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Owner: Erica Patrick: Business Office  
Manager  
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References:

## Financial Assistance

### POLICY

1. As a part of its mission, Methodist Hospital for Surgery (MHfS) provides financial assistance to patients who lack the ability to pay for hospital services.
2. As a part of its stewardship duty to use its resources as effectively as possible, manage its business affairs prudently and well, and preserve its capacity to continue serving in future years, while fulfilling current needs, MHfS strives to identify the value of financial assistance it provides to emergent and non-emergent patients who cannot pay for hospital care because they lack the necessary financial resources. This Policy establishes the framework pursuant to which MHfS identifies patients that may qualify for financial assistance, provides financial assistance and accounts for financial assistance. The Policy also serves to meet the requirements set forth in state and federal laws, including but not limited to Texas Health and Safety Code Chapter 311 and Internal Revenue Code 501(r).
3. At all main patient registration points, emergency rooms and in such other locations as the hospital deems appropriate to give notice of the charity care program and policies, the hospital will post a bilingual notice which will include instructions on how to obtain a free printed version of the plain language summary, the Financial Assistance Policy (FAP) and an application for financial assistance. Additionally, the bilingual FAP, a plain language summary and the application form will be made available on the hospital web site <http://methodisthospitalforsurgery.com/financial-assistance>. Printed copies may also be obtained at 17101 North Dallas Parkway, Addison, TX 75001 or by calling 214-643-6515 and requesting they be mailed. Assistance with understanding and completing the Financial Assistance Application is available by calling the above listed number or going to the above listed location. The FAP will be made widely available to members of the public by publishing a plain language summary in the largest local print media of the applicable service area. Translations of this policy into Spanish, Vietnamese, Mandarin, Korean and Arabic may be obtained on the website listed above or at the location listed above.
4. Regardless of an individual's ability to qualify under this FAP, MHfS will provide, without discrimination, care for any emergency medical condition. In 1986, the U.S. federal government passed Section 1867 of the Social Security Act (42 U.S.C. 1395dd) also known as the Emergency Medical Treatment and Labor Act (EMTALA). This act requires any hospital that accepts payments from Medicare to provide care to any patient who arrives in its emergency department for treatment, regardless of the patient's citizenship, legal status in the United States, or ability to pay for the services. Pursuant to EMTALA, any individual (including minor children and/or infant) who presents to MHfS requesting assistance for a potential Emergency Medical Condition (EMC) will receive a Medical Screening Exam (MSE) by a qualified Medical Provider to determine whether an EMC exists. Individuals determined to have an EMC, or who are in

Active Labor will be treated and their condition stabilized without regard to their ability to pay for services. Further, MHfS shall not delay providing an MSE and/or necessary stabilizing treatment in order to inquire about an individual's method of payment or insurance status. Admission and registration staff are required to follow the following guidelines.

- A. Do not interfere with the timeliness of the medical screen.
  - B. Do not call a managed care organization for permission to do a medical screen.
  - C. Do not say or imply anything to the patient that might discourage them from seeking the medical screen.
  - D. Avoid actions that discourage seeking emergency care.
  - E. Do not engage in debt collection activities in the emergency room.
5. The hospital will bill a person who qualifies under this FAP less than "gross charges". The hospital will limit the amount charged for any emergency or other medically necessary care it provides to a FAP-eligible individual to not more than the amounts generally billed (AGB) to individuals with insurance covering that care.
6. MHfS shall report annually to the Texas Department of Health and the Internal Revenue Service the amount of financial assistance and government-sponsored indigent health care provided to patients, as defined by applicable law.
7. Procedures that are deemed not emergency or medically necessary including, but not limited to, "cosmetic only" surgery, gastric bypass surgery and lap band surgery. All emergent or medically necessary services are covered under this policy.

## DEFINITIONS

1. Amounts generally billed (AGB) means the amounts generally billed for emergency or other medically necessary care to individuals who have insurance covering such care. AGB percentage means a percentage of gross charges that a hospital uses to determine the AGB for any emergency or other medically necessary care it provides to an FAP eligible individual. For each hospital the claims during the prior fiscal year are included in the calculation. The claims include Medicare fee-for service as well as all other private health insurers. MHfS has adopted the "Look Back Method" as defined by Internal Revenue Service Code Section 501(r). The AGB is 58.5%, and is calculated annually. The AGB calculation was computed based on the twelve-month period ending June 30, 2024, which included governmental and commercially insured patients. Specifically, both Medicare and Medicaid allowed claims were included in the AGB calculation, as well as commercially insured claims. In the event the outstanding patient account balance is less than the calculated AGB discount based on deposits or previous payments made, MHfS will refund the patient the amount over the AGB calculated amount. MHfS will ensure that any prepayments or deposits required prior to receiving medically necessary care are less than AGB, in order to comply with the "safe harbor" requirements of section 1.501(r)-5(d) of the Federal Income Tax Regulations. Members of the public may request the AGB percentage and accompanying description of the calculation in writing, free of charge, at 17101 North Dallas Parkway, Addison, TX 75001 or by calling 214-643-6515 and requesting they be mailed.
2. Extraordinary collection actions (ECAs) are defined by Section 501(r) of the Internal Revenue Code as certain actions taken by MHfS against an individual related to obtaining payment of a bill for care covered under MHfS's FAP. MHfS will send statements, letters and make collection calls to pursue collection of any outstanding balances. At the current time, MHfS does not engage in any ECAs.

