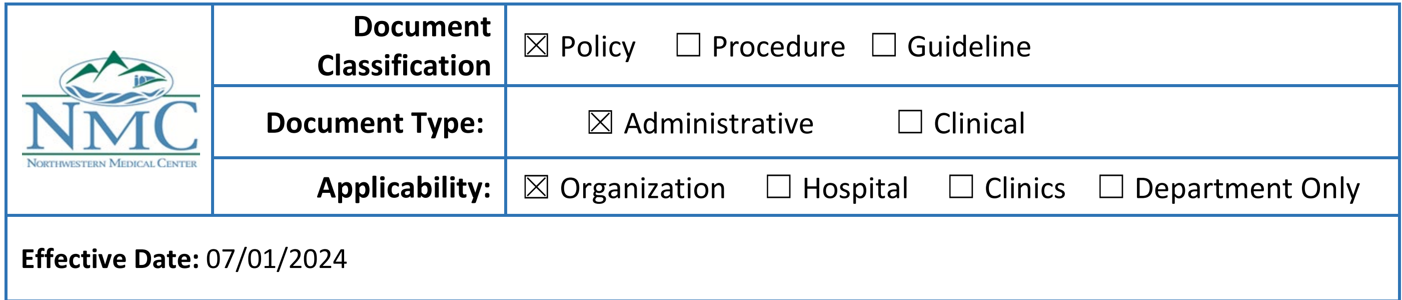
Patient Financial Assistance



	Document Classification	☒ Policy ☐ Procedure ☐ Guideline
	Document Type:	☒ Administrative ☐ Clinical
	Applicability:	☒ Organization ☐ Hospital ☐ Clinics ☐ Department Only
Effective Date: 07/01/2024		

Purpose: To establish a policy and procedure for the administration of Northwestern Medical Center's Patient Financial Assistance Program.

Policy: Northwestern Medical Center is dedicated to providing quality health care to everyone in need, regardless of their ability to pay. Northwestern Medical Center may grant financial assistance for they are unable to pay all, or part of their Northwestern Medical Center bills due to financial hardship. Eligibility for the Financial Assistance Program is determined based upon the Federal Poverty Guideline and the applicant's confidential disclosure of financial information related to household income and assets. Northwester Medical Center's Financial Assistance Program is intended to comply with the applicable laws and regulations including those of the State of Vermont and the U.S. Internal Revenue Service including, but not limited to, The Patient Protection and Affordable Care Act of 2010 and Vermont Act 119 of 2022 which contains provisions that require 501(c)3 hospitals to comply with various patient billing and collection guidelines, including rules for offering financial assistance to patients. This policy shall become effective no more than 45 days after approved by the Board of Directors and shall not be retroactive.

Definitions:

"**Amount generally billed**" means the amount a hospital generally bills to individuals for emergency or other medically necessary health care services, determined using the "look-back method"

"**Credit reporting agency**" means a person who, for fees, dues, or on a cooperative basis, regularly engages in whole or in part in the practice of assembling or evaluating information concerning a consumer's credit or other information for the purpose of furnishing a credit report to another person.

"**Health care provider**" means a person, partnership, corporation, facility, or institution licensed, certified, or otherwise authorized by law to provide professional health care services in this State to an individual during that individual's medical care, treatment, or confinement.
"**Health care services**" means services for the diagnosis, prevention, treatment, cure, or relief of a physical, dental, behavioral, or mental health condition or substance use disorder, including procedures, products, devices, and medications.

"**Hospital**" means a hospital licensed pursuant to Vermont Statutes Annotated (VSA) chapter 43 of title 18 or an outpatient clinic or facility affiliated with or operating under the license of a hospital licensed pursuant to VSA chapter 43 of title 18.

