

 <b>CaroMont Health</b>  Administrative Policy Finance	<b>Number:</b> 11486
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	<b>Owner:</b> Donna Finley
	<b>Approved:</b> David O'Connor
	<b>Authorized:</b> David O'Connor

## Financial Assistance and Medical Debt Mitigation Policy

### ***POLICY***

This policy guides CaroMont Regional Medical Center and all hospital departments in identifying and determining the financial responsibility for patients who are low income, uninsured, underinsured, and/or medically indigent.

### ***PURPOSE***

Appropriately identifying patients eligible for financial assistance will eliminate the need for unnecessary billing and collection efforts and will help ensure that these patients receive the needed medical care that they could not otherwise afford.

### ***RESPONSIBILITY/SCOPE***

Patient Financial Services is responsible for the Financial Assistance Program for CaroMont Regional Medical Center and all hospital departments.

### ***PROCEDURE/GUIDELINES***

#### Non-discrimination

CaroMont Regional Medical Center and all hospital departments shall render services determined to be emergent or medically necessary by medical opinion, regardless of the ability of the patient to pay for such services. Financial assistance is available to residents of North Carolina. Determination of financial assistance eligibility will be based on the patient's income and assets and will not be abridged based on age, sex, race, creed, disability, sexual orientation, or national origin.

### No More Than Amount Generally Billed (AGB)

A patient determined to be eligible for financial assistance may not be charged more than amounts generally billed for emergent or other medically necessary care to patients who have insurance for such care.

### Staff Training/Assistance

Employees involved in the process of patient registration, billing, and collection are trained to understand the basic information related to the organization's Financial Assistance Program's policy and procedures. Translation services and assistance in completing the Financial Assistance Application are available to those unable to do so or those with special needs.

### Selling of Medical Debt

Medical Debt will not be sold.

### Third Party Medical Creditors for Debt Collection

CaroMont Regional Medical Center and all hospital departments may outsource with a third party to manage some debt collection activities. CaroMont Regional Medical Center maintains ownership and both CaroMont Regional Medical Center and the contracted debt collection entity/entities comply with all requirements in this policy and are applicable to below for all N.C. residents:

- Will not cause an individual's arrest
- Will not cause an individual to be held in civil contempt or imprisoned
- Will not foreclose on an individual's real property
- Will not garnish wages or State income tax refunds
- Will provide patients with 30 day notice or any extraordinary collection actions
- Will reverse any extraordinary debt collection actions if a patient is later found to be eligible for financial assistance
- Will not report a patient's debt to a credit reporting agency
- Previous reports to credit reporting agencies will be taken back if the debt has been forgiven
- No individuals, except for spouses, will be liable for medical debt of any other person 18 or older
- A spouse held liable for a patient's medical debt will be eligible for the same medical debt mitigation policies offered to the patient
- Will not initiate legal action against a patient for any claims where an insurance appeal/review is pending within the previous 60 days
- Medical creditors will not refer debts to an external debt collector if an insurance appeal/review was pending within the previous 60 days

### **Application Process**

### Financial Assistance

Uninsured and underinsured patients may qualify for a financial assistance discount based on their annual income, family size, and assets. Financial Assistance applications can be obtained by calling 704-834-2931 or coming to Customer Service inside the entrance from the parking deck at CaroMont Regional Medical Center at 2525 Court Drive, Gastonia, N.C. 28054 and asking for a Financial Counselor. Completed applications and documentation required for financial assistance consideration should be submitted back to the same address.

### Outside Vendor Search Tool

An outside vendor software tool may be used to obtain information about patients being considered for financial assistance. Experian will be utilized in circumstances outlined in Appendix D.

### Financial Assistance Application

The Financial Assistance application may be used to obtain information from patients being considered for financial assistance. The application will be utilized in circumstances outlined in Appendix D.

### Timing

The patient or his/her representative may request financial assistance consideration before services are rendered, at the time of service, or after services are rendered. However, applications received 240+ days from the date of the first post discharge billing will only be considered on a case-by-case basis. Documentation may be requested with the Financial Assistance application. Failure to return the requested documents within 30 days of application or within 240 days from the date of the first post discharge billing is considered incomplete and may result in denial of financial assistance for the services.

## **Eligibility Review Process**

### Outside Vendor Search Tool

Experian search responses may be used as documentation to verify financial information in circumstances outlined in Appendix D.

### Financial Assistance Documentation

Financial assistance documentation will be used to verify financial information in circumstances outlined in Appendix D. Patients may use a variety of documents to substantiate financial circumstances, such as paycheck stubs, W-2 forms, income tax returns, unemployment benefit statements, disability statements, bank statements, etc. If these items are unavailable, a letter of support from individuals providing for the patient's basic living needs may be accepted.

### Third Party Payers

All other avenues to obtain third party payment and financial assistance must be exhausted prior to any patient receiving financial assistance. An applicant's failure to pursue an eligible health plan or assistance program could result in denial of financial assistance.

### Annual Income

Income is defined as all sources of income (i.e., wages, tips, alimony, child support, unemployment income, disability income, retirement income, interest, dividends, social security, income received from property or real assets, etc.) for all family members residing in the household.

