

FINANCE SERVICES		
Billing and Collections		
Policy Title:	Financial Assistance	
Date Reviewed/ Revised: 03/25/25	Formulated By: Tamara Sperry	Approved By: Scott Merkle
Applies To:	McKenzie Health	

Purpose:

This policy serves to establish and ensure a fair and consistent method for uninsured and under-insured patients to apply and be considered for financial assistance related to emergency and other medically necessary hospital care. Note that not all medical services at McKenzie Health qualify for assistance under this policy and not all patients are eligible. Financial assistance involves free or discounted care based on household income and assets that are required to be disclosed in the application process or through presumptive eligibility determinations. Financial assistance is based on a discount of the gross charge for the hospital. Services provided with a minimum discount of 50% for those determined to be eligible for financial assistance at McKenzie Health.

Definition(s):

Applicant: Patient or other individual responsible for payment of the patient’s care who seeks financial assistance.

Application Period: Begins on the date medical care is provided and ends 240 days after the first post-discharge billing statement or 30 days after the hospital or authorized third party provides written notice of extraordinary collection actions the hospital plans to initiate, whichever is later.

Bad Debt: The cost of providing care to people who are able but unwilling to pay all or some portion of the medical bills for which they are responsible.

Emergency Medical Care: Medically necessary care provided after the onset of a medical condition, whether physical or mental, manifesting itself by symptoms of sufficient severity, including severe pain, that the absence of prompt medical attention could reasonably be expected by a prudent layperson who possesses an average knowledge of health and medicine to result in placing the health of the person or another person in serious jeopardy. A medical screening examination and treatment for emergency medical conditions or any other such service rendered to the extent required pursuant to the Emergency Medical Treatment and Labor Act (“EMTALA”) (42 U.S.C. § 1395dd) qualifies as Emergency Medical Care. Emergency Medical Care also includes:

- Care determined to be an emergency by a licensed medical professional;
- Inpatient medical care which is associated with the outpatient emergency care; and
- Inpatient transfers from another acute care hospital to McKenzie Health for the provision of inpatient care that is not otherwise available.

Family: For the purpose of this policy, a family is:

- A married couple and any dependents, as defined by IRS guidelines;
- An individual with dependents as defined by IRS guidelines; or
- An unmarried person with no dependents.

Federal Poverty Guidelines: A measure of income issued each year by the Department of Health and Human Services. These guidelines are used to determine eligibility for certain programs and benefits (such as Medicaid) and for financial assistance from McKenzie Health. These guidelines can be found at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

Financial Assistance: The cost of providing free or discounted care to individuals who cannot afford to pay all, or a portion of their hospital medical bills based on the eligibility rules identified in this policy. McKenzie Health may determine inability to pay before or after medically necessary services are provided.

Gross Charges: The full established price for medical care provided to patients.

Medically Necessary Care: Healthcare items and services that a prudent provider would deem reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the function of a malformed organ or body part in a manner that is:

- In accordance with generally accepted standards of medical practice;
- Clinically appropriate in terms of type, frequency, extent, site and duration; and
- Not primarily for the economic benefit of the health plans and purchasers or for the convenience of the patient, or other healthcare provider.

Medically necessary care does not include the following services (this is a non-exhaustive list):

- Cosmetic evaluation and/or surgery;
- Hospital services that could have been provided in a lower-cost setting but were not provided in that lower-cost setting at the request of the patient or patient's decision maker such as a family member;
- Evaluation and management services exceeding those considered medically reasonable and necessary at the request of the patient;
- Excessive therapy or diagnostic procedures at the request of the patient;
- Screening tests, exams, and therapies where the patient has no symptoms or diagnoses;
- Unnecessary services based on the patient's diagnosis at the request of the patient; and
- Services noted in other sections of this policy as excluded.

Self-Pay Balance: The amount due to a provider or hospital after services are rendered and all other payment options or reimbursement methods are exhausted. Financial assistance is applied after calculating the self-pay balance.