3. FAP application means the information and accompanying documentation that MHfS requires an individual to submit to apply for financial assistance under MHfS's FAP. A FAP application is considered complete if it contains information and supporting documentation sufficient for MHfS to determine whether the applicant is FAP-eligible and incomplete if it does not contain such information and documentation. Free copies are available on MHfS's web site <http://methodisthospitalforsurgery.com/financial-assistance>. Free printed copies may also be obtained at 17101 North Dallas Parkway, Addison, TX 75001 or by calling 214-643-6515 and requesting they be mailed. Assistance with completing the Financial Assistance Application is available by calling the above listed number or going to the above listed location.
4. FAP-eligible individual means an individual eligible for financial assistance under MHfS's FAP.
5. Gross charges, or the chargemaster rate, means MHfS's full, established price for medical care that MHfS consistently and uniformly charges all patients before applying any contractual allowances, discounts, or deductions.
6. Plain language summary means the written statement that notifies an individual that MHfS offers financial assistance under a FAP and provides the following additional information in language that is clear, concise, and easy to understand:
  - A. A brief description of the eligibility requirements and assistance offered under the FAP.
  - B. The direct website address (or URL) and physical location where the individual can obtain copies of the FAP and FAP application form;
  - C. Instructions on how the individual can obtain a free copy of the FAP and FAP application form by mail;
  - D. The contact information, including the telephone number(s) and physical location of hospital staff who can provide an individual with information about the FAP and the FAP application process, as well as of the nonprofit organizations or government agencies, if any, that the hospital has identified as available sources of assistance with FAP applications;
  - E. A statement of the availability of translations of the FAP, FAP application form, and plain language summary in other languages, if applicable; and
  - F. A statement that no FAP eligible individual will be charged more for emergency or other medically necessary care than AGB.

## PROCEDURE

1. MHfS will take into account the income level, family size, and amount of hospital charges described in the table below in order to determine eligibility for the levels of financial assistance described in the table. In certain extraordinary cases where these factors may not accurately reflect the patient's ability to pay, MHfS may take into account the earning status and potential of the patient and family, and frequency of their hospital and medical bills.

Financially Indigent Classification		Medically Indigent Classification	
Number in Household	100% of FPG	Number in Household	500% of FPG
1	15,060	1	\$75,300

2	\$20,440	2	\$102,200
3	\$25,820	3	\$129,100
4	\$31,200	4	\$156,000
5	\$36,580	5	\$182,900
6	\$41,960	6	\$209,800
7	\$47,340	7	\$236,700
8	\$52,720	8	\$263,300
Discount	100% of Balance Due	Discount	95% of Balance Due
For families with more than 8 persons, add \$4,720 for each person.		Balance due must be greater than 5% of patient's yearly income for eligibility.	

Based on Federal Poverty Guidelines issued 1/18/2018 <http://aspe.hhs.gov/poverty/index.cfm>

2. No FAP eligible individual will be billed more for emergency or other medically necessary care than AGB.
3. Patients eligible for financial assistance consideration will include both Financially Indigent and Medically Indigent applicants who have inadequate resources to pay for services provided.

The table above will be utilized to determine what amount, if any, of the outstanding patient account balance will be discounted after payment from third parties.

Individuals may request financial assistance by completing and submitting a financial assistance application. Applications are available at all main patient registration sites and emergency rooms, or on the hospital web site, <http://methodisthospitalforsurgery.com/financial-assistance>. Printed free copies may also be obtained at 17101 North Dallas Parkway, Addison, TX 75001 or by calling 214-643-6515 and requesting they be mailed. Applications will be accepted up to 240 days after the hospital mails or electronically provides the individual with the first post-discharge billing statement for the care.

- A. Financially Indigent patients include those patients who are uninsured or underinsured, whose annual income is equal to or less than the Federal Poverty Guidelines, as published each February in the Federal Register, and who have no ability to pay for their medical care.
  - B. Medically Indigent patients include those patients who are capable of paying for their living expenses, but who's medical and hospital bills, after payment by third party payers, would require use or liquidation of income and/or assets critical to living or earning a living.
4. MHfS may conclude, without a completed assessment of eligibility that a favorable classification of qualification for charity may be appropriate based upon information it obtains from the patient and/or related parties which demonstrates to MHfS that the patient qualifies for financial assistance pursuant to this policy. For example, a patient who qualifies for Medicaid is considered eligible and does not need to complete an application.

