



Title: Financial Assistance Policy
Scope: Hospital
Index #: 8310-14
Effective Date: 10/1/23
Last Review/Revision Date: 3/14/24

PURPOSE:

In furtherance of its charitable mission and values, Shannon Medical Center provides financial assistance to patients who are uninsured or underinsured and unable to pay some or all the bills related to services deemed to be “medically necessary” (as defined below). In furtherance of this obligation, Shannon will obtain financial information from patients/guarantors who have been identified as uninsured/underinsured and have the potential to qualify for the Shannon Charity Care Program.

DEFINITIONS:

“**Geographic Service Area**” means the Counties of Tom Green, Crockett, Sutton, Schleicher, Kimble, Menard, Reagan, Irion, Concho, McCulloch, Sterling, Coke, Runnels, Coleman, Brown, Howard, and Mitchell. Proof of residency may be requested.

“**Uncompensated Care**” is defined as “Charity Care” and “Bad Debts” for healthcare provided for those uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for medically necessary care based on the patient’s individual financial situation.

“**Charity Care**” is defined as financial assistance provided to patients who satisfy the statutory definitions of financially indigent or medically indigent. A financially indigent patient is one with income at or below 200 percent of the federal poverty level; a medically indigent patient is one who is unable to pay the remaining balance on hospital bills that, after payment by third-party payers, exceeds a percentage of the patient’s annual gross income as specified in the Hospital’s Financial Assistance Policy.

“**Bad Debt**” is defined as uncollectible accounts receivable that remains unpaid after reasonable efforts to collect per Hospital Collection policies. Balances are not deemed bad debt until they have been placed with an outside collection agency for a minimum of 180 days following the date of service or the first notice of patient responsibility and are returned by the outside collection agency as collection efforts are deemed exhausted.

“**Uninsured**” is defined as an individual who does not have any health care coverage.

“**Underinsured**” is defined as an individual who does have health insurance, but specific circumstances exist making the self-pay portion of a bill something that the patient cannot afford to pay. The patient with these circumstances may qualify for financial assistance for help with a portion of their remaining balance after insurance.

POLICY:

Uninsured or underinsured patients/guarantors who are unable to make mutually agreeable financial arrangements for their medical expenses and patients with coverage from an entity that does not have a contractual relationship with the provider, will be considered a candidate for the Shannon Charity Care Program. Information regarding the program, application/screening documents will be provided to those wanting to determine their eligibility for the Shannon Charity Care Program. The processing of financial assistance applicants, communication methods of availability, and determining patient allowed billable amount will follow the guidelines to meet the requirements of Section 501(r) of the Affordable Care Act.

PROCEDURES:

1. The Shannon Patient Financial Services Department, which includes the Patient Financial Advisor and Customer Service Representatives, will identify patients who may be eligible for Financial Assistance.
2. A patient may also request Financial Assistance if not identified by the Patient Financial Services Department. A patient requesting Financial Assistance will be referred to a Patient Financial Advisor or Customer Services Representative for guidance on the Financial Assistance process.
3. Financial Assistance is only applicable to services deemed “Medically Necessary” by Medicare, Medicaid, or other appropriate industry standards. In instances where medical necessity is unclear, Shannon will follow up with the patient’s physician to determine whether services are medically necessary. Determination of medical necessity in collaboration with the patient’s physician may take into account the nature of the patient's illness, the likelihood that treatment will lead to a successful outcome, and the disposition of similar cases. Financial assistance does not include contractual allowances from government programs and Insurance, or Uninsured Patient Discounts, but may include insurance co-payments or deductibles, or both as well as exhausted benefits. Medicaid and Other Indigent Care Non-Covered Services are considered eligible Charity Care write-off amounts under this policy. Qualified patients will have no obligation, or a discounted obligation to pay for any services received which are deemed to be eligible under the Hospital’s Financial Assistance Policy. A patient who does not otherwise qualify or is denied financial assistance per this policy may still qualify for an uninsured patient discount. Please see Shannon Uninsured Discount Policy for requirements.
4. Financial Assistance is generally reserved for U.S. citizens and residents of the geographic service area (“GSA”) served by Shannon Medical Center.
5. The Hospital reserves the right to limit charity care on a monthly and annual basis consistent with Texas state law and the Hospital’s financial resources. The Hospital reserves the right to refuse Financial Assistance for elective services.
6. Emergent and Medically Necessary charges incurred in any medical treatment setting at Shannon Medical Center will be considered eligible for the Shannon Charity Care Program. Emergent and Medically Necessary Services are defined as inpatient and outpatient services for uninsured or underinsured patients who cannot afford to pay for hospital services according to the guidelines of this policy. Elective and Cosmetic procedures are not eligible for the Shannon Charity Care Program. Emergent and Medically Necessary services provided by Shannon Clinic physicians and practitioners will also be eligible for the Shannon Charity Care Program by way of application through Shannon Clinic. A listing of physicians and practitioners who do or do not participate in the Shannon Charity

Care Program is attached in Appendix A and is also available on the website at www.Shannonhealth.com. Physician and other professional services are excluded from Charity Care claimed as Uncompensated Care for Medicare cost reporting purposes.

7. Patient and/or guarantor will complete the Legacy Fulfillment Application or similar screening documentation. The application with supporting documentation must be received within 240 days from the date of the first post discharge billing statement. Any personal payments exceeding \$4.99 that have been received on an account which subsequently qualifies for financial assistance will be refunded less any amount they are determined to owe. Should a completed application not be received within 240 days, accounts will process through normal collection activity outlined in the Patient Billing, Payment, and Collection of Accounts Receivable policy. Financial Assistance may be presumptively considered for any account occurring within 240 days from the completed application. Patients must re-apply and provide supporting documentation every 240 days. Supporting documentation consists of the following documents or any combination of documents listed below :
 - a. Employment paycheck records for 3 most recent pay periods;
 - b. Unemployment Benefit payments;
 - c. Most recent Income Tax Return or Transcript of Tax Return
 - d. Bank Statements indicating Direct Deposit of income;
 - e. Letters of award for Social Security Benefits;
 - f. Copies of Annuity and/or Retirement Payments received monthly or annually.
8. Bad Debts may be considered for assistance if they are 8 months or less old from the date of the application. If a bad debt is older than 8 months old, an appeal can be made to the Business Office Director explaining the circumstances and why the applicant would like for the account to be considered for assistance. Each applicant will be considered on a case by case basis.
9. Patient will pursue county, state or federal assistance programs where eligibility for those programs has been identified prior to being considered for financial assistance. If patient is eligible for a county, state or federal assistance program, but not all dates of service are included in that coverage, they will be eligible for the Shannon Charity Care Program for the non-covered dates of service based on their overall approval for the county, State or Federal assistance program. In some cases, patients eligible for county assistance programs in counties within our Geographic Service Area may automatically qualify for the Shannon Charity Care program. Patients eligible for Tom Green County assistance will automatically qualify for the Shannon Charity Care Program in lieu of Tom Green County assistance. Shannon Medical Center will not bill Tom Green County for charges incurred in any medical treatment setting at Shannon Medical Center or any affiliate of Shannon Medical Center.
10. All patients who qualify for Financial Assistance will be responsible for payment of the Amount Generally Billed (AGB) for emergency or other medically necessary care. The Look Back Method will be used to calculate AGB discount to be applied to gross billed charges to determine the amount of patient responsibility. This calculation will be performed on an annual basis. For FY 2024, the amount the patient will be responsible for paying for Emergent and Medically Necessary services is 23% of gross billed charges. Information on how the discount is calculated may be obtained by contacting our Business Office.
11. There may be circumstances in which the Hospital has billed a patient more than AGB before the patient submitted a completed application or before the Hospital determined the patient was eligible for financial assistance. If an Eligible Patient has paid charges in excess of AGB, the hospital will refund

any amount the individual has paid for the care that exceeds the amount he or she is determined to be personally responsible for paying as an individual eligible for financial assistance, unless such excess payment is less than \$5. Any amount the Eligible Patient is determined to owe may be offset with the refund amount.

12. The Federal Poverty Guidelines of household size and gross family income will be used to determine financial assistance. Gross family income must be at or below 200% of the minimum levels of the Federal Poverty Guidelines published annually in the Federal Register. Patient's whose gross family income is at or below 200% of the minimum levels of the Federal Poverty Guidelines will qualify for 100% discount of their hospital service.
13. Catastrophic Illness will be defined as uncompensated charges incurred in a 12 month period that exceed 200% of total gross annual family income will be eligible upon review for a Medically Indigent Care discount. Patients who qualify for Medically Indigent discount will be responsible for payment not to exceed 10% of their gross annual income.
14. Applications, at no cost, will be mailed to you by calling the Business Office at **(325) 657-5307** or **(800) 330-5241** or the Patient Financial Advisor at **325-747-5187**. Applications are also available at any of our Patient Access locations. The applications are available in English and Spanish. Should you need assistance completing the application, please call our Business Office at the numbers listed above. A printable version of the application, a summary of the Financial Assistance Policy, the detailed Financial Assistance Policy and the detailed Hospital Collection Policy are available on our website at www.Shannonhealth.com.
15. Information provided in the application/screening document will be reviewed promptly. Present income will be a measurement in assessing qualification for financial assistance but will not be the sole determining factor. Use of other industry measures may assist in determination of patients/guarantor's ability to pay.
16. The Hospital may use presumptive eligibility by way of the review of credit reports and other publicly available information to determine financial assistance eligibility when a patient does not provide an Assistance Application or supporting documentation. Patients/Guarantors who are deceased with no estate in probate will qualify for 100% discount of their hospital services. The hospital may use a third party to conduct an electronic review of public record databases to estimate a patient's family income and otherwise to assess financial need. This predictive model incorporates public record data to calculate a socio-economic and financial capacity score that includes estimates for income, assets, and liquidity. The electronic technology is designed to assess each patient to the same standards and is calibrated against historical approvals for financial assistance under the traditional application process. The hospital uses this information to assess whether a patient is presumptively eligible for financial assistance.
17. Patients/guarantors for whom legal notice of bankruptcy is received, will have any outstanding balances applicable to the bankruptcy notice adjusted to charity.
18. Financial Assistance in excess of \$50,000 requires the approval of the Chief Financial Officer or Chief Executive Officer
19. The applicant will be notified in writing of the outcome of the application except for cases where financial assistance eligibility is decided by other measures outside the Legacy Fulfillment Application or similar screening documentation.

20. In the event that a patient wishes to dispute and appeal their eligibility for this policy, patient may seek review from the Patient Accounting Director, Hospital CFO, and/or the hospital CEO. If a patient requests an appeal, the above persons should be notified and given all documentation related to the decision made regarding any adjustment. The request for appeal must be made within 30 days of receipt of the notification in writing. If denied a second time, the patient will be notified and payment arrangements will be made.

Appendix A

Shannon Clinic Physicians	Participates in the Shannon Clinic Charity Care Program
Aligned Telehealth	Does not participate in Shannon Charity Care Program
Angelo Oral & Maxillofacial Surgery, PA	Does not participate in Shannon Charity Care Program
Angelo Podiatry	Does not participate in Shannon Charity Care Program
Cook Children's Heart Center	Does not participate in Shannon Charity Care Program
Cook Children's Hematology/Oncology Group	Does not participate in Shannon Charity Care Program
Cook Children's Nephrology	Does not participate in Shannon Charity Care Program
Cook Children's Neurology	Does not participate in Shannon Charity Care Program
Direct Radiology	Does not participate in Shannon Charity Care Program
NeuroCall	Does not participate in Shannon Charity Care Program
Office of Don M. Lewis, MD	Does not participate in Shannon Charity Care Program
Office of Mark Ramirez, MD	Does not participate in Shannon Charity Care Program
Office of Richard McGraw, MD	Does not participate in Shannon Charity Care Program
Office of Vayden Stanley, MD	Does not participate in Shannon Charity Care Program
Office of W. Paul Bowman, MD	Does not participate in Shannon Charity Care Program
Office of William Buche, DDS	Does not participate in Shannon Charity Care Program
Pediatric Cardiology Associates of San Antonio	Does not participate in Shannon Charity Care Program
Pediatric Dentistry of San Angelo	Does not participate in Shannon Charity Care Program
Pulmonary and Critical Care Consultants of Austin	Does not participate in Shannon Charity Care Program

Rivercrest Hospital

Does not participate in Shannon Charity Care Program

Seton Heart Institute
Program Texas Cardiac Arrhythmia Institute
Program

Does not participate in Shannon Charity Care
Does not participate in Shannon Charity Care

Weatherby Locums

Does not participate in Shannon Charity Care Program

Raghavendri Moturi, MD

Does not participate in Shannon Charity Care Program

Brian Mejia, MD

Does not participate in Shannon Charity Care Program

Encompass Rehab Hospital

Does not participate in Shannon Charity Care Program