

Document Title	KIRBY FINANCIAL ASSISTANCE PROGRAM	Document Type	POLICY
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POLICY

Kirby Medical Center (KMC) understands that not all people are able to pay their hospital bills due to a variety of financial reasons. As part of our mission statement and not-for-profit purpose, KMC offers the “Kirby Financial Assistance Program” to assist people who cannot pay their hospital bill, by providing discounted or free financial assistance. The Kirby Financial Assistance Program process begins with the Patient Registration department and is completed by the Patient Financial Services (PFS) department.

PROCEDURE

I. PERSONS ELIGIBLE FOR UNCOMPENSATED FINANCIAL

- A. Individuals/families may be eligible for some type of assistance from Kirby Financial when the amount of their individual/family income and assets are equal to or less than the guidelines established in this policy. Equity in the applicant’s home and automobiles will not be considered in the eligibility calculation.

II. DEFINITIONS

- A. **INCOME:** Income refers to the total amount of a household’s earnings before taxes and deductions (gross income). Sources of income include but are not limited to the following:
 - 1. Money, wages, and salaries before any deduction, but not including food or rent in lieu of wages.
 - 2. Receipts from self-employment or from an owned farm or business after deductions for business expenses.
 - 3. Regular payment from the following:
 - a. Public assistance
 - b. Social Security
 - c. Unemployment and Worker’s Compensation
 - d. Strike benefits from union funds
 - e. Veteran’s benefits
 - f. Training stipends
 - g. Alimony
 - h. Child support
 - i. Military family allotments or other regular support from an absent family member or someone not living in the household.

4. Government employee pensions, private pensions, and regular insurance or annuity payments.
 5. Income from dividends, interest, rents, royalties, estates, or trusts.
- B. ASSETS: Assets refer to balances in financial accounts, including checking, savings, stocks, bonds, CDs, mutual funds, pensions, other retirement accounts, and cash. \$2,000 will be excluded from the total value of these accounts for the protection of the individual.
- C. Kirby Financial Assistance includes the full suite of wellness services to include CrossFit, GetFit, and MedFit. CrossFit camps and Special Events are excluded from Kirby Financial Assistance.
- D. MEDICALLY NECESSARY: Means health care services and supplies provided by a health care provider appropriate to the evaluation and treatment of disease, condition, illness or injury and consistent with the applicable standard of care, including the evaluation of experimental and/or investigational services, procedures, drugs or devices. Non-medically necessary services include, but are not limited to, cosmetic procedures, eye care, and Fresh Start.

III. VERIFICATION OF INCOME AND ASSETS

- A. For determining eligibility, an individual may be required to submit any/all of the following documents.
1. A letter of denial from Medicaid or proof of application through the Insurance Exchange or Get Covered Illinois.
 2. A complete copy of the most recent federal income tax return, including W-2 forms. If no taxes were filed, it must be noted on the application and the applicant must provide information about why. Students must provide their parents' most recent federal income tax return.
 3. The three most recent months' paychecks or unemployment check stubs for all employed family members in the household.
 4. The three most recent months' checking and savings account statements. If there are no checking/savings accounts, it must be noted on the application.
 5. The Social Security Disability Award Letter, when applicable.
 6. The unemployment statement or Workers Compensation award, when applicable.
 7. Documents to support other types of income, including:
 - a. Child support
 - b. Alimony
 - c. Retirement income
 - d. Letter from employer, if paid in cash
 8. Documents from financial and/or lending institutions reflecting the current value and loan balance of existing assets, including:
 - a. Stocks
 - b. Bonds
 - c. Mutual Funds
 - d. CDs
 - e. Pension
 - f. Other retirement accounts
 - g. Cash

9. Any additional financial information requested from Kirby Medical Center in order to verify information on the application.

Annual income is based on either the previous 3 months,

- B. Income will be calculated for all members of the household regardless of Internal Revenue dependency status.
- C. Income will be calculated for all dependents claimed on the Internal Revenue Service tax return regardless of primary residence.

IV. PRESUMPTIVE ELIGIBILITY

- A. Kirby Medical Center's primary method of determining eligibility for financial assistance is through completion of the Financial Assistance Application. However, Kirby Medical Center may presumptively determine an individual to be eligible for a 100 percent reduction from charges (i.e. full write-off) after insurance has processed. A presumptively eligible individual does not need to complete a Financial Assistance Application. The Director of Patient Financial Services' approval is required before an account is adjusted for presumptive eligibility. Presumptive determinations are made from the following sources.
 1. The government provides information that an individual is deceased.
 2. Before an account is sent to a collection agency and before taking any extra-ordinary collection actions, third-party vendors, eCare and Payment Navigator, access publicly available information to determine a patient's qualification for various financial assistance programs.

V. APPLICATION PROCESS

- A. The Kirby Financial Assistance Program, Financial Assistance Application, and the Plain Language Summary are available through the following methods.
 1. By mail
 2. In the Emergency Room
 3. In all admissions areas
 4. On Kirby Medical Center's website
- B. The actions Kirby Medical Center may take in the event of nonpayment are described in the Private Pay Balances Policy, which is available through all of the same methods as this Financial Assistance Program.
- C. A patient may request a verbal application with the Patient Financial Service Director under extenuating circumstances.
- D. An individual must complete the Financial Assistance Application. An application will be considered incomplete if required information or documentation is not included. Applications must be complete, legible, signed, and dated. Applications not meeting these conditions will be returned to applicant for clarification/completion.
- E. An individual should return applications to the PFS department located at 1000 Medical Center Drive Monticello, IL 61856, either in person or by mail.
- F. If an individual has questions about financial assistance or needs help completing a Financial Assistance Application, they can contact a patient financial counselor at (217) 762-1540 or in the Patient Financial Services office at 1000 Medical Center Drive, Monticello, IL 61856.
- G. PFS staff will process complete applications within 15 business days.

