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**MICHIGAN MEDICINE**  
UNIVERSITY OF MICHIGAN

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## Michigan Medicine Financial Assistance Policy, 01-03-003

(Previously the Professional and Hospital Customer Service Charity Care Policy and Procedure)

### I. POLICY STATEMENT

The Michigan Medicine Financial Assistance Policy (sometimes referred to as M-Support or Charity Care) has been established to identify patients who may qualify for Financial Assistance. Financial Assistance is offered to patients who are not able to pay for health care as determined primarily by the U.S. Federal Poverty Guidelines. Financial Assistance is considered a last resort; all options for obtaining third party coverage or identifying resources available to the patient should be considered first. Proper documentation must accompany all requests for Financial Assistance.

### II. POLICY PURPOSE

Michigan Medicine is committed to serving residents of the State of Michigan who cannot obtain necessary medical care because of their inability to pay.

### III. FINANCIAL ASSISTANCE GUIDELINES

#### A. Eligibility and Qualifications

1. The patient's ability to pay should be determined prior to providing the service whenever possible, the exception being emergency services where we are required to provide emergent medical care according to EMTALA laws. Michigan Medicine provides care for emergency medical conditions (within the meaning of EMTALA) without discrimination to individuals regardless of their eligibility under this Financial Assistance eligibility policy.
2. Federal Poverty Level Guidelines for Household Income - A patient may qualify for a 100% adjustment of charges if the patient's household income does not exceed 300% of the established Federal Poverty Level Guidelines set forth for the current year. Charges for uninsured patients at or below 300% of the Federal Poverty Level will be adjusted 100% per State of Michigan's Healthy Michigan requirements.
3. Additional Criteria - In addition to the Federal Poverty Level guidelines, the patient must also meet the following criteria to be approved for a Financial Assistance adjustment:
  - Services must be medically necessary.

- The applicant must be a resident of Michigan.
  - The applicant must have applied for either Medicaid or an insurance plan on the health insurance exchange and been denied, or deemed ineligible for these coverages by a Michigan Medicine MSupport coordinator.
  - The applicant's liquid assets may not exceed \$10,000 with the following exception: The patient may have up to \$100,000 in a retirement account, I.R.A., T.S.A., or 401k.
4. Patients who would qualify financially for Medicaid or insurance coverage may qualify for a Financial Assistance adjustment related to medically necessary non-covered services, copays and deductibles based on the income guidelines and other criteria in numbers (2) and (3).
  5. Patients who meet Michigan Medicine financial criteria but who would not qualify financially for Medicaid may qualify for a Financial Assistance adjustment related to denied benefits for pre-existing condition, or exhausted benefits. The applicant must have exhausted all other financial resources and show financial need.
  6. Patients who are eligible for COBRA coverage but have declined the coverage because the cost is greater than 25% of their net monthly income may be eligible for Financial Assistance.
  7. Michigan Medicine has a contractual obligation to collect the allowable co-insurance and deductible amounts. However, a patient may be granted Financial Assistance for residual balances after insurance if a case can be made for financial hardship. Michigan Medicine will determine financial hardship in accordance with State and Federal laws, including oversight agencies acting in their behalf. The residual balances for patients determined to have financial hardship will be written off to financial assistance.
  8. Michigan Medicine will have a documented process by which financial assistance levels will be determined in conjunction with state and federal regulations and Internal Revenue Service guidelines regarding uninsured individuals.
  9. Patients may qualify for Financial Assistance using presumptive charity scoring when documentation to determine Federal Poverty Level is not readily available from the patient. Qualification will be based on criteria outlined in number 2 only.
  10. Additional cases may be authorized as Financial Assistance on an exception basis. Any exceptions to the Financial Assistance policy provisions enumerated above require the approval of a Financial Assistance exception group. Members of the exception group will be appointed by the Chief Revenue Cycle Officer or the Chief Financial Officer.
  11. Documentation requirements to be included with the application:
    - Federal Income Tax Return for most recent tax year (Form 1040)
    - Most recent Wage and Tax Statement (Form W-2) and/or Miscellaneous Income (Form 1099)
    - Recent copy of pay stub with year-to-date earnings for each member of the household
    - Proof of other income
    - Current bank statement of checking/savings accounts
    - Copy of valid Michigan driver's license or Michigan state identification card
    - IRA/401k statements
    - Response from Medicaid, Healthy Michigan or Marketplace

12. Patients can apply for Financial Assistance by completing an application available on the [Michigan Medicine website: uofmhealth.org/financial-assistance](http://uofmhealth.org/financial-assistance). Patients can access assistance to complete an application for Financial Assistance (M-Support), Medicaid, or a health insurance exchange plan by contacting the M-Support Program (contact information below).

