

Title: Financial Assistance Policy	Effective Date: 01/01/2016
Origin: Patient Accounting	Revised: 03/01/2022 ea
Distribution:	Policy #:

**Purpose:** The purpose of this policy is to effectively establish the steps required to implement the Breckinridge Health Inc. Financial Assistance Program (FAP) in accordance with IRS Regulation 1.501(r)-4.

**Policy:** BHI is committed to providing compassionate, high quality, affordable health care to all individuals and to advocate on behalf of the poor and disenfranchised individuals that we serve. BHI strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

**Scope:** This policy shall cover all emergency medical and medically necessary health care services provided by BHI. EMTALA Guidelines for Emergency Treatment defined in Appendix A. It will extend to services provided by the physicians of the wholly-owned and operated physician practices of Breckinridge Health Inc. and to BHI's contracted emergency physician's group. A list of providers that this policy applies to is attached as appendix B at the end of this policy.

#### **Procedure:**

**Applicability:** For purposes of the Financial Assistance Policy (FAP) mandated in the IRS 501(r) regulations, eligibility is confined to the *uninsured* and *under-insured* people who fall within certain income guidelines that are outlined later in this policy. BHI recognizes that certain other individuals outside the FAP may also need assistance. Others may include medically indigent patients or people with insurance that have low to moderate incomes who may incur some sort of hardship. The financial counselor will work with these individuals according to the Self Pay Balance policy and will provide these patients with applicable resources. While BHI does extend emergency services to all patients who present to the Emergency Department without regard to ability to pay, other services must be limited by medical necessity in order to maintain the financial viability of the hospital.

**Applicable Service area:** Financial assistance is available for all outpatient and inpatient services that are deemed emergent or medically necessary for *Kentucky residents only*. Non-KY residents are outside of the FAP, but will be offered options outlined in the Self Pay Balance policy.

**Assistance Available:** Under the BHI FAP a patient may have to pay as little as zero percent (0%) to as much as forty percent (40%) of the gross charges billed for services.

#### **Eligibility Criteria:**

1. The patient must be uninsured or if have coverage must fall within the income guidelines.
2. The patient's family income must be lesser than or equal to the 40% income threshold. This is equivalent to 200% of the federal poverty guidelines.
3. Patients with incomes equal to or below the 10% threshold must apply for Medicaid. This is equivalent to 138% of the federal poverty guidelines. Medicaid eligibility options must be explored with the financial counselor before a non-emergent procedure will take place. Those who do not sign up for Medicaid but do qualify must pay forty percent (40%) of the gross charge of the bill in advance.
4. BHI bases its FAP on an income grid that details levels up to a family of 5. According to the 2022 United States Poverty Guidelines, \$4,720.00 will be added to the base income for each additional family member.
5. The eligibility criteria is as follows:

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## Annual Income Limits

(If household income is < or = to)

%patient owes ↓	1	2	3	4	5
40	27180	36620	46060	55500	64940
30	24462	32958	41454	49950	58446
20	21744	29296	36848	44400	51952
10	19026	25634	32242	38850	45458
0	13590	18310	23030	27750	32470

Number in  
Household

40% differential between 0% and 10%-This gap coincides with KY Medicaid income guidelines (138%). Everyone that falls under the 10% threshold may be Medicaid eligible. 20% differential between the following categories. This allows all individuals that fall under 200% of the U.S. poverty guidelines to be eligible for the Breckinridge Health Inc. FAP. For families/households with more than 5 persons, add \$4,720.00 for each additional person.

**Method for applying for financial assistance:** Patients may contact the Financial Counselor or will be referred to the Financial Counselor at Breckinridge Memorial Hospital prior to a service date or after. The Financial Counselor will need the following, as applicable:

1. A complete copy of the previous year's personal and business (if self-employed) federal tax returns.
2. Last three months statements of all checking, savings, and investments.
3. Last three months of all earned household income.
  - A: Proof of Social Security (award letter with monthly income stated).
  - B: Proof of disability benefits/income.
  - C: Proof of pension benefits.
  - D: Unemployment benefits.
  - E: Proof of KTap benefits/income.
4. A valid photo ID.