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

“**Household income**” means income calculated in accordance with the financial methodologies for determining financial eligibility for advance premium tax credits under 26 C.F.R. § 1.36B-1 & 2, including the method used to calculate household size, with the following modifications:

• domestic partners, and any individual who is considered a dependent of either partner for federal income tax purposes, shall be treated as members of the same household;

• married individuals who file federal income tax returns separately but could file jointly, and any individual who is considered a dependent of one or both spouses for federal income tax purposes, shall be treated as members of the same household;

• married individuals who are living separately while their divorce is pending shall not be treated as members of the same household, regardless of whether they are filing federal income tax returns jointly or separately; and

• household income for individuals who are not required to file a federal income tax return, and for undocumented immigrants who have not filed a federal income tax return, shall be calculated as if they had filed a federal income tax return.

“**Household size**” is determined based on the definition of “Household income” above.

“**Liquid asset**” means an asset that is cash or can be easily converted to cash such as cash, checking and savings accounts, money markets, stocks, bonds, and certificates of deposit. For the purposes of determining financial assistance eligibility, liquid assets do not include the household’s primary residence, any 401(K) or individual retirement accounts, or any pension plans

“**Medical creditor**” means hospital to whom a consumer owes money for health care services.

“**Medically necessary health care services**” means health care services, including diagnostic testing, preventive services, and after care, that are appropriate to the patient’s diagnosis or condition in terms of type, amount, frequency, level, setting, and duration. Medically necessary care must:

• be informed by generally accepted medical or scientific evidence and be consistent with generally accepted practice parameters as recognized by health care professions in the same specialties as typically provide the procedure or treatment, or diagnose or manage the medical condition;

• be informed by the unique needs of each individual patient and each presenting situation; and

• meet one or more of the following criteria:

- help restore or maintain the patient’s health;
- prevent deterioration of or palliate the patient’s condition; or
- prevent the reasonably likely onset of a health problem or detect an incipient problem.

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

"**Out-of-pocket cost**" means patient expenses for medical care that aren't reimbursed by insurance. Out-of-pocket costs include deductibles, coinsurance, and copayments for covered services plus all costs for services that aren't covered.

"**Federal Poverty Level**" (FPL) is a measure of income issued every year by the U.S. Department of Health and Human Services. Federal poverty levels are used to determine eligibility for certain programs and benefits, including savings on Marketplace health insurance, Medicaid, Children's Health Insurance Program (CHIP), and hospital patient financial assistance.

"**Patient**" means the individual who receives or received health care services and shall include a parent if the patient is a minor or a legal guardian if the patient is a minor or adult under guardianship.

"**Vermont resident**" means an individual, regardless of citizenship and including undocumented immigrants, who resides in Vermont, is employed by a Vermont employer to deliver services for the employer in this State in the normal course of the employee's employment, or attends school in Vermont, or a combination of these. The term includes an individual who is living in Vermont at the time that services are received but who lacks stable permanent housing.

Policy Provisions: N/A

Procedure: N/A

Communication: Northwestern Medical Center will pursue every opportunity to inform patients of our Financial Assistance Program and encourage patients and/or guarantors to apply for assistance when they may be experiencing a financial hardship. Northwestern Medical Center will advise patients and/or guarantors of the Financial Assistance Program in the following ways:

- Free paper copies of this policy, the financial assistance application, and the plain language summary are available in the following locations:
  - the patient reception area,
  - the patient admissions area,
  - the billing office, and
  - the office where patient financial assistance services are provided.
- Paper copies of this policy, the financial assistance application, and the plain language summary may be mailed free of charge upon request.
- Northwestern Medical Center's website will include our Patient Financial Assistance policy, plain language summary, and application here; https://www.northwesternmedicalcenter.org/patients-visitors/pay-an-nmc-bill/free-care-discount-policy/
- An individual can request an oral or written translation of the financial assistance policy
- Each billing statement sent to the patient/guarantor will include contact information for financial counseling and our Financial Assistance Program.
- Patient Financial Service's staff and extended business office will advise patient/guarantor of the Financial Assistance Program during standard collection attempts should a patient/guarantor indicate that they are unable to afford their

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

medical bills and/or cannot afford payment arrangement terms as outlined in our Billing and Collection Policy.