- H. Upon receipt of the completed application, it will be forwarded to the Director of Patient Financial Services for adjudication.
- I. An individual has 240 days from date the first post-discharge billing statement is sent to the patient to apply for Kirby's financial assistance program.
- J. Upon approval, financial assistance eligibility applies to all episodes of care within eight months before and six months after the date a complete Financial Assistance Application is submitted. All accounts with a status of bad debt within the eligibility period will shift from bad debt to charity care.
- K. Upon approval, of presumptive eligibility, financial assistance applies to all episodes of care within eight months before. All account with a status of bad debt within the eligibility period will shift from bad debt to charity care.

VI. LEVEL OF FINANCIAL ASSISTANCE

- A. To be eligible for Kirby's financial assistance, an individual must first apply for Medicaid or the Health Insurance Exchange Program.
- B. The level of financial assistance is based upon a household's income and assets relative to Federal Poverty Guidelines (FPG). The FPG threshold is based upon family size. See the end of this policy document for the current FPG table.
 - 1. If the household's income is equal to or less than 150% of FPG, the individual is eligible for 100% financial assistance.
 - 2. If the household's income is greater than 150% and equal to or less than 280% of FPG, the individual is eligible for partial financial assistance based upon the following sliding scale formula.

$$\frac{(2.8 \times \text{FPG}) - \text{Household Income} - (\text{Assets} - \$2,000)}{(2.8 \times \text{FPG}) - (1.5 \times \text{FPG})}$$

The discount is multiplied by the patient's responsibility after insurance. The individual will be responsible to pay the remaining balance.

- 3. This formula is illustrated by the following example.

Family of 3 with an income of \$35,100 and \$10,000 of assets
 100% = \$20,780
 150% = \$31,170
 280% = \$58,184
 Numerator = \$57,184 - \$35,100 - (\$10,000 - \$2,000) = \$14,084
 Denominator = \$58,184 - \$31,170 = \$ 27,014 Discount = \$14,084/ \$27,014 = 55.0%

In this example, the patient would be responsibility to pay the remaining 45.0% of their original responsibility.

- C. An individual will be determined to qualify for 100% financial assistance, without submitting a complete Financial Assistance Application, if they provide documentation to prove their eligibility for any of the following programs. The Director of Patient Financial Services will approve all such adjustments.
 - 1. State funded prescription programs.
 - 2. Women's Infants, and Children's Programs (WIC)
 - 3. Food stamps
 - 4. Subsidized school lunch program
 - 5. Low income/subsidized housing
 - 6. Patient is deceased with no known estate
 - 7. Homelessness. The due diligence efforts must be documented.

8. Patient is mentally incapacitated with no one to represent them
- D. If an individual provides evidence that they qualify for financial assistance under Carle Hospital's financial assistance policy, the individual qualifies for the same level of discount under this policy.
- E. If an individual is ineligible for financial assistance under this program, they may qualify for other discounts, such as catastrophic care or prompt pay. Those discounts are governed by other policies and procedures.
- F. If an individual has had a recent qualifying life event, Kirby Medical Center may be able to assist with the patient's Cobra premium. The individual will be required to fill out a Kirby Financial Application.
- G. Applicants will receive a letter communicating the determination of their eligibility.
- H. If an individual is denied financial assistance under this policy, they may appeal that decision to Kirby's Director of Patient Financial Services.
- I. An individual who qualifies for financial assistance under this policy will not be charged more for an episode of emergency medical care or other medically necessary care than the amount generally billed to individuals who have insurance covering such care (the AGB Limit). Kirby Medical Center calculates the AGB Limit using the Look-Back Method for a 12-month period. The AGB Limit will be updated annually. The formula for calculating the AGB Limit is:

$$\text{AGB Limit} = \frac{\text{All Claims Allowed by Health Insurers}}{\text{Gross Charges for Those Claims}}$$

The AGB Limit is calculated using Medicare fee-for-service and all private health insurers. The current AGB Limit is 42%.

- J. A medical bill can be broken down into two components: the hospital fee and the provider fee. All medically necessary Kirby Medical Center hospital fees are eligible for financial assistance. However, not all provider fees are eligible for financial assistance. Services provided by the following – physicians that are included on the attachment titled, Not Eligible, are not eligible for financial assistance under this policy. All other providers' services are eligible for financial assistance under the Kirby Financial Assistance program, please see attached document titled Eligible Providers; for the list of providers.

2018 Federal Poverty Guidelines (FPG)

Family Size	100% FPG	150% FPG	280% FPG
1	\$12,140	\$18,210	\$33,992
2	\$16,460	\$24,690	\$46,088
3	\$20,780	\$31,170	\$58,184
4	\$25,100	\$37,650	\$70,280
5	\$29,420	\$44,130	\$82,376
6	\$33,740	\$50,610	\$94,472
7	\$38,060	\$57,090	\$106,568
8	\$42,380	\$63,570	\$118,664
For each additional family member, add	\$5,400	\$8,100	\$15,120