Individuals can obtain **free copies** of the BHI FAP, FAP plain language summary, and assistance application by several means:

1. Individuals can request free copies at all registration areas within Breckinridge Memorial Hospital and at all BHI clinics (facilities listed in Appendix B).
2. Individuals can visit the Business Office at Breckinridge Memorial Hospital to obtain free copies.
3. Individuals can call BHI at the numbers listed below and request that a free copy be mailed to them for completion. Support for the financial assistance process can also be received at the numbers listed below.
4. Individuals can visit the BHI website at <http://www.mybreckhealth.org> and follow the links to view/print a copy of the FAP, plain language summary, and application.

Contact Information: Breckinridge Health Inc  
1011 Old Hwy 60  
Hardinsburg, KY 40143

Business Office: 270-756-6579  
Financial Counselor: 270-580-2280

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**Application/Grace period:** The patient must fully cooperate with the FAP requirements in order to receive assistance. All applicable documents and information must be received within 240 days after the first post-discharge statement is received in order to receive FAP discounting. The patient is provided an additional 240 days after the ECA notice is issued to apply for assistance. The Financial Counselor will contact the patient and exhaust all reasonable collection efforts before the account is placed with a third party collector.

**Recertification for Financial Assistance:** Financial Assistance applications must be renewed every six months. The Financial Counselor will contact the patient if they have received services that extend past the six month recertification. The application/grace period above applies to all services received past recertification due date.

**Presumptive Eligibility:** The BHI Financial Counselor is certified through the KY Cabinet for Health & Family Services to determine Presumptive Eligibility. Presumptive Eligibility is a process in Kentucky which expedited an individual's ability to receive temporary Medicaid coverage for medical services. PE reduces the time for emergency eligibility-determinations and allows prospective Medicaid beneficiaries to receive immediate, time-limited access to medical services.

**Action that may be taken in the event of nonpayment:** BHI maintains a separate billing/collections policy that describes the actions that will be taken by BHI in the case of nonpayment of any amounts due by FAP eligible or other patients that visit BHI for services. Refer to the *Uncollectable Accounts Policy*.

**Method used by BHI to determine amounts generally billed (AGB):** BHI uses the average amounts that have been collected from all payers (excluding Medicaid payers) and divides that amount by the gross billed charges for those payers. This look back method yields an expected reimbursement ratio for all payers which, in turn, is the maximum amount that BHI collects from the FAP-eligible individual. The current period that BHI is using for this calculation is the admission period from 08/25/2014 to 08/25/2021. That percentage is forty one percent (41%). This number is obtained from the Agilum *Actual Reimbursement of Zero Balance Accounts* report. All data is derived from Athena. Those who are approved for Financial Assistance **may not** be charged more than the AGB for emergency or medically necessary care.

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## Appendix A

### EMTALA

#### Guidelines for Emergency Department Services

### POLICY

All patients presenting to Breckinridge Memorial Hospital's Emergency Department seeking care, or presenting elsewhere on the hospital's main campus and requesting emergency care, must be accepted and evaluated regardless of the patient's ability to pay.

#### DEFINITIONS:

- Hospital with an Emergency Department: A hospital with a dedicated emergency department. (§489.24(b))
- Hospital Property: The entire main hospital campus including the parking lot, sidewalk and driveway or hospital departments, including any building owned by the hospital that is within 250 yards of the hospital. (§413.65(a))
- Physicians: A doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the state in which he/she performs such function or action. (This definition is not to be construed to limit the authority of a doctor of medicine or osteopathy to delegate tasks to other qualified healthcare staff to the extent recognized under state law or a state's regulatory mechanism). (§1861(r)(i))
- Emergency Medical Condition: A medical condition with sufficient severity (including severe pain, psychiatric disturbances, symptoms of substance abuse, pregnancy/active labor) such that the absence of immediate medical attention could place the individual's health at risk. (§489.24)
- Medical Screening Exam: The process required to reach, with reasonable clinical confidence, the point at which it can be determined whether the individual has an emergency medical condition or not.
- Labor: The process of childbirth, beginning with the latent or early phase of labor and continuing through the delivery of the placenta. A woman experiencing contractions is in true labor unless a physician, certified nurse-midwife or other qualified medical person acting within his or her scope of practice as defined in hospital medical staff bylaws and state law, certifies that, after a reasonable time of observation, the woman is in false labor. (§489.24(b))
- Stabilize: No material deterioration of the condition is likely, within reasonable medical probability, to result from or occur during the transfer of the individual from a facility, or with respect to an emergency medical condition. (§489.24(b))
- Transfer: The movement (including the discharge) of an individual outside a hospital's facilities at the direction of any person employed by (or affiliated or associated, directly or indirectly, with) the hospital, but does not include such a movement of an individual who (i) has been declared dead, or (ii) leaves the facility without the permission of any such person. (§489.24(b))