Eligibility Requirements: Eligibility for financial assistance will be considered for those individuals whose primary residence is in Vermont for emergent, medically necessary or essential care and for individuals who do not reside in Vermont for emergent and medically necessary care, are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this policy. The granting of charity shall be based on an individualized determination of financial need, and shall not consider age, race, color, sex, sexual orientation, gender identity, marital status, religion, ancestry, national origin, citizenship, immigration status, primary language, disability, medical condition, or genetic information. Please see list of NMC providers who participate in the Northwestern Medical Center Financial Assistance Program here; https://www.northwesternmedicalcenter.org/patients-visitors/pay-an-nmc-bill/free-care-discount-policy/

A patient shall be deemed eligible for patient financial assistance for twelve months from the date on which they were initially found eligible for patient financial assistance. The need for patient financial assistance shall be re-evaluated at each subsequent time of service if the last eligibility evaluation was completed more than twelve months prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known. Note: It is permissible for patients to submit new supporting financial documentation to an initial application provided the initial application is less than one year old.

Eligibility for financial assistance is based on an income and asset test.

- Income Test: This program is limited to patients with demonstrated financial need either due to limited income or if their medical bills are an excessive portion of their income. The most recently published Federal Provider Guidelines will be used as the primary determinant. A patient whose household income is at or below 400% of the Federal Poverty Level Guidelines (FPLG), as adjusted for household size, may pass the income test and are considered for charity care assistance if they also pass the asset test. See grid below:

2025 FAP Income Limits				
Household Size	Up to **250%** the Federal Poverty Limit ("FPL")	**251% - 300%** FPL	**301% - 350%** FPL	**351% - 400%** FPL
1	$39,125	$46,950	$54,775	$62,600
2	$58,875	$63,450	$74,025	$84,600
3	$66,625	$79,950	$93,275	$106,600
4	$80,375	$96,450	$112,525	$128,600
5	$94,125	$112,950	$131,775	$150,600
6	$107,875	$129,450	$151,025	$172,600
7	$121,625	$145,950	$170,275	$194,600
8	$135,375	$162,450	$189,525	$216,600
Eligible Discount Percentage	**100%**	**84%**	**68%**	**53%**

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

- Non-custodial parents may have their income adjusted for child support when supporting documentation of payment is provided.

- Patients may have their income adjusted for alimony when supporting documentation of payment is provided.

- Dependents may be included within the household when more than 50% of the support is provided by the guarantor.

- Asset Test: Each individual/household is allowed liquid assets equal to income levels at 400% of FPL, adjusted to household size. If assets are below this guideline, the patient passes the assets test.

- Included in the asset test:

  - Cash, savings account balances, checking account balances, money markets, CD's, term certificates, annuities, stocks, bonds, mutual funds and other "liquid" assets.

  - Homes (excluding the primary residence), rental properties, and fair market value for recreational vehicles. Depending upon the value, rental properties may be excluded from the calculation provided rental income is included in the monthly household calculation.

Exclusions:

- Primary residence, assets held in a tax deferred comparable retirement savings account and college savings accounts held by the patient for the patient are excluded from the assets review.

- Services reimbursed directly to the patient(s) by an insurance carrier or already covered by another third party.

- Tuition stipends and/or grants for education

Outlier Coverage:

Catastrophic Care may be considered to those who have a household income above 400%, but less than 600% the Federal Poverty Level, additionally the out-of-pocket expenses must exceed 20% of the household income, as shown in the chart below.

If Catastrophic Care is granted, the out of pocket will be adjusted down for any amounts owed that are greater than 20% the total household income, leaving the 20% of the total household income balance due still.