The hospital will conspicuously post instructions on obtaining complete and current versions of the FAP documents in English and in the primary language of any populations with limited proficiency in English. The MHfS web site <http://methodisthospitalforsurgery.com> will provide clear instructions for accessing the

FAP documents without requiring special computer hardware or software not readily available to the public and without payment of any fee. MHfS will inform and notify members of the community served by MHfS about the FAP on its website and by publishing the FAP Summary in the Dallas Morning News and in the prevalent applicable printed news of qualifying LEP publications.

The notification period of financial assistance begins at the time of registration, and extends out to 120 days from the time the first billing statement is mailed or electronically provided. Identification can occur at any time sufficient information is available to make the determination, including well after the normal collection cycle. MHfS will distribute a plain language summary of the FAP, and offer a FAP application form, to the individual before discharge from the hospital. MHfS will also include the plain language summary of the FAP with the first three billing statements for the care and all other written communications regarding the bill provided to the individual during the notification period. In addition, MHfS will inform the individual about the FAP in all oral communications regarding the amount due for the care that occur during the notification period. Finally, MHfS will provide the individual with at least one written notice that informs the individual about the Extraordinary Collection Action (ECA) MHfS may take if the individual does not submit a FAP application or pay the amount due by a date that is no earlier than the last day of the notification period. MHfS will provide this written notice at least 30 days before the deadline specified in the notice.

5. An individual's failure to provide information necessary to complete a financial assessment may result in a negative determination. MHfS will make efforts to obtain the incomplete information, which may include a written request for the information needed. MHfS will accept and process FAP applications submitted by an individual during an "application period" that ends on the 240th day after the hospital mails or electronically provides the individual with the first billing statement for the care. If an individual submits an incomplete FAP application during the application period, MHfS will make reasonable efforts to determine whether the individual is FAP-eligible.

First, if applicable, the hospital must suspend any ECAs against the individual (meaning it does not initiate any new ECAs or take further action with respect to previously-initiated ECAs). Second, MHfS will provide the individual with a written notice that describes the additional information needed and/or documentation the individual must submit to complete his or her FAP application and include a plain language summary of the FAP with the written notice. Third, if the hospital is currently engaging in ECAs, the hospital will provide the individual with at least one written notice that informs the individual about the ECAs that the hospital or other authorized party may initiate or resume if the individual does not complete the application or pay the amount due by a completion deadline (specified in the notice) that is no earlier than the later of 30 days from the date of the written notice or the last day of the application period. The hospital will provide this written notice regarding ECAs at least 30 days before the completion deadline.

6. Classification of an account as financial assistance will suspend efforts to collect the account from the patient. Routine activity may continue in order to ensure that MHfS can identify changed circumstances in the future and ensure continuity with respect to subsequent visits. Efforts to collect from third parties will continue, and any resulting collection would be a charity recovery. Classification of an account as financial assistance should not occur until:
  - A. It is determined that: in accordance with Item 3 above, the patient and guarantor definitely do not have the financial resources to pay the account (or portions of the account), or, in accordance with Item 7 below, treatment as financial assistance is warranted under the circumstances as determined by MHfS.
  - B. It may be appropriate in some cases to notify a patient or guarantor that the account is classified as

financial assistance, if doing so will enhance the public's understanding of the hospital's charity care or assist in the collection of a portion of the account. The hospital will notify the patient or guarantor if financial assistance is approved.

7. The hospital's Business Office Manager will be responsible for the determination that reasonable efforts have been made to determine if a patient is FAP eligible. Further, the Business Office Manager will be responsible for recommending a financial assistance classification. The Chief Financial Officer must approve the classification.
8. No person shall be excluded from consideration for financial assistance based on race, creed, color, religion, gender, national origin, disability, age, sexual orientation, gender expression, or marital status.
9. Certain professional and physician services are often performed along with the hospital services as ordered by various treating physicians. A patient may be billed separately for services provided by their attending physician, ER physician, radiologists, hospitalists, pathologists, cardiologists, neonatologists, anesthesiologists and/or other non-hospital providers. The Financial Assistance Policy applies only to services provided by MHfS.

Non-Covered Providers include the following categories:

- A. Ambulances
- B. Ambulatory Surgery Centers
- C. Anesthesiologists
- D. Attending Physicians
- E. Cardiologists
- F. Dialysis Centers
- G. Durable Medical Equipment Providers
- H. Emergency Room Physicians
- I. Home Health Providers
- J. Hospitalists
- K. Neonatologists
- L. Other Professional Providers
- M. Outside Laboratories
- N. Pathologists
- O. Physicians
- P. Radiologists

## Attachments

[Financial Assistance Application](#)  
[Financial Assistance Summary](#)

## Approval Signatures

Step Description	Approver	Date
	Ed Sopiartz: Chief Financial Officer	7/9/2024
	Erica Patrick: Business Office Manager	7/9/2024