

**SUBJECT: FINANCIAL ASSISTANCE POLICY**

**ADOPTED: DECEMBER 16, 2024**

**SUPERSEDES POLICIES DATED: JANUARY 3, 2022 and SEPTEMBER 21, 2017**

**ISSUED BY: UNION HOSPITAL, INC. and UNION ASSOCIATED PHYSICIANS CLINIC, LLC**

**I. PURPOSE:**

To meet the needs of the communities they serve and in recognition of their status as nonprofit healthcare providers, Union Hospital, Inc. and Union Associated Physician's Clinic, LLC (collectively, "Union Health") have established and will follow fair and equitable Financial Assistance and discount practices for patients who are unable to sustain the extraordinary burden of medical expenses due to limited income and resources. Subject to all applicable eligibility criteria, consideration is open under this policy for any billings associated with the provision of Emergency Medical Services or Medically Necessary Care, as defined herein, at any Union Health facility, whether by Union Health or by any physician, nurse practitioner, or physician assistant employed by Union Health.

**II. DEFINITIONS:**

- A. "Amount Generally Billed" (or "AGB") means the amount Union Hospital generally bills individuals with insurance for Emergency Medical Services or other Medically Necessary care.
- B. "Code Section 501(r)" means Section 501(r) of the Internal Revenue Code of 1986, as amended, and the corresponding Treasury Regulations.
- C. "Emergency Medical Services" means services provided to stabilize and treat a condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in placing the individual's health (or the health of an unborn child) in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of bodily organs.
- D. "Eligible Individual" means an individual who is determined by Union Health to be eligible for Financial Assistance.
- E. "Extraordinary Collection Action" means any collection activity defined as an extraordinary collection action under Code Section 501(r).
- F. "Federal Poverty Income Guidelines" (or "FPIG") means annual wage amounts reflecting impoverishment as determined by the U.S. Census Bureau which will be used by Union Health to compare levels of available Financial Assistance.
- G. "Financial Assistance" means payment relief for which Union Health will provide a reduction of a patient's financial obligation based upon his or her limited income and resources. A patient's financial obligation is the portion of charges for which

the patient is responsible, including any applicable coinsurance, co-pays, and deductibles.

- H. "Financial Assistance Committee" means an appointed committee which meets routinely for the purpose of determining exceptions under the Financial Assistance policy.
- I. "Gross Charges" means the established price for medical care that Union Health consistently and uniformly charges patients before applying any contractual allowances, discounts, or deductions.
- J. "Household Income" means cumulative total income(s) for all members of a patient's household as shown on income tax returns.
- K. "Medically Necessary Care" means a service required for the care or well-being of the patient and provided in accordance with generally accepted standards of medical or professional practice.

**III. POLICY STATEMENT:**

It is Union Health's policy to provide Emergency Medical Services and Medically Necessary Care to all individuals regardless of their ability to pay. Moreover, Union Health will provide such services to all patients without discrimination (within the meaning of section 1867 of the Social Security Act (42 U.S.C. § 1395dd)) regardless of their eligibility under this Financial Assistance Policy. Patients and/or the persons responsible for payment of such services and care will be notified of this Financial Assistance program prior to, or following, the provision of service(s).

**IV. ELIGIBILITY FOR FINANCIAL ASSISTANCE:**

- A. This policy applies to charges for Emergency Medical Services and Medically Necessary Care provided by Union Health, subject to eligibility.
- B. Individuals or families whose annual Household Income is at or below 200% of the current FPIG will be considered eligible for full Financial Assistance, provided they have no other sources for payment, such as health insurance, HCI, Medicaid eligibility, or liability claims.
- C. Individuals or families whose annual Household Income is between 201% and 300% of the current FPIG will be considered for partial Financial Assistance, provided they have no other sources for payment, such as health insurance, HCI, Medicaid eligibility, or liability claims. Partial Financial Assistance will be calculated as a percentage of total eligible charges according to the following schedule:

<b>% of FPIG</b>	<b>% of Financial Assistance</b>
201% to 300%	80%

A family will be considered the patient along with all other related persons living in the residence who constitute a single taxable unit.

- D. Individuals and families with an annual Household Income exceeding 300% of FPIG shall not be eligible for Financial Assistance, absent unusual circumstances. In this event, the decision to grant assistance will be made by the Financial Assistance Committee.
- E. After a determination has been made that an individual qualifies for Financial Assistance, Union Health may review whether the patient has other sources of payment available, such as health insurance, HCI, Medicaid eligibility, or liability claims, and may reduce the amount of Financial Assistance accordingly. This includes situations where an individual has assets, other than income, sufficient to satisfy his/her obligations.
- F. The following situations will exclude an individual from eligibility for Financial Assistance under this Policy:
  - 1. An individual's failure to apply for outside assistance, or failure to provide information which would lead to the discovery of the availability of outside assistance, such as health insurance, HCI, Medicaid eligibility, or liability claims. An exception to the foregoing may be made, if in the opinion of the Director of Patient Financial Services, extenuating circumstances exist(ed).
  - 2. Any individual who fails to respond to the offer of Financial Assistance.
  - 3. An individual who receives ambulatory primary care services at any Union Health facility designated by Union Health as a National Health Service Corps site and covered by a separate Sliding Fee Discount Program policy for such facility.