#### **B. FINANCIAL ASSISTANCE COVERAGE**

1. Coverage Period - The patient may be approved for coverage for all retroactive balances regardless of the age of the balance. Coverage will terminate twelve months after the approval date. Each patient must reapply every twelve months. If an applicant qualifies for other coverage such as Medicare B or an ACA Marketplace plan, but has missed the open enrollment period for that plan, Financial Assistance may be approved until the next open enrollment period
2. Coverage includes all medically necessary services provided by Michigan Medicine facilities, providers, and suppliers. Coverage does not extend to services that are not deemed medically necessary by the patient's Michigan Medicine treating physician(s) or to non-Michigan Medicine services. For purposes of this policy only, Michigan Medicine's 340B contract pharmacies are considered an extension of Michigan Medicine facilities and services.
3. Approved applicants will receive up to a 90-day supply of medically necessary medication. The prescriptions can be refilled until there are no refills remaining or until M-Support coverage is terminated.
4. During the Financial Assistance Coverage period, if a patient becomes eligible for Medicaid or other insurance coverage and/or if there is a change in the patient's status, the patient must inform the M-Support staff. This change may alter their eligibility with the Financial Assistance Program.

#### **C. OTHER PROGRAMS**

Additional carve-out programs may be available to a patient and are included in the Financial Assistance Procedure Manual.

## **IV. FINANCIAL ASSISTANCE POLICY NOTIFICATION**

Hospitals are required to widely publicize their financial assistance policy in the community served. Michigan Medicine will ensure that this requirement is met by including key provisions of this Financial Assistance policy on its external website and by making materials available throughout Michigan Medicine patient care sites and the patient statements that inform patients of the M-Support Program and how patients may request financial assistance. It is an objective of Michigan Medicine to ensure that all patients be made aware of available Financial Assistance programs at the time of service through availability of materials and in many cases access to financial counselors. In addition, billing and collection efforts include processes for distributing information about the Financial Assistance Program both verbally and in writing.

## **V. ADMINISTRATION**

- A. Michigan Medicine Revenue Cycle has separate billing and collection policies that describe the actions Michigan Medicine may take in the event of nonpayment, including collection actions. Michigan Medicine will not take extraordinary collection actions against an individual prior to making reasonable efforts to determine whether the individual is eligible for assistance under this Financial Assistance policy. These policies are available from the Revenue Cycle department of Michigan Medicine or by utilizing the contact

information below.

- B. Detailed procedures to manage this policy are outlined in Michigan Medicine Revenue Cycle written Financial Assistance procedures.
- C. Administration of Financial Assistance Adjustments - Administration will follow local written procedures. Financial Assistance adjustments cannot be initiated or approved by an employee where a conflict of interest exists with that person, be they friend or relative.
- D. Applicability at Michigan Medicine joint ventures: Financial Assistance policies for Michigan Medicine joint ventures through Michigan Health Corporation are established with the venture partners. Joint ventures that have agreed to adopt Michigan Medicine Financial Assistance policies will follow this policy.

## VI. CONTACT INFORMATION

- Phone: (855) 853-3580 (toll-free)
- Email: [M-Support@med.umich.edu](mailto:M-Support@med.umich.edu)
- Website: [uofmhealth.org/financial-assistance](http://uofmhealth.org/financial-assistance)

A paper copy can be sent to the patient by contacting the M-Support Program using the contact information listed above or go to the website and print out the policy.

## VII. EXHIBITS

None

## VIII. REFERENCES

None

**Author:** Benjie Johnson, Chief Revenue Cycle Officer

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FGP Board - September 23, 2004

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Acting Chief Executive Officer and Chief Operating Officer, UMHHC - December 17, 2015

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## Attachments

No Attachments

## Approval Signatures

Step Description	Approver	Date
Executive Approval - EVPMA	Marschall Runge: Dean, Medical School and EVPMA [QV]	01/2020
Executive Approval - UMHS President	David Spahlinger: Executive Vice Dean for Clinical Affairs [CJ]	01/2020
UMHS CFO	Paul Castillo: CFO UM Health System	01/2020
Rev Cycle Chief Officer	J Johnson: Chief Officer Revenue Cycle Management	12/2019
Rev Cycle Compliance Director	Rebecca Moore: Director, Revenue Cycle Compliance	12/2019

## Applicability

Michigan Medicine Administration, UMHS Clinical