## **Approval Process**

### Financial Assistance Discount

To qualify for services at no cost or at a reduced cost, a patient's household Annual Income must be equal to or below 300% of the Federal Poverty Guideline for their family size. A patient approved for financial assistance will not be charged more than Amounts Generally Billed for emergency and other medically necessary care. AGB for purposes of this policy are defined as the amounts that would generally be billed to individuals who have insurance covering the same service. The organization will not bill more than these applicable rates to patients who have qualified for financial assistance approval based on the Federal Poverty Level (FPL).

## **Non-Income Based Criteria**

Patients may be deemed Presumptively Eligible for financial assistance based on certain non-income based criteria. Patients must meet at least one of the following:

- Homelessness
- Mental incapacitation with no one to act on the patient's behalf
- Enrollment in Medicaid of patient or a child in their household
- Enrollment in another means-tested public assistance program (including, but not limited to Women, Infants and Children Nutrition Program, Supplemental Nutrition Assistance Program).

For patients that are determined presumptively eligible for financial assistance, documentation will not be required. CaroMont will screen non-income based presumptive eligibility through an outside vendor search tool for FPL to confirm eligibility and notify patients of the results based on the below timelines:

- Non-emergency department services: Screening prior to or at check in and notification prior to discharge.
- Emergency department services: Screening as soon as possible, prior to discharge if feasible, and notification prior to issuing a bill to patient.

## **Income Based Criteria**

Patients may be deemed Presumptively Eligible for financial assistance based on data provided by Experian (an outside vendor search tool) supplying the FPL percentage calculated prior to billing.

- Discount of 100% for individuals with incomes at or below 200% FPL.
- Discount of 75% for individuals with incomes between 201% -250% FPL.
- Discount of 50% for individuals with incomes between 251% - 300% FPL.
- Discounts will be applied to the amount the patient owes minus co-payment amounts.

For patient's not presumptively eligible (Income Based) financial assistance, documentation will be required.

Exception: Emergency Department visits for both insured and uninsured patients will be subject to a \$35.00 patient cost share, not to exceed cost sharing under the patient's health plan, even when approved for 100% financial assistance.

For NC residents with incomes between 200% - 300% of the Federal Poverty Level (FPL), a payment plan is available, with interest no more than 3%, for a term of no more than thirty-six months (36) months with monthly payments no greater than five percent (5%) of monthly household income.

#### Prior Balances for current Medicaid Eligible Patients

All N.C. residents that are enrolled in Medicaid will be evaluated for past medical debt. Within 60 days of the patient's inpatient or outpatient encounter, any past debts will be reclassified as charity care/financial assistance.

#### Extenuating Circumstances

If the patient is unable to provide information on the Financial Assistance application, Patient Financial Services may nevertheless review and consider the account eligible for financial assistance.

#### Uninsured Financial Assistance Discount

Uninsured patients who do not qualify for a 100% Financial Assistance discount will be eligible for a partial Uninsured Financial Assistance Discount.

#### Approval/Denial Notification

Patients who request consideration for a Financial Assistance discount shall be notified in writing within thirty (30) working days after receipt of the Financial Assistance application and all required supporting documentation as to whether the patient qualifies for financial assistance. If a patient is denied financial assistance, the reason(s) for the denial shall be provided in writing.

#### Continuing Eligibility

Patients who have previously been approved for financial assistance may be deemed eligible for financial assistance on future visits without having to submit a new Financial Assistance

application if their financial situation has not changed. Medicare patients may be deemed eligible within 12 months and all other patients within 3 months of their previously approved date of service.

#### Expired Patients

Patients, including out of state residents, who have died, have no estate, and have no responsible spouse are deemed to have no income for the purpose of determining financial assistance eligibility.

#### Agreement with Other Providers

There are no formal agreements with other providers that participate in our patient's care who follow this policy. However, those providers may on a case-by-case basis consider their services to be provided at "no cost" or reduced cost if deemed eligible for financial assistance by CaroMont.

Other providers may include but are not limited to:

- Emergency Room Physician
- Radiologist
- Anesthesiologist
- Pathologist
- CaroMont Medical Group

#### Adjustment Approval Levels

The Approval levels per account for Financial Assistance discounts and Extenuating Circumstances are outlined below.

<b>Financial Assistance</b>	
<i>Discount Amount</i>	<i>Authorization Level</i>
\$0 - \$24,999	Patient Financial Services Representatives
\$25,000 - \$99,999	Director , Corporate Business Services or Assistant Manager, Business Services
\$100,000+	Director, Corporate Business Services Director, Access Management, or Senior Director, Revenue Cycle

#### Approval/Adjustment Restrictions

CaroMont Health employees shall not process or approve Financial Assistance discounts for any relative or friend. All accounts involving relatives or friends should be immediately elevated to the appropriate supervisor.

### False Information

If fraudulent or false information is discovered, the Financial Assistance discounts may be reversed, and the account balance becomes the responsibility of the patient and/or guarantor.