**V. APPLICATION PROCESS:**

- A. Except as provided herein, to be eligible for Financial Assistance under this Policy, a patient/guarantor must complete and submit a Financial Assistance Application, which will include a financial disclosure statement setting forth specific details of income and expenses and providing requested documentation. The Public Benefits Department will request verification of information submitted by an applicant for Financial Assistance.
- B. The income figure used to determine eligibility for Financial Assistance will be the last three months income, as documented by the last three payroll pay stubs from all household income earners, multiplied by four. An exception to this may be made if, in the opinion of the Union Health, the three-month income is not reflective of the applicant's true ability or inability to meet his/her obligation. In this event, the income figure used will be that which is most reflective of the applicant's true ability or inability to meet his/her obligations.
  - 1. Income shall include earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Social Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates and trusts, educational assistance, alimony, child support, and assistance from outside households and other miscellaneous sources.

2. Income shall not include noncash benefits, such as food stamps and housing subsidies, or capital gains or losses.
  3. Income shall be determined by reviewing paycheck stubs or most recent tax forms.
- C. For questions about or assistance with the Financial Assistance Application or this policy, an individual may visit the Union Health website at [www.union.health](http://www.union.health) or may call the Union Health Public Benefits Department at (812) 238-7621.

## **VI. CALCULATION OF AMOUNTS GENERALLY BILLED (“AGB”):**

- A. Union Health shall not charge any Eligible Individual more for Emergency Medical Services or Medically Necessary Care than the Amount Generally Billed, or AGB, as defined herein. Union Health shall calculate one or more AGB percentages for each licensed hospital facility using the “look-back method” and including Medicare Fee-For-Service and all private health insurers that pay claims to Union Hospital, all in accordance with Code Section 501(r). A free copy of the AGB percentage(s) and a description of how calculated may be obtained by contacting the Union Health Public Benefits Department at (812) 238-7621.
- B. Union Health shall, at all times, make reasonable efforts to determine whether a patient is eligible for Financial Assistance. If Union Health has billed an amount to an individual who has not submitted an application for Financial Assistance as of the date of the charge and is later determined to be eligible for Financial Assistance, Union Health will make appropriate adjustments to the amounts charged and issue a refund to the patient, if necessary. In this manner, Union Health intends to satisfy the requirements for the safe harbor described in Section 1.501(r)-5(d) of the Regulations.
- C. Union Health will not charge any Eligible Individual more than the AGB amount for Emergency Medical Services or Medically Necessary Care, and in all cases, the charge to an Eligible Individual will be less than Union Health’s gross charges.

## **VII. DISCOUNTS OUTSIDE OF THE FINANCIAL ASSISTANCE POLICY**

- A. All uninsured patients not otherwise eligible for Financial Assistance under this policy, will be eligible for an initial automatic discount of 40% from Gross Charges. Information concerning the automatic discount will be provided to all uninsured patients, upon request.
- B. Union Health may offer additional reductions in the cost of care not specifically defined within this policy.
- C. While described here for the sake of providing complete information for patients, the discounts noted in this Part VII are not intended to be financial assistance within the scope of Code Section 501(r) and will not be reported as financial assistance on Schedule H of Form 990.