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

Catastrophic Care	
600% Federal Poverty Level ("FPL") Limit	20% of yearly income, out of pocket expenses would be greater than the below amounts to qualify
$93,900	$18,780
$126,900	$25,380
$159,900	$31,980
$192,900	$38,580
$225,900	$45,180
$258,900	$51,780
$291,900	$58,380
$324,900	$64,980
For those who Make over 400% FPL, but less than 600% the FPL AND Owe over 20% of their annual income in out of pocket expenses, We will adjust amounts down to owe 20% under this Catastrophic Care.	For those who Make over 400% FPL, but less than 600% the FPL AND Owe over 20% of their annual income in out of pocket expenses, We will adjust amounts down to owe 20% under this Catastrophic Care.

The Request for Financial Assistance Form (Free Care Application) shall be completed for all requests for financial assistance, and be submitted to:

Patient Financial Services
133 Fairfield Street Attn: Patient Financial Service Department
St. Albans, VT 05478.

All requests for financial assistance must be signed by either the patient or an authorized patient representative attesting that the information provided on the application is true and accurate.

Determination of Amount of Assistance Awarded: The amount of financial assistance granted to eligible patients is determined on a sliding scale based on the household income. Free care is granted to eligible patients whose household income is at or below 250% of the Federal Poverty Guidelines (FPLG). Discounted care is granted to eligible patients whose household income is between 251% and 400% of the FPLG. Additionally, if qualified for Catastrophic Care Coverage, the amount adjusted would be the balance above 20% of the annual household income, if income was more than 400% but less than 600% the FPLG. Approval of Financial Assistance may be granted by the Patient Financial Services Representative for the amounts up to $999.99, The Director of the Revenue Cycle for amounts of $1,000.00 to $9,999.99 and by either the Chief Executive Officer or Chief Financial Officer for Charges in excess of $10,000. In instances where a patient is eligible for both catastrophic and general financial assistance, we shall give the patient the larger of the two amounts of assistance. In no case shall a patient who is eligible for catastrophic or general financial assistance be charged monthly payments of more than 5% of their household's gross monthly income for services rendered. In no case shall a patient who is eligible for catastrophic or general financial assistance be charged interest on the amount owed for services or be charged any prepayment or early payment penalty or fee on the medical debt owed. In no event will the amount from which the financial assistance discount is taken be more than the amount generally billed for uninsured patients. Similarly, for insured patients, in no event will the amount from which the financial assistance discount is taken be more than the charge allowed by the patient's insurance carrier.

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

Services that are not covered by financial assistance: Financial assistance can only be used for medically necessary and emergency care. It does not cover Hearing Aids (that are above the Medicaid lowest reimbursed model), Hearing Aid accessories and supplies, and any elective surgery.

Application Process and how to apply: Patients and/or guarantors can apply for financial assistance by submitting a completed application with all required documentation to Patient Financial Services department in person, via email or the U.S. Postal Services at the address below. For questions related to the application process, or for help applying for Financial Assistance, please contact our Financial Counseling team at the contact listed below. Northwestern Medical Center will accept and process a financial assistance application for a period up to 240 days after NMC provides the first billing statement to the patient.

Northwestern Medical Center
C/O Patient Financial Services
133 Fairfield Street
St. Albans, VT 05478
Pfscustomerservice@nmcinc.org
802-524-1048

Verification of Information Provided: Data used to determine eligibility for financial assistance should be verified to the extent practical in relation to the amount of financial assistance involved and the significance of an element of information in the overall determination. Northwestern Medical Center will not ask an applicant to provide proof of residency. A signed financial assistance application will be considered sufficient attestation that the applicant meets the definition of Vermont residency included in this policy. In all cases, the minimum verification shall include:

- Income, by reviewing sources such as a W-2, a recent pay stub showing year-to-date totals, tax returns, unemployment statements, notices of social security and retirement benefits, or a profit and loss statement.
- An individual's net worth (excluding their primary household), by reviewing applicable supporting documentation (bank statements, investment statements, loan documents). It should be specified to the patient that assets could be considered as a possible source of payment.

Financial assistance of $5,000 or more may include documentation supporting other financial obligations, such as living expenses, child support, and other health care bills.

