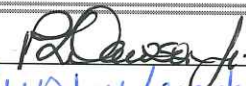
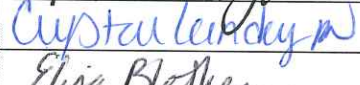
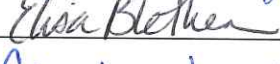

	<b>POLICY NUMBER:</b>	<b>PFS-302A</b>	<b>DATE:</b>	<b>11/16/2023</b>
	<b>SUBJECT:</b>	<b>FINANCIAL ASSISTANCE</b>		
	<b>DEPARTMENT:</b>	<b>PATIENT FINANCIAL SERVICES</b>		
	<b>AUTHOR:</b>	<b>Crystal Landry, RN, Interim Director of Patient Financial Services</b>		
<b>APPROVED BY:</b> <i>[original signed document is located in the subject department offices]</i>				
<b>President, Board of Directors,</b>	<b>Phillip Dawson, Jr.</b>			
<b>Chief Executive Officer,</b>	<b>Crystal Landry, RN</b>			
<b>Chief Financial Officer,</b>	<b>Elisa Blethen</b>			
<b>Interim Director of Patient Financial Services,</b>	<b>Crystal Landry, RN</b>			

**PURPOSE:** Penobscot Valley Hospital is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for government program, or otherwise unable to pay for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Penobscot Valley Hospital strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Penobscot Valley Hospital will provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance – free and discounted (partial financial assistance) care.
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy.
- Describes the method by which patients may apply for financial assistance.
- Describes how the hospital will widely publicize the policy within the community served by the hospital.
- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital for one of the following: Medicare, Medicare and Commercial, Medicaid, Medicaid and Medicare and Commercial.

Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Penobscot Valley Hospital's procedures for obtaining financial assistance or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

In order to manage its resources responsibly and to allow Penobscot Valley Hospital to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of patient financial assistance.

**RESPONSIBLE:** Revenue Cycle Director under direction of Chief Executive Officer and Chief Financial Officer.

REVISED	01/2013	03/2017	04/22/2019	01/15/2020		

POLICY:

- 1.0 Definitions: For the purpose of this policy, the terms below are defined as follows:
- 1.1 **Financial Assistance:** Healthcare services that have been or will be provided but are never expected to result in cash inflows. Financial assistance results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.
- 1.2 **Family:** 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. If a household includes more than one family and/or more than one unrelated individual, the income guidelines are applied separately to each family and/or unrelated individual, and not to the household as a whole.
- 1.2.1 A family unit of size one is an unrelated individual, that is, a person of 15 years old or over who is not living with any relatives. An unrelated individual may be the sole occupant of a housing unit, or may be residing in a housing unit (or in group quarters such as a rooming house) in which one or more persons also reside who are not related to the individual in question by birth, marriage or adoption.
- 1.3 **Family Income:** Family income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:
- 1.3.1 Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, net receipts from non-farm or farm self-employment, income from estates, trusts, educational assistance, lottery winnings, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- 1.3.2 Excludes noncash benefits (such as food stamps and housing subsidies);
- 1.3.3 Determined on a before-tax basis;
- 1.3.4 Excludes capital gains or losses, liquid assets, tax refunds, lump-sum inheritances, one-time insurance payments or other one-time compensation for injury; and
- 1.3.5 If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).
- 1.4 **Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.
- 1.5 **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.
- 1.6 **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.
- 1.7 **Emergency Medical Conditions:** Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).
- 1.8 **Medically Necessary:** As defined by MaineCare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).
- 1.9 **Elective Care:** Any care that is not emergent or medically necessary as defined by MaineCare will not be eligible for financial assistance.
- 1.10 **Self Pay:** A patient who is not insured or is being reimbursed and is fully responsible for payment.
- 1.11 **Sliding Scale:** Charges adjusted based on income level and family unit size.



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**PROCEDURE:**

- 1.0 **Services Eligible under this Policy.** For purposes of this policy, "charity" or "financial assistance" refers to healthcare services provided by Penobscot Valley Hospital without charge or at a discount to qualifying patients. The following healthcare services are eligible for financial assistance:
  - 1.1 Emergency medical services provided in an emergency room setting;
  - 1.2 Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
  - 1.3 Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
  - 1.4 Other services requested to be adjusted based on the Financial Assistance policy will be evaluated on a case by case basis.
  
- 2.0 **Eligibility for Financial Assistance.** Eligibility for 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 the Policy. The granting of 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 Hospital will follow the rules set forth by the federal government and by the Department of Health and Human Services Office of MaineCare Services Chapter 150 Free Care Guidelines to determine eligibility. Patient must be a resident of the state of Maine to be eligible for financial assistance at Penobscot Valley Hospital.
  
- 3.0 **Method by Which Patients May Apply for Financial Assistance.**
  - 3.1 Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
    - 3.1.1 Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
    - 3.1.2 Include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay.
    - 3.1.3 Include reasonable efforts by Penobscot Valley Hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
    - 3.1.4 Take into account all other financial resources available to the patient; and
    - 3.1.5 Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
  - 3.2 It is preferred but not required that a request for financial assistance and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle for any balance that has not already received a financial assistance discount. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than six months prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known. Additional verification will be done for any admission.
  - 3.3 Penobscot Valley Hospital's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of financial assistance. Requests for financial assistance shall be processed promptly and Penobscot Valley Hospital shall notify the patient or applicant in writing within 30 days of receipt of a completed application.
  