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#### POLICY (RESTATEMENT) AND PROCEDURES

1. (Policy) All patients presenting to Breckinridge Memorial Hospital's Emergency Department seeking care, or presenting elsewhere on the hospital's main campus and requesting emergency care, must be accepted and evaluated regardless of the patient's ability to pay.
  - a. In the absence of an actual request for services, if a "prudent layperson" observer would believe, based on the individual's appearance or behavior that the individual needs an examination or treatment for a medical condition, EMTALA still applies and the person must be accepted and evaluated for treatment.
  - b. In the event that the hospital's Emergency Operations Plan is activated, persons may be transferred prior to being stabilized if, based upon the circumstances of the emergency, the hospital is unable to provide proper care, treatment or services. (Section 1135(b) of the Social Security Act §489.24(a)(2)).
2. Healthcare practitioners who may certify false labor include physicians, certified nurse-midwives, or other qualified medical person acting within his or her scope of practice as defined in hospital medical staff bylaws and state law.
  - a. All patients shall receive a medical screening exam (MSE) that includes providing all necessary testing and on-call services within the capability of the hospital to reach a diagnosis. Federal law requires that all necessary definitive treatment will be given to the patient and only maintenance care can be referred to a physician office or clinic.
  - b. Individuals may be redirected or relocated for an MSE in the event that the hospital's Emergency Operations Plan is activated. (Section 1135(b) of the Social Security Act §489.24(a)(2)).
3. The triage of a patient for managed care contracts without a medical screening exam is not acceptable under EMTALA. Prior authorization may be obtained after medical screening and stabilization services are completed. This does not preclude qualified medical staff from consulting with the patient's private physician as long as the consultation does not inappropriately delay required medical services.

#### Transfers

4. Breckinridge Memorial Hospital may not transfer or discharge a patient who may be reasonably at risk to deteriorate from, during or after said transfer or discharge. If the patient is at reasonable risk to deteriorate due to the natural process of their medical condition, they are legally unstable as per EMTALA. This standard also states that a pregnant woman is not legally stable until the baby and placenta have been delivered.
5. Breckinridge Memorial Hospital may not transfer patients who are potentially unstable as long as the hospital has the capabilities to provide treatment and care to the patient. A transfer of a potentially unstable patient to another facility may only be for reason of medical necessity.
6. If a patient is to be transferred for medical necessity, the following guidelines must be followed:

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- a. The transferring hospital provides medical treatment within its capacity that minimizes the risks to the individual's health and in the case of a woman in labor, the health of the unborn child.
- b. A physician certification that the risks of transferring the patient are outweighed by the potential benefits. The individual risks and benefits must be documented and the patient's medical record must support these, or
- c. The patient requests a transfer in writing.
- d. In addition to the following:
  - i. The receiving hospital has available space and qualified staff for the treatment of the patient.
  - ii. The receiving hospital must give acceptance in advance. The acceptance must be documented in the medical record.
  - iii. Patient gives written consent for transfer.
  - iv. The patient must be transferred by an appropriate medical transfer vehicle. A patient may not be transferred in a private passenger vehicle unless the patient refuses to be transported by ambulance. The patient's refusal must be in writing.
1. Note: Participating hospitals that have specialized capabilities or facilities (including, but not limited to, facilities such as burn units, shocktrauma units, neonatal intensive care units, or [with respect to rural areas] regional referral centers), may not refuse to accept from a referring hospital within the boundaries of the United States an appropriate transfer of an individual who requires such specialized capabilities or facilities if the receiving hospital has the capacity to treat the individual. This requirement applies to any participating hospital with specialized capabilities, regardless of whether the hospital has a dedicated emergency department. (42 CFR § 412.96)
- e. The physician will order appropriate medical staff to attend the patient, maintain and/or initiate treatment or medications and manage known potential adverse effects.
- f. Appropriate life support equipment will be ordered.
- g. Appropriate transport shall be arranged.
- h. Copies of the medical record, x-rays and laboratory tests will accompany the patient when transferred. In the event copying the records could jeopardize the patient, the records may be sent on a STAT basis to the receiving facility as soon as completed.
- i. The patient's RN shall give the report to the RN in the receiving patient care unit.
- j. Medical records of those patients to or from the hospital must be retained in their original or legally reproduced form for five (5) years from the date of transfer.