Policy/Procedure:

McKenzie Health is a faith-based organization dedicated to professional, compassionate, and quality care. Under these principles, the Board of Directors of McKenzie Health is committed to providing access to quality healthcare for the community it serves, including patients in difficult financial circumstances, and offers financial assistance to those with an established need to receive emergency medical care and medically necessary hospital services. Financial assistance is not available for non-medically necessary care, patient requested services that are not deemed necessary by the treating provider, and certain services listed in the Excluded Services section of this policy.

Key Points

- McKenzie Health offers financial assistance that results in the waiver or reduction of charges for qualifying patients who receive emergency or medically necessary care.
- Not all patients are eligible for financial assistance, which can also be referred to as "charity care." Eligibility rules are noted below. For example, patients are not eligible for financial assistance if they are being treated at McKenzie Health on an out-of-network basis unless a specific exception applies as described below.

- If a patient is not eligible for presumptive financial assistance, then the patient must apply by filling out an application and disclosing income and assets. Financial assistance is determined based on household income and assets as described below.
- Not all medical services are eligible for financial assistance as described below, regardless of income and assets.

The actions McKenzie Health may take in the event of non-payment are described in McKenzie Health's Billing and Collections Policy. A free copy of this policy may be obtained in person at 709 4th Ave NE, Watford City, ND 58854, on line at <https://mckenziehealth.com/patient-services/billing/> or calling 1-701-444-8798, Monday through Friday, 8:00 a.m. to 5:00 p.m. Central Time.

McKenzie Health will not engage in extraordinary collection actions before making a reasonable effort to determine whether a patient is eligible for financial assistance under this policy.

1. Provider Covered Under This Policy

All McKenzie Health employed medical providers rendering care at McKenzie Health are covered under this policy.

A list of providers contracted or otherwise authorized to render care to patients in the McKenzie Health, other than the hospital facility itself, delivering emergency or other medically necessary care in the hospital facility, specifying which providers are covered by this financial assistance policy, is maintained separately from this financial assistance policy. The Provider List applies only as of the date on which it was created or last updated, as specified in the Provider List. The Provider List may be obtained, free of charge, in person at 709 4th Ave NE, Watford City, ND 58854, on line at <https://mckenziehealth.com/patient-services/billing/> or calling 1-701-444-8798, Monday through Friday, 8:00 a.m. to 5:00 p.m. Central Time.

2. Excluded Services

Specific services and items are excluded from financial assistance, including, but not limited to, the following:

- Cosmetic surgery;
- In-Vitro Fertilization (IVF);
- Advanced Reproductive Therapy (ART);
- Gastric bypass services absent a payer's determination of medical necessity resulting in coverage and payment;
- Accounts and services linked to a research study;
- Patient convenience items including premium accommodations and overnight accommodations that are based on the patient's request and typically not covered by health insurance;
- Other non-medically necessary services that are billed according to a pre-determined self-pay schedule;

3. Presumptive Financial Assistance

Patients are presumed to be eligible for financial assistance based on individual life circumstances including but not limited to:

- Patient income below 250% Federal Poverty Guidelines and considered self-pay.
- Patient is deceased with no known estate.
- State funded prescription programs
- Homeless
- Participation in Women, Infant and Children program (WIC) Financial Assistance and Billing Practices.
- Food stamp eligibility
- Subsidized school lunch program eligibility

- Eligibility in other state or local assistance programs that are unfunded (e.g. Medicaid spend-down)
- Medicaid eligible patients when the following applies:
 - Medicaid eligibility requirements are met after the service is provided
 - Non-covered charges occur on a Medicaid eligible encounter; and
 - The provider is not credentialed or contracted
- Patients are on an approved sliding fee scale from Rural Health Care Inc. / Access Health

Review the amount or percentage of reduction based on the determination of self-pay discount. Presumptive charity adjustments may be reversed should a payer source such as health insurance or "Ministry" plan funding be discovered.

McKenzie Health may also use a presumptive charity process that includes the scoring of patient accounts via a third-party vendor. For patient accounts that score out as charity eligible, McKenzie Health will grant 100% charity. McKenzie Health will not issue refunds to patients where presumptive eligibility applies on paid accounts after 240 days. Refunds will be issued on paid accounts meeting presumptive charity prior to 240 days.

