MOSES LUDINGTON HOSPITAL
POLICIES AND PROCEDURES
EFFECTIVE: 7/1/07

TITLE: FINANCIAL ASSISTANCE POLICY
PURPOSE: To outline terms of Moses-Ludington Hospital's Financial Aid Policy.
LAST UPDATED: 01/28/2009
REVIEWED: 6/1/10

POLICY:

By virtue of its exemption from federal and state taxes and as part of the hospital's mission to serve the healthcare needs of the community, Moses-Ludington Hospital will provide financial assistance to patients without financial means to pay for hospital services.

Financial assistance will be provided to all patients who present themselves for care at Moses-Ludington Hospital without regard to race, creed, color, or national origin and who are classified as financially indigent or medically indigent according to the hospital's eligibility system.

This entire policy and the Financial Assistance Summary are available for review at each point of access.

ELIGIBILITY FOR FINANCIAL ASSISTANCE:

I. FINANCIALLY INDIGENT

a) A financially indigent patient is a person who is uninsured or underinsured and is accepted for care with no obligation or a discounted obligation to pay for the services rendered based on the hospital's eligibility criteria set forth in this policy.

b) To be eligible for financial assistance as a financially indigent patient, a person's income shall be at or below 700 percent of the federal poverty guidelines.

c) The hospital will use the most current poverty income guidelines issued by the US Department of Health and Human Services to determine an individual's eligibility for financial assistance as a financially indigent person.

II. MEDICALLY INDIGENT

a) A medically indigent patient is a person whose medical or hospital bills after payment by third-party payers exceed a specified percentage of the person's annual gross income as set forth in this policy and who is unable to pay the remaining bill.
b) To be eligible for financial assistance as medically indigent patient, the amount owed by the patient on the hospital bill after payment by third-party payers must exceed 5 percent of the patient’s annual gross income and the patient must be unable to pay the remaining bill.

c) A determination of the patient’s ability to pay the remainder of the bill will be based on whether the patient reasonably can be expected to pay the account in full over a 10 month period.

d) If a determination is made that a patient has the ability to pay the remainder of the bill, such determination does not prevent a re-assessment of the patient’s ability to pay at a later date.

e) Amounts applied by the Department of Social Services as a Medicaid spenddown do not qualify for assistance.

PROCEDURE:

I. IDENTIFICATION OF PATIENTS WHO MAY QUALIFY FOR FINANCIAL ASSISTANCE

a) The hospital will post notice of its Patient Financial Assistance Program and how a patient may apply for assistance. Patients have 90 days from the date of service in which to apply for aid.

b) Registration will attempt to identify all cases that may qualify for financial assistance at the time of pre-registration, registration or admission. Patients identified as possibly requiring financial assistance will be provided a Patient Financial Assistance Packet which contains an explanatory letter to the patient, the Financial Assistance Summary and a Patient Financial Assistance Application.

c) Patients who are eligible for Medicaid do not qualify as financially indigent.

d) As soon as sufficient information is available concerning the patient’s income and eligibility for governmental assistance, a determination will be made concerning the patient’s eligibility for assistance. No collection efforts will be pursued on an account once a completed Patient Financial Assistance Application has been received.

II. FACTORS TO BE CONSIDERED FOR FINANCIAL ASSISTANCE DETERMINATION

The following factors are to be considered in determining the eligibility of the patient for financial assistance:

1. gross income
2. family size
3. residency requirements (financial assistance is offered to legal residents of Essex, Clinton, Washington, Warren and Hamilton counties of New York State)

III. FAILURE TO PROVIDE APPROPRIATE INFORMATION

Failure to provide information necessary to complete a financial assessment may result in a negative determination, but the account/s may be reconsidered upon receipt of the required information.
IV. TIME FRAME FOR ELIGIBILITY DETERMINATION

A determination of eligibility will be made by the Patient Billing Department within 10 working days after receipt of all information necessary to make a determination.

An approved application remains in effect for a 12-month period, assuming the patient’s income status remains unchanged.

V. APPEALS PROCEDURE

Patients receiving a negative determination may appeal the decision by requesting their application be reviewed by the hospital’s Chief Financial Officer. A determination of eligibility will be made by the Chief Financial Officer within 10 working days and the applicant will be notified of the outcome in writing.

Applicants believing their application was incorrectly assessed or was wrongly rejected for financial assistance may contact the New York State Department of Health complaint hotline at 1-800-804-5447.

VI. COLLECTIONS

a) When a patient has completed and returned an application for financial assistance, the claim will not be forwarded to a collection agency, pending determination of eligibility.

b) The hospital will not foreclose, require a forced sale or place a lien on the applicant’s primary residence.

c) Patients will be notified at least 30 days prior to forwarding an account to the collection agency.

d) Moses Ludington Hospital will provide written consent to a collection agency prior to commencing legal action on an account.

e) Collection agencies contracted by Moses Ludington Hospital will follow the hospital’s financial aid policies and procedures, including the means of applying for aid.

f) Collections are prohibited from patients eligible for Medicaid at the time of service.

g) A favorable determination still enables the patient to make installment payments at no greater than 10% of gross monthly income. The patient will be required to sign a Payment Agreement in this instance.

VI. DOCUMENTATION OF ELIGIBILITY DETERMINATION

Once eligibility has been determined, the applicable accounts will be adjusted using the appropriate transaction code.

VII. REPORTING OF CHARITY CARE
Moses Ludington Hospital will attest our policies and procedures comply with the conditions of participation for receipt of bad debt/charity care.

Moses Ludington Hospital will report:

- Hospital costs incurred and uncollected amounts for deductibles and coinsurance.
- The number of patients who applied for aid, approvals and denials, by ZIP Code.
- The amount of bad debt/charity care received.
- The amount spent from bequests or trusts established to provide financial aid.
- Where applicable, the number of patients receiving assistance in applying for Medicaid.
- Hospital losses resulting from services provided under Medicaid.
- The number of liens placed on a primary residence.
## Financial Assistance 2010

<table>
<thead>
<tr>
<th>States and D.C.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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### Co-pay, Balance Charity Write-off

Lower of Charges, or Co-pay after Charity

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<th>IP</th>
<th>OP</th>
<th>ER</th>
<th>Am Surg</th>
<th>Non-emergent Lower of charge, or</th>
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Patient Name:

Income Calculation: