

FINANCIAL ASSISTANCE POLICY

Purpose:

To provide a consistent method of determining eligibility for the Financial Assistance program for North Flight Aero Med ("NFAM")

In implementing this policy, NFAM intends to, and shall, comply with Internal Revenue Code section 501 (r), Public Act 107, and all other federal, state, and local laws, rules and regulations that may apply to activities conducted pursuant to this policy.

To communicate the availability of Financial Assistance to patients and the public for those who qualify.

Philosophy:

NFAM will not deny appropriate care to any individual requiring treatment or prevention of an illness that is deemed emergent or medically necessary.

NFAM is committed to providing Financial Assistance to persons who have healthcare needs and are uninsured or ineligible for a government program, in whole or in part, for medically necessary care based on a determination of their individual financial situation in accordance with this policy.

Financial Assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with NFAM's procedures for obtaining Financial Assistance or other forms of payment, and are expected to contribute to the cost of their care based on their individual ability to pay.

The granting of Financial Assistance shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation, religious affiliation, or any other protected class.

Financial Assistance under this policy is intended to assist uninsured individuals and shall not be granted to any third party payors, including but not limited to auto insurance plans, workers compensation plans, commercial insurance plans or government insurance plans.

The determination to grant Financial Assistance under this policy is solely at the discretion of NFAM.

Definitions:

For the purpose of this policy, the terms below are defined as follows:

Financial Assistance: Healthcare services that have or will be provided without charge or at a discount to individuals who meet the criteria established in this policy.

FAP: Financial Assistance Policy.

Family: Patient, patient's spouse (if patient files tax returns as Married Filing Jointly) and all of patient's dependents, as claimed on responsible party's tax return.

Family Income: Income is calculated using a family's Modified Adjusted Gross Income

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(MAGI). If anyone in the family is self-employed, the following business deductions will be added to MAGI: depletion, depreciation and travel, meals and entertainment. These deductions will not be allowed in determining income. Business expenses listed as "other" will be evaluated on an individual basis. If there has been a change in income since the last tax return, current income will be used to determine eligibility.

Uninsured: The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

Federal Poverty Level (FPL): The set minimum amount of gross income that a family needs for food, clothing, transportation, shelter and other necessities. In the United States, this level is determined by the Department of Health and Human Services.

Medically Necessary Care: According to [Medicare.gov](https://www.medicare.gov), 'medically necessary' is defined as "health-care services or supplies needed to prevent, diagnose, or treat an illness, injury, condition, disease, or its symptoms and that meet accepted standards of medicine".

Application Period: The period during which NFAM must accept and process an application for Financial Assistance under the FAP. The application period begins on the date the care is provided and ends on the 240th day after NFAM provides the first billing statement.

EMTALA: Federal Emergency Medical Treatment and Active Labor Act.

Look Back Method: A method in which NFAM computes at least annually a percentage discount to apply against the NFAM's gross charges for care provided to FAP-eligible individuals.

Commitment to Providing Emergency Medical Care:

NFAM provides, without discrimination, care for emergency medical conditions to individuals regardless of their ability to pay or eligibility for Financial Assistance. NFAM will not engage in actions that discourage individuals from seeking emergency medical care. Emergent care will be provided without interference from debt collection or demands for prepayment of services prior to treatment.

Services Eligible under this Policy:

Emergency medical services provided by NFAM.

- Services for a condition, which, if not promptly treated, would lead to an adverse change in the health status of an individual;
- Medically necessary services, evaluated on a case-by case basis, at NFAM's discretion.

Services Not Eligible under this Policy:

The following healthcare services are not eligible for Financial Assistance:

- Non-medically necessary services of any kind
- Co-pays, deductibles, and/or co-insurance (excluding any Medicaid co-pays and/or co-insurance)

Financial Assistance Eligibility Criteria:

Prior to seeking Financial Assistance, the patient and NFAM will pursue all possible forms of third party payment. NFAM reserves the right to investigate, verify, and request assignment of:

- All benefits from any third party insurance source
- All benefits from State and Federal assistance programs for which the individual may be eligible (e.g. Medicaid)
- All benefits from any outside Financial Assistance program
- Pending litigation

Services eligible under this policy will be made available to the patient on a sliding fee scale, in accordance with need. Uninsured patients whose family income meets the following criteria will be eligible for a discount on gross charges as follows:

- Up to 200% of the FPL: 100% discount on gross charges
- Between 201% and 300% of the FPL: 75% discount on gross charges
- Between 301% and 400% of the FPL: 65% discount on gross charges

Presumptive Financial Assistance Eligibility: There are instances when a patient may appear eligible for Financial Assistance discounts, but there is no Financial Assistance application 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 Financial Assistance. In the event there is no evidence to support a patient's eligibility for Financial Assistance, NFAM, in its sole discretion, may use information provided by outside agencies in determining estimate income amounts for the basis of determining Financial Assistance eligibility for potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances. See attached Addendum A, (Presumptive Eligibility Determination).

The applicant will be expected to cooperate and assist with all applications for benefits from federal, state or other charitable sources. Based on extenuating circumstances, the need for all of the supporting documentation may be waived at the discretion of an NFAM Program Director.

It is expected that a patient who may be Medicaid eligible apply for Medicaid. In order to receive Financial Assistance, the patient must apply for Medicaid and be denied for any reason other than the following:

- Did not apply;
- Did not follow through with the application process;
- Did not provide requested verifications.

Failure by the patient or guarantor to fulfill all responsibilities under any of the above programs, or who do not provide the requested information necessary to completely and accurately assess their financial situation in a timely manner, may result in denial of the application for Financial Assistance. If at a later date it is discovered that the application was falsified, NFAM reserves the right to cancel any Financial Assistance care awarded and bill the patient the account balance.

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Application Process:

Each applicant will be required to complete a written or oral Financial Assistance Application and supply all required information.

Printed copies of the Financial Assistance Policy and the Financial Assistance Application are available at no cost in English and Spanish by contacting the NFAM Billing Office at 1-866-766-0310 and on the NFAM website at www.northflightaeromed.org

Details of the required information to be submitted can be found on the website.

Financial Assistance approvals are valid for one year with a verification of income.

Financial Assistance will be considered for prior approval to services or any patient balance still held in accounts receivables at the time of application.

As a general rule, account balances already in collections will require management approval to be eligible for consideration.

Request for Financial Assistance shall be processed promptly and NFAM shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

The NFAM Program Director and the NFAM Finance Workgroup will have the authority to approve a candidate or change the financial award based on extenuating circumstances. The NFAM Finance Workgroup will periodically report to Board of Directors as needed.

For assistance in completing an application, the patient may contact the NFAM Billing Office as listed at the end of this policy.

Appeal Process:

Patients who have been denied Financial Assistance may request that their case be reviewed by the NFAM Finance Workgroup for review and/or decision. The request must be made in writing within 30 days of the postmark of the decision letter. The patient's request must detail current financial situation and why they feel they qualify for assistance.

Amounts Generally Billed (AGB):

NFAM complies with Internal Revenue Code (IRC), section 501(r), as no patient covered under this policy will be charged more than AGB. NFAM determines AGB by multiplying the gross charges for any emergency or other medically necessary care it provides to a FAP-eligible individual by an AGB percentage. NFAM calculates the AGB percentage using the look-back method prescribed by the IRS. The percentage is based on all claims allowed by Medicare and private health insurers over a specified 12-month period, divided by the associated gross charges for those claims. AGB percentages are calculated no less than annually.

Members of the public may obtain the current AGB percentage for NFAM (and a description of the calculation) in writing and free of charge by contacting the NFAM Billing Office, Attention Nancy Greif, 4305 State Street Saginaw, MI 48603.

Collection Process:

NFAM's internal and external collection practices shall take into account the extent to which the patient qualifies for Financial Assistance, a patient's good faith effort to apply for a governmental program or for Financial Assistance from NFAM, and a patient's good faith effort to comply with his/her payment agreements with NFAM. For patients who qualify for Financial Assistance and who are cooperating in good faith to resolve their discounted NFAM bills, NFAM may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts on any unpaid balances on accounts that were opened within one year of the date that the patient qualified for Financial Assistance under this policy. NFAM will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for Financial Assistance under this Financial Assistance policy. Reasonable efforts shall include:

- 1) Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by NFAM;
- 2) Documentation that NFAM has attempted to offer the patient the opportunity to apply for Financial Assistance pursuant to this policy and that the patient has not complied with the NFAM's application requirements;
- 3) Documentation that the patient has been offered the opportunity to enter into a payment plan but has not done so, or has entered into a payment plan but has not honored the terms of that plan.

Patients will be notified of the availability of Financial Assistance for a period of at least 120 days from the date of the first billing statement. Patient balances will be eligible for Financial Assistance consideration for at least 240 days from the date of the first billing statement (See Application Period under definitions).

Communication of the Financial Assistance Program to the Public:

Notification about Financial Assistance available from NFAM, which shall include a contact number, shall be disseminated through one or more of the following methods: information posted on the NFAM website, and/or notices on patient bills.

A printed copy of this policy and the Financial Assistance Application are available at no cost at www.northflightaeromed.org

Questions concerning Financial Assistance can be directed to: 1-866-766-0310