If a financial assistance application is received during the Application Period (as defined in the *application process* section of this policy) and deemed incomplete, a written notice to the patient/guarantor will be sent within 15 days of receipt of the incomplete application requesting the missing information be returned within 30 days of the date of the notice. Any collection efforts, i.e., collection efforts by a collection agency, in progress at the time an incomplete application is received must be suspended. Such collections may be initiated or resumed if a completed application is not received after a request for additional information is not received after 30 days of notification.

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

The required supporting documentation described above may be waived in lieu of information NMC obtains through use of technology tools as predictive measures of a patient's ability to pay and financial status.

Decision Timeline & Content: Northwestern Medical Center will issue a written decision to the applicant no later than 30 calendar days after receiving the financial assistance application.

The written decision shall notify the patient that they have the right to appeal any decision and specify the method and timeline for such an appeal.

Additionally, the written decision will contain the following:

- If the patient's application is incomplete, Northwestern Medical Center will notify the applicant of this fact and specify what information is needed to complete the application.

- If the patient's application is approved, Northwestern Medical Center will include the amount of assistance provided, the basis for the calculation of the amount owed, and a revised bill. If the patient continues to owe a balance after financial assistance has been applied, Northwestern Medical Center or a medical debt collector seeking payment for that medical debt, shall offer a payment plan that does not exceed five percent of the patient's gross monthly household income.

- If the patient's application is denied, Northwestern Medical Center will include the factual grounds for any denial.

Appeal Rights: A patient has 60 days following the receipt of a written financial assistance decision to appeal the decision. Northwestern Medical Center shall inform the patient no later than 60 days after receipt of the appeal as to whether the appeal was approved or denied.

Appeals shall be reviewed by the following staff/departments: Patient Financial Services

Complaints: If a patient has an applicant has concerns or complaints about our financial assistance program, please contact our office at: 802-524-1006 or 802-524-1048 or Pfscustomerservice@nmcinc.org

If we are unable to resolve the complaint, patients may contact the Vermont Office of the Attorney General which is named as the enforcement entity under Vermont Act 119 of 2022: 1-800-649-2424 or AGO.CAP@vermont.gov

Charge Limitation: Individuals who qualify for financial assistance will not be charged more than the Average Generally Billed (AGB) amount. Northwestern Medical Center calculates the AGB annually based on actual past claims allowed by all private insurers.

Medicaid Coverage: Medicaid copays not paid at the time of service will be billed to the patient. If unable to collect the copays by the end of the Application Period, the copays will be written off as a charity write-off. Patients who have Medicaid coverage and have balances due for service dates up to

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

twelve months prior to the effective date of their coverage, will be granted 100% financial assistance on such balances without further review or documentation from the patient.

NOTCH Collaboration: NMC is working in collaboration with the Northern Tier Center for Health (NOTCH), our local FQHC, in qualifying their patients for financial assistance for services performed at NMC. NOTCH patients approved for discounted or uncompensated services through NOTCH are also eligible for the same at NMC because Notch's guidelines are stricter than NMC's. NOTCH will forward the patient's applications with supporting documentation to NMC. If upon review, it appears that the patient would be eligible for Medicaid coverage, the patient will be required to apply for Medicaid before any financial assistance will be applied to uninsured balances. There is an exception for undocumented immigrants who will not be required to apply for Medicaid per Act 119 (18 V.S.A. § 9483(a)(2)).

Accessibility of this policy to individuals with limited English Proficiency: To ensure accessibility of this policy to individuals with limited English Proficiency (LEP) and persons with disabilities Northwestern Medical Center provides free aids and services to deaf people and persons with disabilities to communicate effectively with us. This includes qualified sign language interpretation and written information in other formats to include accessible electronic formats. Northwestern Medical Center provides free language services to persons whose primary language is not English. To access this service, please contact Regulatory Affairs at 802-524-1214.

