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|  Harlingen Medical Center | | Admitting Policy and Procedure | |
| | | FINANCIAL ASSISTANCE POLICY | |
| Origination Date | Revised: 12/2023 | Policy Number: | Page(s): 13 |
| Reviewed: 01/2024 | | Governing Board Approval: 01/23/2024 | |

I. Policy:

Harlingen Medical Center (the “Hospital”), offers a Financial Assistance Policy (the “Policy”) and program for those patients who are presumed eligible or who meet the eligibility tests described below. The intent of this Policy is to satisfy the requirements of the Texas Health & Safety Code; all provisions should be interpreted accordingly.

A significant objective of Prime Healthcare facilities (“Prime”) is to provide care for patients in need. Prime provides a self-pay discount, charity care, and a discounted payment program as a benefit to the communities we serve. Prime is committed to assisting low-income and/or uninsured eligible patients with appropriate discount payment and charity care programs. All patients will be treated fairly, with compassion and respect.


Financial Assistance Policies and programs must balance a patient’s need for financial assistance with the Hospital’s broader fiscal stewardship. Financial assistance through these programs is not a substitute for personal responsibility. It is the patients’ responsibility to actively participate in the financial assistance screening process and where applicable, contribute to the cost of their care based upon their ability to pay. Outside debt collection agencies and the Hospital’s internal collection practices will reflect the mission and vision of the Hospital.

This Policy applies to all emergency and other medically necessary care provided by the Hospital. This Policy applies only to charges for Hospital services and is not binding upon other providers of medical services who are not employed or contracted by Hospital to provide medical services, including physicians who treat Hospital patients on an emergency, inpatient, or outpatient basis. Physicians not covered by this Policy who provide services to patients who are uninsured or cannot pay their medical bills due to high medical costs may have their own financial assistance policies.

II. Definitions:

“Family” means: (1) for persons 18 years of age and older, spouse, domestic partner and dependent children under 21 years of age, whether living at home or not; and (2) for persons under 18 years of age, parent, caretaker relatives, and other children under 21 years of age of the parent or caretaker relative.

“Medical Assistance” means: The definition found in 42 U.S.C. § 1396(d) (Section 1905(a) of the Social Security Act), including as therein described, but not limited to, inpatient outpatient services, outpatient hospital services, other laboratory and x-ray services, etc.

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III. Procedure:

1. Categories of Financial Assistance

A. Self-Pay Patients

All **uninsured self-pay patients** shall qualify for an automatic eighty percent (80%) discount off of the full billed charges for non-elective services provided by the Hospital to self-pay patients. After this discount is applied, if it is later determined that any third-party or alternative payment source or insurance coverage may apply to provide payment for the rendered services, this uninsured self-pay discount will be reversed and any and all appropriate adjustments will be made depending on the appropriate procedures for the payment source.

A patient qualifies as an uninsured self-pay patient if: (1) the patient does not have third party coverage from a health insurer, health care service plan, union trust plan, Medicare, or Medicaid, or is underinsured, as determined and documented by the hospital; and (2) the patient’s injury is not a compensable injury for purposes of workers’ compensation, automobile insurance, or other insurance as determined and documented by the hospital.


Uninsured self-pay patients can be eligible for additional financial assistance depending on certain financial factors, and Medicaid recipients may qualify as uninsured self-pay patients with regard to any services they receive from the Hospital that do not meet the definition of medical assistance under Medicaid.

An uninsured self-pay patient additionally qualifies for the **discounted payment program** if the income of the Patient’s Family is greater than three hundred percent (300%) but less than four hundred percent (400%) of the current Federal Poverty Level.

An uninsured self-pay patient additionally qualifies for **charity care** if the income of the Patient’s Family does not exceed three hundred percent (300%) of the current Federal Poverty Level.

B. Insured Patients

A patient who has third party coverage or whose injury is a compensable injury for purposes of workers’ compensation, automobile insurance, or other insurance as determined and documented by the hospital does not qualify for charity care, but may qualify for the discounted payment program if he or she has a Family

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income less than four hundred percent (400%) of the current Federal Poverty Level. If eligible, the insured patient's payment obligation will be an amount equal to the difference between what the Hospital receives from the insurance carrier and the Discounted Payment Maximum (defined below). If the amount paid by insurance exceeds the Discounted Payment Maximum, the patient will have no further payment obligation.