### Extraordinary Collection Actions

Balances will be the financial responsibility of the patient and/or guarantor unless deemed eligible for financial assistance. If the account is not paid within 180 days from the date of the first post discharge statement, it may be placed with an outside collection agency. A thirty-day notice will be sent to the patient prior to outside collection agency placement. If a patient qualifies and applies for financial assistance after placement with an outside collection agency, the process of collection action will be suspended pending financial assistance determination. For non-North Carolina residents, other extraordinary collections actions may include reporting the debt to the credit bureau or garnishment of SC State taxes.

If a patient is approved for, financial assistance after extraordinary collection actions are initiated, all reasonable efforts will be made to reverse any negative effects of the action.

Patient payments made prior to financial assistance approval may be refunded to the patient and/or guarantor if the services were deemed medically necessary and the payment is more than what the patient would owe after financial assistance approval.

## ***DEFINITIONS***

- “Financial Assistance” means inpatient and outpatient medical treatment and diagnostic services provided at no cost or reduced cost for uninsured and underinsured patients who cannot afford to pay for the care according to established organization guidelines.
- “Bad Debt” means expenses resulting from treatment for services provided to a patient who, having the financial resources to pay for health care services has nevertheless demonstrated by his/her actions an unwillingness to comply with the contractual arrangements to resolve the bill for such services.
- “Medically Necessary” means Services or Supplies: (a) provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease, not for experimental, investigational, or cosmetic purposes; (b) necessary and appropriate for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms; (c) within generally accepted standards of medical care in the community; (d) not solely for the convenience of the patient or the patient’s family, and; (e) as determined by a medical team.
- Experian is an outside vendor search tool and a software system that supplies confidential patient information that includes, but is not limited to, FPL, credit scores, family income estimation, available credit lines, and status of outstanding debts. Experian is one of the three major credit-reporting agencies.

## ***REFERENCES***

Not applicable.



## FINANCIAL ASSISTANCE POLICY PROVIDER LISTING

Providers who follow FAP	Providers not obligated to follow the FAP	Discretionary
CaroMont Regional Medical Center	Gastonia Physician Services, LLC	All CaroMont Health providers which includes primary care, specialty, and urgent care practices
CaroMont Regional Medical Center - Belmont	Gaston Radiology	
CaroMont Imaging Services	Gaston Anesthesia	
CaroMont Wound Center	Pediatric	
CaroMont Integrated Pain Specialists	GEMS (Gaston Emergency Medical Services)	
CaroMont Mount Holly Emergency Department	OrthoCarolina	
	Carolina Orthopedics & Sports Medicine	
	Carolina Urology	
	Neuroscience and Spine Center of the Carolinas	
	Carolina Neurosurgery and Spine Associates	



Date

Dear,

Thank you for choosing CaroMont Health for your medical needs. Your Financial Assistance Application for health care services has been received. Your cooperation and diligence in providing the appropriate documentation has allowed us to determine your eligibility for our Financial Assistance Program.

Based on our review of your application, you are eligible for assistance in the amount of \$\_\_\_\_\_.

Sincerely,

Representative Name  
Financial Counselor

PT Name _____	Acct # _____	Charity for \$ _____	PT bal \$ _____
PT Name _____	Acct # _____	Charity for \$ _____	PT bal \$ _____
PT Name _____	Acct # _____	Charity for \$ _____	PT bal \$ _____
PT Name _____	Acct # _____	Charity for \$ _____	PT bal \$ _____
PT Name _____	Acct # _____	Charity for \$ _____	PT bal \$ _____



Date

Dear,

Thank you for choosing CaroMont Health for your medical needs. Your Financial Assistance Application for health care services has been received. After review of the documents provided, we find that you do not meet the eligibility criteria for financial assistance.

Please be advised that the denial decision was based on the following reason(s):

If you feel you have additional information and want us to review our decision, you have 30 days to ask us to reconsider this denial.

Please contact the Business Services Office at 704-834-2931 and speak with a Financial Counselor to make payment, to discuss payment arrangement, or to request that this decision be reconsidered.

Sincerely,

Representative Name

Financial Counselor

Appendix D  
CaroMont Regional Medical Center/CaroMont Specialty Surgery/CaroMont Endoscopy  
Charity Care Information and Document Requirements

Category	Criteria (Meets All Within Each Category)	Information	Documentation	Write-Off Codes
Experian	1) North Carolina resident 2) Experian, PFC estimates income @ 200% or less of FPG	Experian	Experian	500124 (I) 9500088 (E)
Regular	1) North Carolina resident 2) Patient income @ 300% or less of FPG	Experian and/or Financial Assistance Application	Experian and/or Financial Documents	500108 (I) 95001889 (E)
Extenuating Circumstances	1) Extenuating Circumstances determined by management	Experian and/or Financial Assistance Application	Experian and/or Financial Documents	500116 (I) 9500089 (E)
Deceased	1) Patient has expired 2) No estate filed 3) No responsible spouse surviving 4) Includes residents outside of North Carolina	Experian	Experian and/or Financial Documents	500140 (I) 9500087 (E)

CaroMont Health reserves the right to request financial documents from any patient seeking financial assistance who does not qualify based on screening criteria.

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