McKenzie Health may also reclassify certain accounts as presumptive charity once returned from their bad debt agency for the following reasons: Patient is deceased, in prison or in jail.

McKenzie Health may grant presumptive charity to suspected or confirmed undocumented immigrants who have received emergency and medically necessary care.

Patients determined to have presumptive financial assistance will be provided 100% financial assistance.

4. Eligibility Criteria for Financial Assistance

Eligibility for financial assistance requires the patient to meet certain criteria and, if applicable, an applicant's complete cooperation during the application process, including:

- The patient is a citizen or permanent resident of the United States or citizen of another country engaged in full-time studies in the United States on a student visa;
- If the patient has health insurance coverage, McKenzie Health must be in-network as determined by McKenzie Health. Patients are not eligible for financial assistance if the applicable health insurance lists McKenzie Health as out-of-network or if the patient's health insurance covers services on a non-contracted basis unless the services are emergency medical care provided in an emergency department or are pre-determined to be unique to McKenzie Health and such treatment is not available at another healthcare provider;
- Completion of the application process for all available healthcare payment assistance programs in which McKenzie Health is enrolled as a participating provider, including Medicaid (Medical Assistance), and where appropriate, coverage under applicable state health insurance exchange;
- Completion of the financial assistance application including all required documents, if not eligible for Medicaid or applicable state health insurance exchanges and not otherwise excluded from financial assistance;
- Meet annual household income and family size criteria as set forth in the federal poverty guidelines for the previous tax year; 50% adjustment of the self-pay balance for applicants with household income of up to 250% of the federal poverty guidelines; 100% adjustment of the self-pay balance for applicants with household income of equal to or less than 200% of the federal poverty guidelines; and
- A demonstrated inability to pay for services based on all available income and assets.
 - Applicants who do not otherwise qualify for financial assistance but are unable to pay for the cost of emergency medical care or medically necessary care may seek assistance in the following circumstances, which shall be approved at the sole discretion of McKenzie Health.

- Humanitarian Crisis: Applicants who require care for medical conditions resulting from a humanitarian crisis, such as civilians impacted by armed conflicts, victims of a natural disaster, or those who reside in another country and require specialized medical care that is not accessible in their country, and McKenzie Health agrees in advance to the financial assistance;
- Catastrophic Circumstances: McKenzie Health retains the right to offer financial assistance on a case-by-case basis when the patient has experienced extreme financial difficulties and incurred medical expenses at a level that warrants consideration of financial assistance. (This excludes patients with insurance where McKenzie Health is out-of-network or non-contracted);
- Special Medical Circumstances: Applicants who are seeking treatment that can only be provided by McKenzie Health medical staff.

McKenzie Health reserves the right to deny financial assistance to individuals who decline insurance coverage even though eligible, including government assistance plans, or because of religious based or moral objection reasons. McKenzie Health reserves the right to determine what qualifies as health insurance coverage.

McKenzie Health may consider paying COBRA premiums for a limited period of time if a patient would otherwise be approved to receive financial assistance. McKenzie Health reserves the right to deny financial assistance if an applicant fails to cooperate with McKenzie Health regarding all processes and documentation necessary for the payment of COBRA premiums.

McKenzie Health makes every reasonable attempt to collect from insurance companies and any other third-party payers, such as liability insurers. Third party payers are prohibited from reducing their reimbursement of a claim to McKenzie Health even if McKenzie Health has waived all or a portion of an applicant's bill pursuant to this policy.

McKenzie Health reserves the right to reverse financial assistance and pursue appropriate reimbursement or collections because of newly discovered information, including insurance coverage or payment to the applicant, pursuit of a personal injury claim related to the services in question, applicant income changes, or a determination that any part of the financial assistance application is false, misleading, or does not include income or assets that should have been disclosed.

Patients receiving care in the emergency department who are without financial resources may be eligible for financial assistance if they are unemployed or have no permanent address or insurance coverage. The absence of patient data available to McKenzie Health does not preclude eligibility for financial assistance, and indigent patients without access to the required application documentation may still be eligible for financial assistance. In evaluating all factors pertaining to a patient's clinical, personal and demographic circumstances, and alternative documentation (including information that may be provided by other charitable organizations), McKenzie Health may determine a patient is eligible for financial assistance by making reasonable assumptions regarding the patient's income for bills generated in an emergent situation.

Patients eligible for pre-service financial assistance must demonstrate an ability to provide or sustain any long-term care necessary for their health and well-being as their initial condition dictates or their care team directs.

If an applicant is approved for financial assistance under this policy, such eligibility shall not exceed one year commencing on the first day of the month in which services were first delivered or up to the last day of the month of the next "open enrollment period" as established under the Affordable Care Act, whichever comes first. McKenzie Health will review any prior dates of service not to exceed one year commencing date application filed with McKenzie Health for financial assistance eligibility. Providing financial assistance does not obligate McKenzie Health to provide continuing care; however, in McKenzie Health's sole discretion,



services and support that are medically necessary and unavailable elsewhere may be provided on a continuing basis. Patients may be required to re-apply for financial assistance at least every 180 days.

McKenzie Health and its affiliates may share patient financial assistance information across McKenzie Health affiliated sites for the benefit and ease of administering financial assistance to patients seen at multiple locations. No information will be shared outside of McKenzie Health unless authorized or required by law.

McKenzie Health does not utilize coercive practices including delaying or denying emergency medical care to a patient until the patient has proved information requested to determine whether the patient is eligible for financial assistance. McKenzie Health shall not make determinations that an applicant is not eligible for financial assistance based on information it has reason to believe is unreliable or incorrect or on information obtained from the applicant under duress or using coercive practices.

Applicants are responsible for promptly reporting changes in any of the information submitted with the application for financial assistance, including health insurance coverage, financial status, and contact information.

5. Method of Applying for Financial Assistance

Financial assistance is offered through either an application process or based on current eligibility for medical assistance, presumptive eligibility or other governmental need-based assistance.

6. Application Process

Applicants who want to apply for financial assistance may apply by either requesting the application form or downloading and printing the financial assistance application form at no charge. The application process is designed to give each applicant an opportunity to receive the maximum financial assistance benefit for which they may qualify. If you do not have any of the listed documents to prove household income, you may call the hospital facility's financial assistance team and discuss other evidence that may be provided to demonstrate eligibility. Face to face and over the phone are acceptable means to gather required information.

McKenzie Health will notify applicants of incomplete applications and specify the documents or information needed to complete the application process, which should be provided within (10) ten days. If the applicant does not have any of the listed documents to prove household income, he or she may call the hospital facility's financial assistance team and discuss other evidence that may be provided to demonstrate eligibility. McKenzie Health reserves the right to deny financial assistance if the application is not received within the application period.

McKenzie Health Patient Financial Services staff will review the application and decide if financial assistance that may be offered. The application review process takes approximately ten (10) days. Once a decision has been made for financial assistance, a letter will be sent to the applicant advising them of the decision.

Financial assistance is based on the applicant identifying all income sources and assets, including but not limited to income from wages and self-employment, alimony, child support, military family allotments, public assistance, pension and retirement accounts or payments, unemployment compensation, workers' compensation, actual or potential liability claims, social security benefits, survivor benefits, disability benefits, veterans benefits, and any other sources of income including rental income, royalties, and interest. Applications for financial assistance are available free of charge, in person at 709 4th Ave NE, Watford City, ND 58854, on line at <https://mckenziehealth.com/patient-services/billing/> or calling 1-701-444-8798, Monday through Friday, 8:00 a.m. to 5:00 p.m. Central Time.



Applications are available by written request at:
McKenzie Health
709 4th Ave NE
Watford City, ND 58854

Applications are also available at any local Admissions, Registration and Business Services desk locations and the Emergency Department.

7. Financial Assistance Policy and application assistance is available and free of charge:

In person at 709 4th Ave NE, Watford City, ND 58854, on our website at <https://mckenziehealth.com/patient-services/billing/> or calling 1-701-444-8798, Monday through Friday, 8:00 a.m. to 5:00 p.m. Central Time.