2. Eligibility for Financial Assistance

A. Presumptive Eligibility


Uninsured self-pay patients may otherwise have **presumptive eligibility** for charity care, the discounted payment program, or other uncompensated care discounts depending on the existence of other circumstances, including but not limited to:

(i) The patient qualifies for limited benefits under the state’s Medicaid program, i.e., limited pregnancy or emergency benefits, but does not have benefits for other services provided at the Hospital. This includes non-covered services related to:

- Services provided to Medicaid beneficiaries with restricted Medicaid (i.e., patients that may only have pregnancy or emergency benefits, but receive other care from the Hospitals);
- Medicaid pending applications that are not subsequently approved, provided that the application indicates that the patient meets the criteria for charity care;
- Medicaid or other indigent care program denials;
- Charges related to days exceeding a length of stay limit; and
- Any other remaining liability for insurance payments.

(ii) The patient qualifies for a County Indigent Health Care Program but no payment is received by the Hospital.

(iii) There are other instances when a patient may appear eligible for charity care or discounted payment plan 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 charity care assistance. In the event there is no evidence to support a patient’s eligibility for charity care, the Hospital may use outside agencies in determining

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estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

- State-funded prescription programs;
- Homeless or received care from a homeless clinic;
- Participation in Women, Infants and Children programs (WIC);
- Food stamp eligibility;
- Subsidized school lunch program eligibility;
- Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
- Low income/subsidized housing is provided as a valid address; and
- Patient is deceased with no known estate.
- Historical significance of non-payment that establishes a justification of future non-payment and lack of ability to pay.

For uninsured patients who have not paid or otherwise satisfied their bill, by a payment plan or submission of financial data under our charity and financial assistance policies, we will make a presumptive determination using data from an outside agency. This determination is to assist the hospital in accurate internal classification and financial presentation and does not convey an entitlement for future services. We do not disclose the presumptive determination, nor do we have access to the decision data utilized by the outside agency.

The Hospital shall make all reasonable efforts to obtain from the patient or his or her representative information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered by the Hospital to a patient including, but not limited to, the following: (1) private health insurance, including coverage offered through the federal health insurance marketplace; (2) Medicare; and/or (3) the Medicaid program, CHIP, the Texas Children with Special Health Care Needs Program, or other state-funded programs designed to provide health coverage.

If a patient does not indicate that he/she has coverage by a third party payor or requests a discounted payment program or charity care then, when possible, the patient shall be provided with an application for the Medicaid program, CHIP, or other governmental program prior to discharge.

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B. Verified Eligibility

(i) Determination of Family Income

For purposes of determining eligibility for the discounted payment program, documentation of income of the patient’s Family shall be limited to recent pay stubs or income tax returns.

(ii) Federal Poverty Levels


The measure of the Federal Poverty Level shall be made by reference to the most up to date Health and Human Services Poverty Guidelines for the number of persons in the patient’s family or household.

(iii) Application Process

Any patient who requests financial assistance will be asked to complete a financial assistance application (the “Application”). The Application form is attached as Exhibit 1 to this Policy. A patient is expected to submit the Application promptly following care. A patient has up to one hundred and twenty (120) days following the date of first post-discharge statement in which to submit the Application in order to be verified as eligible for financial assistance.

The Application requests patient information necessary for determining patient eligibility under the Financial Assistance Policy, including patient or Family income and patient’s Family size. The Hospital will not request any additional information other than the information requested in the Application. A patient seeking financial assistance, however, may voluntarily provide additional information if they so choose. Qualification for financial assistance shall be determined solely by the patient’s and/or patient Family representative’s ability to pay. Qualification for financial assistance shall not be based in any way on age, gender, sexual orientation, ethnicity, national origin, veteran status, disability or religion.

Incomplete or incorrect Applications, or unverifiable information within the Application, may cause the Hospital to deny the assistance until the completed Application or additional documentation is provided, unless the patient meets presumptive eligibility criteria above. The Hospital will retain the incomplete Application and send written documentation

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outlining the information needed, and instructions on submitting the necessary paperwork, to the Patient.

Once a complete financial assistance application is received, the Hospital must make a determination and provide a written notice of the decision and the basis relied on. If the patient is found eligible for assistance, a new billing statement will be sent which indicates how the discounted amount was calculated. The Hospital shall make and document reasonable efforts to notify the Patient of any decision or determination regarding a submitted Application and of whether the Patient qualifies for any financial assistance under this Policy.