## VIII. BILLING AND COLLECTION PRACTICES

- A. If an individual does not submit a Financial Assistance application, then Union Health may take action consistent with Code Section 501(r) to collect payment. This may include Extraordinary Collection Actions if an application is not submitted within 120 days from the date the first statement is made available to the individual (subject to the further requirements of Code Section 501(r)), but Union Health shall suspend any such ECA pending a determination of eligibility if the individual submits an application for Financial Assistance within 240 days of such first statement.
1. Notwithstanding anything to the contrary in this policy, Union Health will not engage in any of the following collection activities:
    - a. Foreclosure of sale of the patients' (or the responsible parties') assets; and/or
    - b. Use of body attachments.
  2. Other than the activities specifically identified above as being precluded by this policy, Union Health may engage in any actions to obtain payment of a bill for medical care, including Extraordinary Collection Actions (so long as reasonable efforts have been made prior to any Extraordinary Collection Action to determine whether the individuals' accounts are eligible for assistance under this policy and subject to any other applicable restrictions under Code Section 501(r) or other law). Subject to the foregoing, Union Health may take any of the following actions in the event of nonpayment:
    - a. Automated dunning messages;
    - b. Form letters and personal letters;
    - c. Telephone calls;
    - d. Final notice statements;
    - e. Referral to a self-pay outsourcing service;
    - f. Referral to the hospital attorney;
    - g. Referral to a collection agent or other collection service company;
    - h. Placing a lien on an individual's property;
    - i. Garnishing an individual's wages, but only if a determination has been made in the specific case that the patient (or responsible party) has sufficient income to satisfy the outstanding debt;
    - j. Reporting adverse information about the individual to consumer reporting agencies or credit bureaus; and/or
    - k. Selling an individual's debt to a third party.
- B. Union Health will make reasonable efforts, as defined by Code Section 501(r), to determine whether a patient is eligible for financial assistance under this policy before commencing collection efforts.
1. A patient who has not responded satisfactorily to the Hospital's efforts to determine his/her eligibility for financial assistance under this policy and/or made arrangements for payment on an account within 120 days from the payment due date, may be referred for collection efforts.

2. Union Health, its collection agencies, and their respective representatives will not undertake any Extraordinary Collection Actions until after reasonable efforts have been made to determine whether the individuals' accounts are eligible for assistance under this policy.
- C. The Public Benefits Department shall have responsibility for determining that Union Health has made reasonable efforts to determine whether an individual is eligible for financial assistance and may therefore engage in one or more ECAs against the individual.

## **IX. GENERAL POLICY ADMINISTRATION**

- A. Approved applications are considered valid for services rendered up to (6) six months following the application date.
- B. Any individual denied Financial Assistance in part or in total will be notified that he/she has the option of appealing his/her case to the Financial Assistance Committee. Such appeal must be received no later than thirty (30) days from the date of notification of denial.
- C. Union Health will widely publicize this Financial Assistance Policy, as required by Code Section 501(r). Notification about Financial Assistance available from Union Health, which shall include a contact number, shall be disseminated by Union Health by various means, which shall include, but not be limited to, the following: including notices in patient bills; posting notices in emergency rooms, in the Point of Service Brochure, and in and all patient registration areas; and distributing the Summary of the Financial Assistance Policy to local public agencies and nonprofit organizations that address the health needs of the community's low income population. Union Health also shall conspicuously post this Financial Assistance Policy, a Summary of the Policy, and the Financial Assistance Application on Union Health's website and shall include the Summary in brochures available at patient access sites. Union Health also shall make paper copies of the Financial Assistance Policy, the Summary of the Financial Assistance Policy, and the Financial Assistance Application available upon request and without charge both at all patient registration areas and by mail. Such documents, including the Summary, shall be made available in the primary languages spoken by the population serviced by Union Health, which as of the date this policy was approved included English and Spanish.
- D. Referral of patients for Financial Assistance may be made by any member of the staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for Financial Assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.
- E. Reasonable efforts have been made to determine whether an individual is eligible for Financial Assistance if Union Health notifies the individual about the program, Union Health provides the individual or, where applicable, his or her family member(s), with information relevant to completing the application, and Union Health makes and documents its determination as to whether the individual is eligible for assistance under the policy.

- F. Union Health shall not engage in any debt collection activities in the emergency department or in other medical venues where such activities could interfere with the treatment of Emergency Medical Services without discrimination.
- G. If after the determination of a Financial Assistance award, the patient/guarantor requests further financial relief, they can request their account go to the Financial Assistance Committee. All determinations of the Financial Assistance Committee shall be final.
- H. Once Financial Assistance has been granted, the guarantor will not be supplied with documentation required to bill insurance companies. This includes UB, 1500 and/or detailed itemization of charges.
- I. Union Health reserves the right to review the Financial Assistance determination if the guarantor's financial circumstances have changed.
- J. The Financial Assistance Policy applies to deceased patients when it has been determined that there are no assets of value in the estate.
- K. Financial assistance may be granted to patients who qualify for government programs when funding has delayed payment. If later government assistance is awarded, the account adjustment will be reversed.
- L. Financial assistance may be granted to patients that are pending Medicaid approval with the appropriate county. These accounts have been reviewed and financial need determined by a third party. Additional documentation will not be required by the Union Health Public Benefits Department .
- M. A list identifying the healthcare providers providing Emergency Medical Services and other Medically Necessary Care within Union Health facilities and identifying which are and are not covered by this Financial Assistance Policy may be obtained by visiting the Union Health website at [www.union.health](http://www.union.health) or contacting the Union Health Public Benefits Department at (812) 238-7621.

**X. EXCEPTIONS:**

Any exceptions to the policy require approval by the Financial Assistance Committee and appropriate account documentation.

**XI. RESPONSIBILITY:**

Chief Financial Officer