8. Basis for Calculating Amounts Charged to Patients

All patients are billed according to gross charge amounts; however, the self-pay balance for patients eligible for financial assistance is limited to the Amount Generally Billed (AGB) to those who have insurance covering such care. McKenzie Health uses a look-back method to calculate the AGB by dividing the amounts allowed by Medicare fee for service and commercial and private health insurers by the gross charges submitted. The amount that a patient is expected to pay out of pocket is limited to the AGB percentage of the gross charge if that Applicant is deemed eligible for financial assistance. The combination of insurance payments and patient or applicant payments may exceed the AGB.

Individuals may obtain more information in writing and without charge, about the McKenzie Health AGB, by either contacting Patient Account Services at 1-701-444-8798 or on our website <https://mckenziehealth.com/patient-services/billing/>

9. Refund Policy

If an applicant submits a complete application for financial assistance and is determined to be eligible for financial assistance, McKenzie Health will reimburse the applicant for amounts previously paid in excess of the amount due pursuant to this policy; however, if the amount due to the patient is less than \$5.00 (or such other amount set by the Internal Revenue Service), McKenzie Health is not required to reimburse the patient. Additionally, if an applicant has other outstanding debt, which is not determined to be eligible for financial assistance, any overpayment may be transferred to the identified account or accounts.

10. Emergency Services

McKenzie Health provides medical screening examinations and emergency care to stabilize patients, regardless of their ability to pay and in compliance with the Emergency Medical Treatment and Labor Act (EMTALA). McKenzie Health prohibits any actions that would discourage individuals from seeking emergency medical care and does not perform debt collection activity in the Emergency Department.

11. Equal Opportunity

McKenzie Health is committed to upholding the multiple federal and state laws that preclude discrimination based on race, sex, age, religion, national origin, marital status, sexual orientation, disabilities, military service, or any other classification protected by federal, state, or local laws.

12. Training

McKenzie Health will ensure that all staff responsible for engaging or otherwise assisting on the application for financial assistance covered by this policy are trained on this policy.

13. Confidentiality

McKenzie Health staff will uphold the confidentiality and individual dignity of each patient. McKenzie Health and all affiliates will adhere to HIPAA requirements for handling personal medical, health, and financial information.

14. Availability of this Policy

McKenzie Health will widely publicize this policy by:

- Making this policy, the application for financial assistance, and a plain language summary of this policy widely available on our website <https://mckenziehealth.com/patient-services/billing/>
- Offering a paper copy of the plain language summary of this policy to patients as part of the intake process;
- Setting up conspicuous displays (or other measures reasonably designed to attract patients' attention) that notify and inform patients about this policy in public locations at McKenzie Health, including at a minimum in emergency departments and admissions areas, and making paper copies of this policy, the application for financial assistance, and a plain language summary of this policy available, upon request and at no charge, in public locations at McKenzie Health Hospital — Watford City, including in the emergency department and admissions area;
- Making paper copies of this policy, the application for financial assistance, and a plain language summary of this policy available, upon request and at no charge, by mail;
- Notifying members of the community served by McKenzie Health in a manner reasonably calculated to reach those members who are most likely to require financial assistance McKenzie Health that McKenzie Health offers financial assistance under this policy, and informing them of how or where to obtain more information about this policy, the financial assistance application process, and how to obtain copies of this policy, the application for financial assistance, and the plain language summary of this policy; and
- Including a conspicuous written notice on billing statements that notifies and informs recipients about the availability of financial assistance under this policy and includes the phone number of the office that can provide information about this policy and the direct website address where copies of this policy, the application for financial assistance and the plain language summary of this policy can be obtained.

Translations for Limited English Proficiency

Populations McKenzie Health is committed to accommodating members of the community served by McKenzie Health who have limited English proficiency by providing a translated version of this policy, the application for financial assistance, and the plain language summary of this policy. Translated versions of this policy are available at <https://mckenziehealth.com/patient-services/billing/>.