3. Resolution of Disputes

Any disputes regarding a patient’s eligibility to receive Financial Assistance under this Policy shall be directed and resolved by the Hospital’s Chief Financial Officer.

4. Publication of Policy

In order to ensure that patients are aware of the existence of the Financial Assistance Policy, the Hospital shall widely disseminate the existence and terms of this Policy throughout its service area. In addition to other appropriate efforts to inform the community about the Policy in a way targeted to reach community members most likely to need financial assistance, the following actions shall be taken:


A. Written Notice to All Patients

Each patient who is seen at the Hospital, whether admitted or not, shall receive the financial assistance summary attached hereto as Exhibit 2.

B. Posting of Notices

The notices attached hereto as Exhibit 3:

- shall be clearly and conspicuously posted in locations that are visible to the patients in the following areas: (1) Emergency Department; (2) Business Office; (3) Admissions Office; and (4) other outpatient settings.
- shall be printed in the Hospital’s patient guide or other material that provides patients with information about the Hospital’s admissions criteria.

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C. Notices to Accompany Billing Statements

Every post-discharge statement shall include a copy of the notice attached hereto as Exhibit 4. Each bill that is sent to a patient who has not provided proof of coverage by a third party at the time care is provided or upon discharge must include a statement of charges for services rendered by the Hospital and the notices attached hereto as Exhibits 4 and 5.

D. Availability of Financial Assistance Documents

The Hospital shall post a copy of this Policy, the summary attached as Exhibit 2, and the financial assistance application on its website and make all such documents available for free download. Such documents shall be available in the emergency room and admissions office and by mail upon request. The Hospital shall also annually publish notice of the Hospital’s financial assistance program and this Policy in a local newspaper of general circulation in the county served by the Hospital.


5. Application of Financial Assistance to Patient Accounts

Financial assistance may be granted in the form of full charity care or discounted care, depending upon the patient’s level of eligibility as defined in this Policy.

The patient balances for those patients who qualify for **charity care**, as determined by the Hospital, shall be reduced to a sum equal to zero dollars (\$0) with the remaining balance eliminated and classified as charity care.

Patients who do not qualify for charity care but do qualify for the **discounted payment program** shall receive a total reduction of ninety percent (90%) off of the full billed charges for non-elective services provided by the Hospital to such patients.

The patient balances for those insured patients who otherwise qualify for the discounted payment program will be reduced; any discount will be applied against the gross charges for hospital services provided. Discounts will be limited to reducing the patient’s payment obligation to the highest amount paid by Medicare, Medicaid, the Children's Health Insurance Program (CHIP), or any other government-sponsored health program in which the Hospital participates (the “Discounted Payment Maximum”). The discount payment policy shall also include an interest-free extended payment plan to allow payment of the discounted price over time. The Hospital and the patient shall negotiate the terms of an extended payment plan, taking into consideration the patient’s Family income and essential living expenses.

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6. Collection Activities

Prime Healthcare facilities may use the services of an external collection agency for the collection of patient debt. No debt shall be advanced for collection until the Director of the Hospital PFS or his/her designee has reviewed the account and approved the advancement of the debt to collection. Prime Healthcare facilities shall obtain an agreement from each collection agency that it utilizes to collect patient debt that the agency will comply with the requirements of this Policy and applicable state law. For accounting purposes, any account that qualifies for bad debt under the Hospital’s internal policy, but is not deemed as bad debt (resulting from revenue recognition accounting standards), will be considered and reported as patient financial assistance as a reduction to Hospital revenue.

If a patient does not apply for financial assistance or is denied financial assistance and fails to pay their bill, the patient may be subject to various collection actions. Reasonable efforts must be made (and documented) to orally notify patients of this Policy before collections actions are undertaken. If the patient applies for financial assistance, any collections actions will be suspended pending the decision on the patient’s application. In addition, if a patient is attempting to qualify for eligibility under this Policy and is attempting in good faith to settle an outstanding bill with the hospital by negotiating a reasonable payment plan or making regular partial payments of a reasonable amount, the Hospital shall not send the unpaid bill to any collection agency. The Hospital shall not, in dealing with patients eligible under this Policy, use wage garnishments or liens on primary residences as a means of collecting unpaid hospital bills.


