



## ADMINISTRATIVE POLICY

**SUBJECT:** Financial Assistance

**POLICY:** Hannibal Regional Healthcare System will consider all patients who are uninsured, under-insured, under-employed or unemployed potential candidates for financial assistance with their Hannibal Regional Healthcare System bills. Eligible individuals, upon request, will receive financial counseling before, at time of or after receiving services. Patients may qualify for full or partial forgiveness of their balances based on their household income.

**PURPOSE:** To provide medically necessary services to eligible individuals who do not have adequate financial resources to pay for healthcare services.

### ADMINISTRATIVE RESPONSIBILITY:

The Vice President - Finance is responsible for administering and interpreting this policy. All team members are responsible for policy compliance.

### DEFINITIONS:

Financial Assistance: Part or all of the patient's charges will be forgiven based on their annual income, number of members in the household and other debts/financial liabilities.

Financial Assistance Eligible: Medically necessary healthcare services provided to a financially eligible patient.

Financial Assistance Review and Approval Process: Patient Financial Counselor will gather documentation and information from the patient for the purpose of assessing them for Financial Assistance. The Director of Patient Financial Services and Group Director-Patient Financial Services will review and approve.

Medically Necessary Care: Care deemed necessary by the ordering physician for the treatment of a patient, the omission of which could adversely affect the patient's condition.

### GENERAL STATEMENTS:

1. Consideration of requests for Financial Assistance will not be based upon a patient's race, color, gender, sexual orientation, age, religion, national origin nationality, place of residence, or handicap.
2. Eligibility to receive Financial Assistance will be determined through the objective review of a completed Application for Financial Assistance and any additional information directly relevant to the determination of eligibility.

3. Patients eligible for Financial Assistance must meet one or more of the following criteria for consideration:

- a. Insured patients with insurance coverage that is inadequate to pay for healthcare services and do not have the ability to pay the balance.
- b. Uninsured patients that do not have the ability to pay for healthcare services.
- c. Patients with a family income at or below 275% of the Federal Poverty Guideline qualify for 100% Financial Assistance. Patients with a family income between 275% to 400% qualify for partial Financial Assistance.

<u>Income % of FPG</u>		<u>Financial Assistance Write-Off</u>
275%	=	100%
300%	=	75%
350%	=	50%
400%	=	25%

d. Patients with a spendable income allowance that is less than 5% of the balance owed to the System on a month-to-month basis. Spendable income allowance is defined as income available for payment after consideration for the following:

1. Mortgage or Rent Expenses.
2. Utility.
3. Car payments or transportation costs.
4. Food costs.
5. Uninsured medication costs.
6. Child support and daycare costs.
7. Insurance payments for auto, health and property.

e. Total assets available to pay healthcare expenses of less than \$2,000 excluding the following:

1. Home equity.
2. Auto equity.
3. Life Insurance equity.

f. A demonstrated inability to borrow the funds needed to eliminate the account balance.

g. A patient's family that has incurred unpaid medical debt of 20% or more of their gross annual household income is considered a Catastrophic Medical Bill.

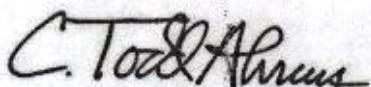
4. An Application for Financial Assistance will be deemed complete only if the following information is provided:

- a. Valid personal identification (state issued photo ID, birth certificate, passport, Social Security card, or Alien Registration Card).
- b. Proof of annual gross income (Photocopy of most recently filed Federal Income Tax forms, paycheck stubs or other proof of income).
- c. A recent statement of assets to include all bank and investment accounts.
- d. A completed Financial Information Profile.

5. Additional factors considered in the Financial Assistance review process may include the following:
  - a. Credit reports.
  - b. Proof of incarceration.
  - c. Prior Financial Assistance approvals.
  - d. Existing unpaid medical accounts placed with a collection agency.
  - e. Proof that patient is homeless.
  - f. Proof that patient is deceased and with probate or assets.

## PROCEDURE

1. Any patient who is identified as uninsured, unemployed, under-employed, under-insured or who otherwise appears to be unable to pay for medically necessary services shall be eligible to work with a Patient Financial Counselor. Any team member or provider may refer a patient for assistance through the System's financial counselors. If a patient is unable to personally meet with a financial counselor, a guardian or authorized representative of the patient can meet with the counselor to discuss the application process.
2. An initial assessment of the patient's financial resources will be performed by a financial counselor to determine the patient's potential eligibility for Financial Assistance. The assessment will include a review of the patient's apparent eligibility for other sources of coverage. The patient will be assisted in applying for support if an alternative source of coverage is identified.
3. Following a determination of potential eligibility, the patient or an authorized representative of the patient, will provide the financial counselor with all information necessary to validate the patient's eligibility for Financial Assistance.
4. Upon receipt of the necessary information, a determination of apparent Financial Assistance determination shall be made by the financial counselor responsible for the account and a written recommendation for approval shall be prepared.
5. Upon approval, Financial Assistance begins on the date the care is provided and will remain valid for 6 months. Patient Financial Services will do a 12-month look-back on any unpaid balances for Financial Assistance consideration.



C. Todd Ahrens  
President and Chief Executive Officer

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Leadership Council Review: 04/04/14, May 2017, May 2020, August 2022, October 2022, October 2025

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HRHS Policy Committee  
Reviewed: 04/26/17, 04/10/2020  
Revised: 06/28/2022, October 2025  
Replaces: F 107 Charity Care, 1.0111 (9/90), Charity Care/Bad Debt, Uncompensated Care  
Reference: