



Approved By:	JSK
Effective Date:	01/01/2025

Patient Financial Services Department Financial Assistance Policy

Policy Statement

Carteret Health Care (CHC), considers each patient's ability to pay for his or her medical care and is committed to treating all patients who have financial needs with the same respect and dignity that is extended to *all* patients. CHC intends with this policy, to establish financial assistance procedures, which furthers the community's need in which we serve.

Purpose

This policy serves to establish and ensure a fair and consistent method for the review and completion of requests for financial assistance to our patients in need. This policy is issued in compliance with section 501 (r) of the Internal Revenue code.

Definitions

Refer to Appendix A - Glossary of Policy Terms

Scope

This policy applies to all emergency and other medically necessary care provided by Carteret Health Care.

For a complete list of providers who adhere to this policy please see appendix B

Policy Guidelines

Non-discrimination

CHC provides a financial assistance program to mitigate financial barriers to receiving emergency and medically necessary care for eligible patients regardless of a patient's age, disability, gender, race, religious affiliation, social or immigrant status, sexual orientation, national origin, or membership status. Patients will not be denied emergency or medically necessary care because of an outstanding balance or their inability to pay.

Eligibility

Any patient with the inability to pay for all or part of their financial responsibility to CHC, that is either insured or uninsured, is eligible for the financial assistance program. CHC extends the financial assistance application to all patients, including employees. Applicants must be established patients. No pre-approvals will be granted.

Services Eligible Under the Financial Assistance Policy

The financial assistance policy applies to emergency care and medically necessary care. It does not apply to non-medically necessary care or elective services.

Limitation of charges

CHC uses the Look Back method to calculate amounts generally billed (AGB) to individuals insured for emergency and other medically necessary care. For details relating to the AGB calculation and current applicable percentage, see Appendix C. A patient determined to be eligible for Financial Assistance may not be charged more than (AGB) for emergent or other medically necessary care charged to patients who have Medicare or private health insurance.

Medical Debt Relief

CHC will relieve all unpaid patient medical debt dating back to January 1, 2014 for North Carolina residents who are currently enrolled in Medicaid. Beginning July 1, 2025 and thereafter, CHC will evaluate all patients who are NC residents and enrolled in Medicaid for past medical debt within 60 days of the patient's inpatient or outpatient encounter, and must reclassify any past debt as charity care. This debt relief does not include charges relating to professional services.

Measures to Publicize the Financial Assistance Program

The existence of financial assistance counseling is broadly publicized throughout the CHC campus and is available to all patients. Information in regarding the FAP is available in English and Spanish, free of charge to the general public and can be obtained in the following ways:

- Electronic copies can be accessed on the CHC website at: <https://www.carterthealth.org/patient-resources/about-my-bill/>
- Paper copies are also made available free of charge in the admissions office and in the emergency department
- On billing statements/invoices.
- From CHC personnel upon request
- As part of the admission and discharge process

APPLYING FOR THE PROGRAM

To apply for the financial assistance program, the applicant simply needs to fill out the Applicant Information Form and provide the supporting documentation requested depending on the patient's means of income.

Applications can be obtained by:

- Calling CHC Patient Accounts Financial Assistance Program Coordinator, (252) 499-6517 and requesting by mail,
- On the Patient Portal.

The applicant can mail in or drop off the completed application to the Patient Accounts Department.

FINANCIAL ASSISTANCE COORDINATOR

The Financial Assistance Coordinator will be the main point of contact for the financial assistance program. The Financial Assistance Program Coordinator can be reached by calling: (252) 4996517. The coordinator duties are as follows but are not limited to:

- Assisting patients, CHC colleagues, and community with financial assistance program questions, application completion, promotion and yearly application updates.
- Communication via telephone, email, facsimile, in- person, handwritten/typed mailed correspondence.
- Prompt call backs.
- Yearly application update to all online platforms; MyNet, CHC website, Patient Portal.
- Distribution of updated application last week of December to go live January 1st, all members of Patient Accounts including Outsource & Advocatia, RAAB Clinic, and Patient Access, (all areas).
- Keeping up-to-date spreadsheet of all current applicants for the year with their name, medical record number, and financial assistance determination status.
- All records both electronic and paper applications organized and filtered appropriately in Financial Assistance Documents UserFiles folders, emails and in-office filing system.

Incomplete Applications

Incomplete applications are not considered. Patients are notified by mail or by phone when their application is incomplete and provided an opportunity to send in the missing documentation or information within 30 days from patient notification (i.e., date of patient mailing or phone conversation).

DENIALS, RE-APPLYING

If a patient does not include adequate documentation to make a determination, the request may be denied. The applicant will be notified by mail, and the incomplete application will be returned with a letter requesting missing documentation needed for processing the application. The applicant is allowed to provide additional documentation and must resubmit the entire, completed application to the Financial Assistance Program Coordinator. Patients are allowed to re-apply each calendar year for the financial assistance program. Like each applicant who applies, the patient must have a current account with a self-pay balance. No pre-approvals will be granted.

PREVIOUSLY ADJUSTED ACCOUNTS

Since CHC allows patients to re-apply for the financial assistance program each year, patients may have been approved for a different percentage from the previous year. If a patient qualified for a lower than, or the same percentage as the previous year, CHC will not make any adjustments to previously adjusted accounts. If a patient qualified for a higher percentage for the current year than previous years, CHC will adjust the patient's previously reduced accounts, the difference in percentage.

Program Eligibility Review Process

Third Party Payers

All other avenues to obtain third party payment and financial assistance must be exhausted prior to any patient receiving Charity Care. An applicant's failure to pursue an eligible health plan or assistance program could result in denial of Charity Care.

MEDICAID SCREENING PROCEDURES

All financial assistance program applicants must be screened for Medicaid to rule out possible eligibility for additional medical assistance programs prior to receiving Carteret Health Care sponsored financial assistance benefits. The patient may choose to either be screened at their local Department of Social Services office or by calling the Carteret Health Care Medicaid Screening Service Advocacia Representative, (252) 499- 6570. The patient will provide either a Medicaid denial letter, Medicaid screening letter or copies of current Medicaid cards, *if eligible*. All letters must be dated within the last 90 days.

Required Application Documentation

Financial assistance documentation will be used to verify financial information in circumstances outlined in the Financial Assistance Application. The only three forms of proof of income accepted are: 1040 Federal Tax Return, Social Security Award Letter, or Disability Award

Letter. Other documentation may be required to fulfil other aspects of the Financial Assistance Application.

Application Approval Process

Once the application is received, the application is processed by the Financial Assistance Program Coordinator and then sent to the Directors of Patient Accounts for review and to be signed off on. Once the signed application has been returned to the Financial Assistance Program Coordinator, an approval letter is issued by mail to the patient indicating the percentage in which the patient has qualified for.

Financial Assistance Program Award Structure

Carteret Health Care utilizes a sliding scale to determine the discount percentage that is applied to the eligible patient balance. The discount percentage is based upon the patient's family size and income level with respect to the Federal Poverty Level and ranges from a discount of 100% to 40%. Please see Appendix D.

Refund of Overpayment

In the event the individual overpaid for an episode of care the organization will either refund the excess payment or apply it to an outstanding balance for services provided by CHC.

All credits resulting from payments made by patients, that do not qualify for a refund, will be applied to another open account as the first option to reduce unpaid balances, particularly those that are aged and or in bad debt.

Action in the Event of Non-payment

CHC does not engage in Extraordinary Collection Actions (ECA's) and will cease all collection actions once an application is received and approved.

Appendix A– Glossary of Policy Terms

Amounts Generally Billed – for purposes of this financial assistance policy, are the amounts that would be the total expected payment amount for services rendered by the facility if the patient had third party coverage. The Amounts Generally Billed percentage is determined by taking the sum of the total amounts allowed by insurers and Medicare and dividing it by the sum of the associated gross charges for those claims over a 12 month period.

Financial Assistance - is the cost of providing free or discounted care to individuals who cannot afford to pay, and for which CHC ultimately does not expect payment. CHC may determine inability to pay before or after medically necessary services are provided. This is also referred to as Charity Care.

Bad debt - is the cost of providing care to persons who are able but unwilling to pay all or some portion of the medical bills for which they are responsible.

Extraordinary Collection Actions - ECAs are defined as actions taken by CHC against an individual related to obtaining payment of a bill for care covered under the hospital facility's FAP that:

- involve selling an individual's debt to another party,
- involve reporting adverse information about an individual to consumer credit reporting agencies or credit bureaus (collectively, "credit agencies"),
- involve deferring or denying, or requiring a payment before providing, medically necessary care because of an individual's non-payment of one or more bills for previously provided care covered under the hospital facility's FAP, or
- require a legal or judicial process.

Facility Services - Services provided by, or at the location of, the acute-care facility, that are billed as part of the facility bill. This does not include "professional services".

Professional Services - Services provided by a physician, or approved provider, who can legally bill for those services separately from the facility services. These services do not include "facility services".

Emergency Care – Immediate care that is necessary to:

- Prevent putting the patient's health in serious jeopardy,
- Prevent serious impairment to bodily functions or serious dysfunction of any organs or body parts

Medically Necessary Services - Services required to:

- diagnose or prevent an illness, injury, or condition
- keep a condition from getting worse,
- lessen pain or severity of a condition,
- help improve a condition, or
- restore lost skills (rehabilitation)

Non-Medically Necessary Services - Services that are elective in nature, that are not necessarily required to

- diagnose or prevent an illness, injury, or condition,
- keep a condition from getting worse,
- lessen pain or severity of a condition,
- help improve a condition, or
- restore lost skills (rehabilitation)

Household Size - The number of dependents (based on IRS guidelines) living in the same house or apartment as the patient and has their financial needs met by either the patient or guarantor.

Household Income - is "gross income" not considering tax withholding. Household Income includes income from all sources including but not limited to: employment, disability, unemployment, Social Security, self-employment, rental income, pensions, royalties, alimony, sales of assets, etc., including illegal income or income not reported to taxing authorities.

Appendix B – List of Providers

FAP Provider Listing:

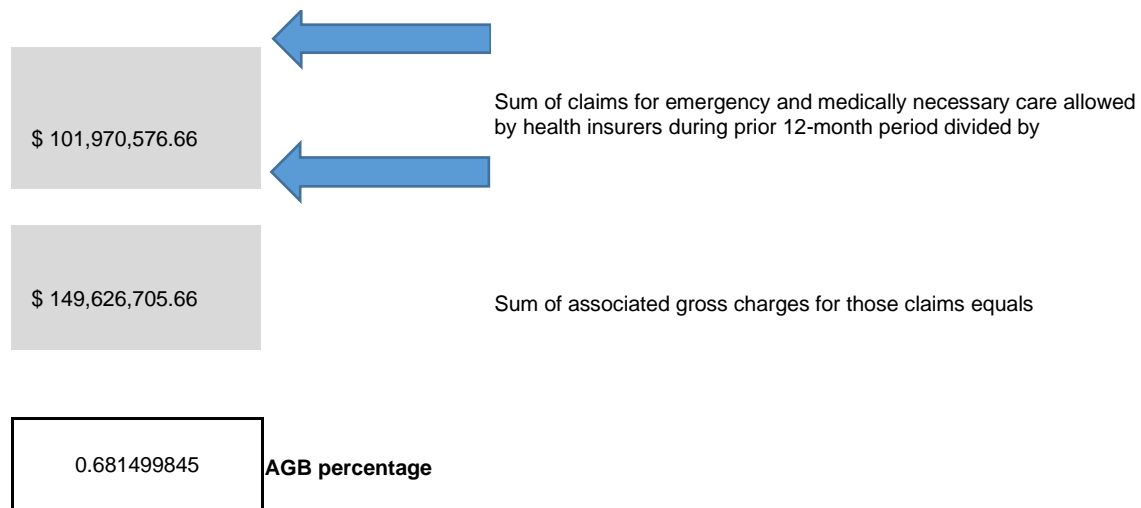
Providers who follow the FAP	Providers not obligated to follow the FAP
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-Carteret Health Care	-Your Physician, Surgeon, or Consultant -US Acute Care solutions -Eastern Radiology -American Anesthesiology -Southeast Anesthesiology -Carteret Pathology
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Appendix C – Method of Calculating Amounts Generally Billed Percentage

AMOUNTS GENERALLY BILLED (AGB)

Look-back Method



PROVIDERS	CLAIMS	GROSS CHARGES	Contractual Adjustment	Allowed Amount
Medicaid		\$ 39,346,794.51	\$ 33,334,719.00	\$ 6,012,075.51
Blue Cross		\$ 84,066,813.75	\$ 10,487,897.00	\$ 73,578,916.75
Commercial		\$ 26,213,097.40	\$ 3,833,513.00	\$ 22,379,584.40

Appendix D – Financial Assistance Discount Scale

2022 Poverty Guidelines for the 48 Contiguous States and the District of Columbia **Family**

Size	Poverty							
	Level	125%	150%	175%	200%	225%	250%	300%
1	\$13,590 \$40,770	\$16,988	\$20,385	\$23,783	\$27,180	\$30,578	\$33,975	
2	\$18,310 \$54,930	\$22,888	\$27,465	\$32,043	\$36,620	\$41,198	\$45,775	
3	\$23,030 \$69,090	\$28,788	\$34,545	\$40,303	\$46,060	\$51,818	\$57,575	
4	\$27,750 \$83,250	\$34,688	\$41,625	\$48,563	\$55,500	\$62,438	\$69,375	
5	\$32,470 \$97,410	\$40,588	\$48,705	\$56,823	\$64,940	\$73,058	\$81,175	
6	\$37,190 \$111,570	\$46,488	\$55,785	\$65,083	\$74,380	\$83,678	\$92,975	
7	\$41,910	\$52,388	\$62,865	\$73,343	\$83,820	\$94,298	\$104,775	\$125,730
8	\$46,630	\$58,288	\$69,945	\$81,603	\$93,260	\$104,918	\$116,575	\$139,890
Financial Assistance %		100%	100%	100%	75%	75%	50%	50%
Patient Responsibility %		0%	0%	0%	25%	25%	50%	50%

** For families/households with more than 8 persons, add \$4,540 for each additional person. Then multiply by 1.25 for 125% of Poverty Guidelines (for OCS/CED)

FINANCIAL ASSISTANCE APPLICATION

Carteret Health Care extends this application to you for our Financial Assistance Program. This program is offered to all patients with or without health insurance who have outstanding balances at Carteret Health Care. Please complete the application and return with all the supporting documentation outlined below. Your request will be processed for qualification of an adjustment. The adjustment percentage is based on the information you provide in combination with the Federal Income Guidelines. You will be notified by mail of the final determination. ***THIS PROGRAM ONLY COVERS CARTERET HEALTH CARE BILLS*APPLICANTS WILL NEED TO CONTACT THIRD PARTY BILLERS DIRECTLY***

Please locate the number that best describes your means of income and provide **all required documents listed**. Please do not send originals of requested tax and financial information. Incomplete applications will not be accepted and will be returned. **The only three forms of proof of income accepted are: 1040 Federal Tax Return, Social Security Award Letter or Disability Award Letter.**

1. Patient that filed taxes

- Current Year Applicant Information Form **Please include current mailing address, sign and date.*
- Prior Calendar year Federal Income Tax Return and all supporting schedules listed on Schedule 1, if applicable.
- Medicaid Screening /Letter of denial of Medicaid, or a copy of valid Medicaid card

2. Patient that did not file taxes

- Current Year Applicant Information Form **Please include current mailing address, sign and date.*
- Signed/Notarized Statement of Non-Filing of Prior Calendar Year Taxes **must be signed in front of a notary.**
- Verification of Non-Filing of Taxes Letter from IRS - *Applicant must fill out 4506-T Form, check box for #7 and mail the completed form to the address listed on the back of the form. The IRS will then process your request and mail the Verification of Non-Filing Letter directly to you.*
- Proof of Income of Supporting Party. The only forms of income accepted are: Prior Calendar Year 1040 Federal Tax Return or Social Security/Disability Award Letter.
- Medicaid Screening/Letter of denial of Medicaid or copy of valid Medicaid card

3. Patient that did not file taxes and collects Social Security

- Current Year Applicant Information Form **Please include current mailing address, sign and date.*
- Signed/Notarized Statement of Non-Filing of Taxes **must be signed in front of a notary.**
- Social Security Award Letter. SSA 1099 not accepted.
- Medicaid Screening/Letter of denial of Medicaid or copy of valid Medicaid card

4. Patient that did not file taxes and collects Social Security Disability

- Current year Applicant Information Form **Please include current mailing address, sign and date.*
- Signed/Notarized Statement of Non-Filing of Taxes **must be signed in front of a notary.**
- Disability Award Letter. Disability 1099 not accepted.



For any questions regarding the Financial Assistance Application, please feel free to contact:

Whitney Chigas Financial Assistance Program Coordinator Email: wbchigas@carterethealth.org Phone: (252) 499-6517 Once completed, please return the application with supporting documents by email to:

wbchigas@carterethealth.org or by mail to: Attn: Financial Assistance Program Coordinator 3500 Arendell St. Morehead City, NC 28557