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Exhibit 1 [Financial Assistance Application]


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Exhibit 2 [Financial Assistance Summary]

Summary of Harlingen Medical Center Financial Assistance Policy

Eligibility: Harlingen Medical Center offers reduced or no charge services for emergency and other medically necessary care for individuals eligible under our Financial Assistance Policy. Eligibility is based on the Hospital’s Financial Assistance Policy, which includes using the Federal Poverty Level guidelines, number of dependents, and gross annual income along with supporting income documents.

Income Guidelines: If meeting the Hospital’s Financial Assistance Policy requirements, including requirements related to the patient being uninsured or underinsured as applicable: 1) Patients with family income below 300% of the current Federal Poverty Level will qualify for a 100% discount on their qualifying Hospital services; 2) Patients with family income greater than 300% but less than 400% of current Federal Poverty Level will qualify for a 90% discount on their qualifying Hospital services; 3) Insured patients with family income less than 400% of current Federal Poverty Level may qualify for partially discounted care and extended payment plans; and 4) Other uninsured self-pay patients will qualify for an 80% discount on their qualifying Hospital services.

For More Information: The full Financial Assistance Policy and a Financial Assistance Application Form are available at our website, [www.harlingenmedicalcenter.com], or by mail at no charge by calling 956-365-1847. Paper copies may be also obtained in person from our Business Office at 5501 South Expressway 77, Harlingen, TX . For further questions or assistance in completion of the Financial Assistance Application, please call our Business Office at 956-365-1847.


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Exhibit 3 [Notices to be posted in Emergency Department, Business Office, Admissions Office, and other outpatient settings, and printed in hospital patient guide]

CHARITY CARE & DISCOUNTED PAYMENT PROGRAM

PATIENTS WHO LACK INSURANCE OR HAVE INADEQUATE INSURANCE AND MEET CERTAIN LOW-AND MODERATE-INCOME REQUIREMENTS MAY QUALIFY FOR DISCOUNTED PAYMENTS OR CHARITY CARE. THE EMERGENCY DEPARTMENT PHYSICIANS AND OTHER PHYSICIANS WHO ARE NOT EMPLOYEES OF THE HOSPITAL MAY ALSO PROVIDE CHARITY CARE OR DISCOUNTED PAYMENT PROGRAMS. PLEASE CONTACT 956-365-1847 FOR FURTHER INFORMATION.

REPORTING OF FINANCIAL ASSISTANCE

In keeping with its mission, Harlingen Medical Center prepares and submits an annual report of the Hospital’s financial assistance program and information relating to the provision of government-sponsored indigent health care and other community benefits to the Texas Department of State Health Services. This report is public information and is available upon request from the Texas Department of State Health Services.


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Exhibit 4 [Notice to be included in *all* post-discharge billing statements]

Charity Care & Discounted Payment Program

Patients who lack insurance or who have inadequate insurance and meet certain low-and moderate-income requirements may qualify for discounted payments or charity care. Patients seeking discounted or free care must obtain and submit an application that will be reviewed by the Hospital. For more information, copies of documentation, or assistance with the application process, please contact the Hospital at 956-365-1847 or you may visit www.harlingenmedicalcenter.com or 5501 South Expressway 77, Harlingen, TX to obtain further information. Free copies of financial assistance documentation may also be sent to you by mail. The Emergency Department physicians and other physicians who are not employees of the Hospital may also provide charity care or discounted payment programs. Please contact 956-365-1847 for further information.


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Exhibit 5 [Notice to be included in post-discharge billing statements to patients who have not provided proof of insurance]

Our records indicate that you do not have health insurance coverage or coverage under Medicare, Medicaid, CHIP, or other similar programs. If you have such coverage, please contact our office at 956-365-1847 as soon as possible so the information can be obtained, and the appropriate entity billed.

If you do not have health insurance coverage, you may be eligible for Medicare, Medicaid, CHIP, coverage offered through the federal health insurance marketplace, the Texas Children with Special Health Care Needs Program, other state- or county-funded health coverage, or Prime Healthcare facilities charity care or discounted payment program. For more information about how to apply for these programs, please contact the Prime Healthcare facility PFS Designee at 956-365-1847 who will be able to answer questions and provide you with applications for these programs.

Patients who lack insurance or have inadequate insurance and meet certain low- and moderate-income requirements may qualify for discounted payments or charity care. Patients should contact the Prime Healthcare facility or PFS Designee, at 956-365-1847 to obtain further information. If a patient applies, or has a pending application, for another health coverage program at the same time that he or she applies for a Prime Healthcare facilities charity care or discounted payment program, neither application shall preclude eligibility for the other program.