Patient Billing or Collection Statements: All billing statements, whether sent by this hospital or a medical debt collector, shall include a conspicuous written statement that some patients may be eligible for financial assistance. This statement shall include the telephone number a patient can call to obtain more information about our policy and the application process. It shall also include the web address where this policy, the financial assistance application, and the plain language summary are posted.

Providers:

Anisman, Steven MD
Paquin, Beth NP
Denkmann, Jan MD
Kunin, Adam MD
Hagerty, Tracy MD
Stoll, Sharon, MD
Timbers, William MD
Bates, John PA
Berggren, Kristen FNP
Blum, Jared MD
Boise, Adam NP
Boon, Joseph NP
Carpenter, Ann FNP
Carter, Lucas, PA
Erianne, Diane PA
Higgins, Bridget PA
Japikse, Russell MD

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

Jokinen, Brian PA
Kovacs, Ncholas, MD
Lahey, Joseph MD
Newton, Paul MD
Niles, Christopher MD
Olivier, Kristie PA
Pearsall, Miller MD
Pelski, Lauren PA
Reilly, Meghan FNP
Savoy, Jessica PA
Schned, Eli MD
Sprague, Kristen PA
St. Clair, Michael PA
Staab, Carly NP
Walker, Martha PA
Williams Christipher MD
Wilson, Jacqueline, PA
Yeager, Robert MD
Sheahan, Kelsey MD
Williams, Ashley PA
Aydinyan, Kahren DO
Dosanjh, Ashlea AUD
Neff, Brenda PNP
Shattuck, Katherine NP
Bellstrom, Laura MD
Moran, Colleen MD
Riss, Valerie MD
Chotas, William MD
Gallantbernstein, Ariel MD
Sra, Jaspinder MD
Eisenberg, Bradley DO
Smith, Jennifer PA
Amblo, Jolanta MD
Burke, Michelle MD
Cochrane, Maria APRN
Cochrane, Robert MD
Fox, Amy NP
Kaplan, Ludmila MD
Khela, Rajvinder MD
Shenk, Heather MD
Young, Roger MD
Meltzer, Jaime RD
Robertson, Deborah CDE RN
Royer, Anna MD
Kapur, Seema MD
Trevani, Gino MD
Esenler, Ahmet MD

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

Sternberg, Kevan MD
Navi, Liel MD
Lowell, Jane MD
Weyenberg, Lydia MD
Douglas, Michelle MD
Conway, Wendy MD
Sullivan, Lawrence MD
Disney, Elizabeth MD
Tremblay, Leonard MD
Brophey, Gregory MD
Rosenberg, Benjamin MD
Lyster, Danielle PA
Sisbarro, Megan PA
Seward, Trevor PA
Savoy, Jessica PA
Mauser, Nathan MD
Kindred, Kristen MD
Joseph, James, MD
Hurley, Nolan PA
Holmes, Kamie NP
Groening, David DPM
Benoit, Doreen FNP
Beattie, Robert MD
Degroot, Henry MD
Nsour, Haitham MD
Gay, Jessie NP
Robison, Andrew PA
Decker, Andrea PA
Forwand, Jodi MD
Gnass, Matias MD
Goehlert, Uwe MD
Kutler, Marc MD
Nollet, Zachary PA
Osborne, Patrick NP
Schned, Eli MD
Staab, Carly NP
To, Bang PA

References:

Health Care Financial Management Association Principles and Practices Board Statement 15, "Valuation and Financial Statement Presentation of Charity Care and Bad Debts."

American Hospital Association Hospital Billing and Collection Practices Statement of Principles and Guidelines May 5, 2012

Patient Protection and Affordable Care Act

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.

IRS Notice 2014-2 issued on December 30, 2013

IRS CFR Parts 1, 53, and 602 (issued December 29, 2014)

H.287 (Act 119). State House Dome. (n.d.). https://legislature.vermont.gov/bill/status/2022/H.287 Also refer to the policy entitled "Billing and Collection Practices"

Printed copies are for reference ONLY. Please refer to the electronic copy for the latest version.