- 4.0 **Presumptive Financial Assistance Eligibility.** There are instances when a patient may appear eligible for financial assistance, but there is no financial assistance form on file due to a lack of



supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, Penobscot Valley Hospital could use outside agencies in determining estimate income amounts for the basis of determining financial assistance eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

- 4.1 State-funded prescription programs;
- 4.2 Homeless or received care from a homeless clinic;
- 4.3 Participation in Women, Infants and Children programs (WIC);
- 4.4 Food stamp eligibility;
- 4.5 Subsidized school lunch program eligibility;
- 4.6 Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
- 4.7 Low income/subsidized housing is provided as a valid address; and
- 4.8 Patient is deceased with an estate (no estate are written off to in-house bad debt).

5.0 **Amounts Charged 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 Penobscot Valley Hospital to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges for the covered determination period. The basis for the amounts Penobscot Valley Hospital will charge patients qualifying for financial assistance is as follows:

- 5.1 Patients whose family income is at or below 150% of the FPL are eligible to receive free care;
- 5.2 Patient whose family income is above 151% but not more than 225% of the FPL are eligible to receive services at amounts no greater than the amounts generally billed (received by the hospital for) and will qualify for the Penobscot Valley Hospital sliding fee scale (see Appendix C for calculation of Amount Generally Billed) and;
- 5.3 Patients whose family incomes exceeds 226% 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, at the discretion of Penobscot Valley Hospital; however the discounted rates shall not be greater than the amounts generally billed to (received by the hospital for) Medicare, Medicare and Commercial, Medicaid, or Medicaid and Medicare and Commercial combined (per Appendix C).

6.0 **Determination of Qualification.** Determination of qualification for financial assistance shall require a completed application with supporting documentation, which will be made available at multiple locations by Penobscot Valley Hospital and online at [www.pvhme.org](http://www.pvhme.org).

- 6.1 A determination of eligibility for free care will be provided to the applicant within 30 days, unless such determination is deferred as allowed below if the patient meets criteria they are eligible.
- 6.2 Deferral of determination up to 60 days may be made for the purpose of requiring the applicant to obtain evidence of ineligibility for medical assistance programs or to verify that the services in question are not covered by insurance. Refer to §1.05, Chapter 150 of the State of Maine DHHS Free Care Guidelines for further details.
- 6.3 Denials or deferrals of free care will be made in writing to the applicant and include the reason for such denial. If denial of free care is due to a failure to provide required information during a deferral period in 6.2 above, the applicant shall be informed that he or she may reapply for free care if the required information can be furnished. Also, the notice must state that the patient has a right to a hearing; how to obtain a hearing; and the name and telephone number of the person who should be contacted should the patient have questions regarding the notice.

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- 7.0 **Publication of the Financial Assistance Program.** PVH will publish the Financial Assistance Program widely following the guidelines below.
- 7.1 The application and plain language summary will be available on the hospital's website [www.pvhme.org](http://www.pvhme.org).
  - 7.2 Paper copies of the application and summary are available upon request without charge in the facility and upon request in the mail.
  - 7.3 The community will be made aware by including the application on hospital website, Patient Registration and Emergency Department. The website includes a plain language description of the policy as well.
  - 7.4 All patients who receive care are notified about the Financial Assistance policy through signage and information included in their statements.
- 8.0 **Relationship to Collection Policies.** This policy will be followed in accordance with PFS-302 (Credit and Collections) and PFS-304 (Bad Debt Policy). Once account becomes delinquent, assistance efforts cease. Therefore, patients are urged to speak to PVH billing representatives early on to preserve their options for help. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their discounted hospital bills, Penobscot Valley Hospital may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. Penobscot Valley Hospital will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for financial assistance under this financial assistance policy. Reasonable efforts shall include:
- 8.1 Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital;
  - 8.2 Documentation that Penobscot Valley Hospital has or has attempted to offer the patient the opportunity to apply for financial assistance pursuant to this policy and that the patient has not complied with the hospital's application requirements;
  - 8.3 Documentation that the patient has been offered a payment plan but has not honored the term of that plan.
- 9.0 **Regulatory Requirements.** In implementing this Policy, Penobscot Valley Hospital management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.
- 10.0 **Included and Excluded Providers** are noted in Appendix A and Appendix B attached to this policy.

Appendix A

Providers covered by Penobscot Valley Hospital Financial assistance and eligible for the discounts described in this policy:

Rural Health Clinic providers

Penobscot General Surgery providers

Penobscot Valley Hospital Specialty Clinic

Dahl-Chase Pathology

Spectrum Radiology

Updated: 8/01/23

Appendix B

Providers NOT covered by Penobscot Valley Hospital Financial assistance and NOT eligible for the discounts described in this policy:

Penobscot Valley Hospital Clinic Providers

- Pain Management

Quest Laboratory

Penobscot Respiratory

Penobscot Foot & Ankle

Updated: 8/01/23



Appendix C

Calculation of Amounts Generally Billed is based on the "look back" method and is calculated at the end of each fiscal year. The updated percentage is implemented no later than 120 days into the new calendar year. See [www.irs.gov/charities-non-profits/limitations-on-charges-section-501r5](http://www.irs.gov/charities-non-profits/limitations-on-charges-section-501r5).

Record of the current year's calculation will be kept on file within the PFS department.