the billing process, or during collection. The patient must complete the application for charity care and provide the requested information. Hospital personnel will then review the application and supporting information and determine eligibility.

ii. It is preferred but not required that a request for a determination of financial assistance occurs prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for charity care and financial assistance may be re-evaluated at each subsequent time of services if the least financial evaluation was completed more than a year prior, or at any unusual circumstances arise relevant to the eligibility of the patient.

b. i. In evaluating a patient=s need for charity care, Hospital personnel may review the patient=s W-2's (or the responsible party=s, if spouse or a minor is the patient), tax returns, pay stubs, bank statements, written verification of wage from employer and written verification

from a public welfare agency, governmental agency, or other information attesting to patient=s income status. Patient shall provide information related to possible third-party liability incidents, total household income and where applicable, including accident reports and copies of vehicle insurance policies. Patient shall supply all documentation reasonably necessary to verify eligibility. Failure to provide all requested information may result in denial of financial assistance.

Financial assistance evaluation may also include.

- ability
- ii. include the use of external public available data sources that provide information on a patient=s or a patient=s guarantor=s to pay (such as credit scoring).
  - iii. reasonable efforts by the Hospitals to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs.
  - iv. consider the patient's available assets and all other financial resources available to the patient.

- v. a review of the patient=s outstanding accounts receivable for prior services rendered and the patient=s payment history.
- c. Hospital personnel will use the federal poverty level information matrix most currently available to determine patient=s eligibility to receive financial assistance under this policy.
- d. Eligibility Criteria. Eligibility for charity care or financial assistance will be considered for those individuals 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 charity care or 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. The Hospitals shall determine whether or not patients are eligible to receive charity or financial assistance for deductibles, coinsurance, or copayment responsibilities.

## **VI. REVIEW AND APPROVAL**

1. Each patient must be individually determined to be eligible for financial assistance under the policy. This determination will be made by the Hospital=s Business Office. A patient may request determination of eligibility up to 240 days from the date of the first post discharge billing statement.
2. Hospital shall make every attempt to notify the patient/applicant in writing within thirty (30) days of receipt of a completed application.
3. Based upon other data and information available to Hospital, the Hospital may presumptively assume that patient is eligible for charity care/financial assistance.
4. Charity care financial assistance offered under this policy is subject to review by NMHS management and board to ensure compliance with this policy.

## **VII. PRESUMPTIVE ELIGIBILITY**

There are instances when a patient may appear eligible for charity care or financial assistance, but there is no financial assistance application on file due to a lack of supporting documentation. In the event there is no evidence to support a patient eligibility for charity care or financial assistance, the Hospitals will make a reasonable effort to determine whether the individual is eligible for assistance prior to engaging in any extraordinary collection activities (ECA). Presumptive eligibility may be determined in the basis of individual life circumstances and may include such information as:

state funded prescription programs; homeless or received care from a homeless clinic(s); participation in Women, Infants and Children program (WIC); and food stamp eligibility.

## **VIII. EXCEPTIONS**

Hospital reserves the right to grant financial assistance in extraordinary circumstances to patients who do not otherwise meet the charity care guidelines. Hospital also reserves the right to deny charity care assistance to patients who fail to cooperate with Hospital efforts to verify eligibility, provide false information, refuse to apply (when potentially eligible) for Medicaid or other governmental program benefits, or fail to respond to requests for information within the time required.

## **IX. SERVICES ELIGIBLE UNDER THIS POLICY**

Services Eligible Under This Policy: For purposes of this policy or Afinancial assistance@ refers to health care services provided by the Hospitals without charge or at a discount to qualifying patients. The following health care services are eligible for charity care or financial assistance:

1. Emergency medical services provided in an emergency room setting.
2. Services for a condition which, if not promptly related, would lead to an adverse change in the health status of an individual.
3. Nonelective services provided in response to life threatening circumstances in a nonemergency room setting.
4. Medically necessary services evaluated on a case-by-case basis at Hospitals= discretion; utilizing the State of Mississippi Medicaid Program determination of medically necessary.

## **X. ELIGIBILITY CRITERIA AND AMOUNTS BILLED TO PATIENTS**

Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by the Hospitals to be eligible for charity care or financial assistance. The basis for the amounts the Hospitals will charge patients qualifying for assistance is as follows:

1. Patients whose gross family income is at or below 150% (between 0% and 150%) of the FPL are eligible to receive free (charity).
2. Patients whose family gross income is equal to or greater than 200% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, insurance deductible at a high percentage of income, at the discretion of the Hospitals. However, the discounted balance shall not be greater than the Hospitals= AGB.
3. Hospital reserves the right to use external scoring systems to predict eligibility for financial assistance. In these cases, Hospital may deem an

individual to be eligible for Financial Assistance including free care (charity).



## **XI. RELATIONSHIP TO BILLING AND COLLECTION POLICY**

The Hospitals have a separate billing and collection policy for internal and external collection practices (including actions the Hospitals may take in the event of non-payment, including collections actions and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity care or financial assistance, a patient=s good faith effort to apply for a governmental program or for charity from the Hospitals, and a patient=s good faith effort to comply with his other payment agreements with the Hospitals. For patients who qualify for charity care or financial assistance and who are cooperating in good faith to resolve their discounted Hospital bills, the Hospitals may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. The Hospitals will not impose extraordinary collections actions (ECAs) such as credit reporting; wage garnishments; liens on individual=s property, or other civil legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care or financial assistance under this Policy.

A free copy of this policy may be obtained on the NMHS webpage or by contacting the billing office at the facility where services were received.

NMHS will not engage in ECA before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this policy.