#### MEDICAL SCREENING EXAMS

7. Medical Screening Exams (MSEs) should include, at a minimum, all the following:
  - a. Emergency Department Log entry, including disposition of patient
  - b. Patient's triage record
  - c. Vital signs
  - d. History
  - e. Physical exam of affected systems and potentially affected systems
  - f. Exam of known chronic conditions
  - g. Necessary testing to rule out emergency medical conditions
  - h. Notification and use of on-call staff to complete previously mentioned guidelines.

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- i. Notification and use of on-call physicians to diagnose and/or stabilize the patient as necessary
- j. Vital signs upon discharge or transfer.
- k. Complete documentation of the medical screening exam.

#### EMERGENCY MEDICAL CONDITIONS:

- 8. Emergency medical conditions include:
  - a. Undiagnosed, acute pain which is sufficient to impair the normal functioning
  - b. Pregnancy with contractions (defined as unstable)
  - c. Substance abuse symptoms, i.e., alcohol ingestion
  - d. Psychiatric disturbances including severe depression, insomnia, suicide ideation or attempt, dissociative state, inability to comprehend danger or care for self

#### MEDICAL RECORDS

- 9. The medical records transferred to or from this hospital are retained in their original or legally reproduced form in hard copy, microfilm, microfiche, optical disks, computer disks or computer memory for a period of five (5) years from the date of transfer.

#### REFERENCE:

Department of Health and Human Services, CMS, State Operations Manual Appendix V - Interpretive Guidelines - Responsibilities of Medicare Participating Hospitals in Emergency Cases, Rev. 60, 07-16-2010, [http://www.cms.gov/manuals/downloads/som107ap\\_v\\_emerg.pdf](http://www.cms.gov/manuals/downloads/som107ap_v_emerg.pdf)

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## Appendix B

**BHI Financial Assistance Policy  
Covered Entities**

- Breckinridge Memorial Hospital                    270/756/7000    All services & providers  
1011 Old Hwy 60  
Hardinsburg KY 40143
- Breckinridge Memorial Hospital                    270/756/0420    All services & providers  
Outpatient Clinic  
207A Fairgrounds Road  
Hardinsburg KY 40143
- Breckinridge Primary Care                            270/580/2250    All services & providers  
107 Old Hwy 60  
Hardinsburg KY 40143
- Breckinridge Surgical Services                    270/580/2256    All services & providers  
207A Fairgrounds Road  
Hardinsburg KY 40143
- Cloverport Health Clinic                              270/788/3000    All services & providers  
209 Elm Street  
Cloverport KY 40111
- McDaniels Family Care                                270/902/4411    All services & providers  
9798 S Hwy 259  
McDaniels KY 40152
- Breckinridge Health Clinic                            270/756/2171    All services & providers  
• 203 Fairgrounds Road  
Hardinsburg KY 40143
- VIP Imaging Billing Services                        877/284/7696    All services & providers  
4612 CROSSFIELD CIR  
LOUISVILLE, KY 40241-1425
- Concord Medical Group                                800/225/0953    All services & providers  
PO Box 3689 Dept 314  
Sugarland, TX 77487-3310

**Non-covered Entities**

- Owensboro Health Pathology                      270/417/6530    All services & providers  
1201 Pleasant Valley Rd  
Owensboro, KY 42303