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|  <b>NORMAN REGIONAL</b><br>Health System | <b>TITLE</b><br>CHARITY CARE – FINANCIAL ASSISTANCE POLICY | <b>LEVEL</b><br><input type="checkbox"/> System<br><input type="checkbox"/> Service Line<br><input checked="" type="checkbox"/> Department | <b>CATEGORY</b><br><input type="checkbox"/> Clinical<br><input checked="" type="checkbox"/> Administrative<br><input type="checkbox"/> Regulatory |
|                                                                                                                           | <b>DOCUMENT NUMBER</b><br>OP9100-435                       | <b>Effective Date:</b> 9/1/2026                                                                                                            |                                                                                                                                                   |
| <b>POLICY</b>                                                                                                             |                                                            |                                                                                                                                            |                                                                                                                                                   |

## POLICY STATEMENT

Norman Regional Health System (NRHS) is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for medically necessary care based on their individual financial situation.

## PURPOSE

Consistent with our mission to deliver quality and compassionate healthcare services in a responsive, efficient and safe manner, NRHS strives to ensure that the financial capacity of people who need healthcare services does not prevent them from seeking or receiving care. NRHS will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

## SECTION I: ACUTE CARE SERVICES

Accordingly, this written Policy:

1. Includes eligibility criteria for financial assistance – free and discounted (partial charity) care;
2. Describes the basis for calculating discounts on healthcare services provided to patients eligible for financial assistance under this Policy;
3. Describes the method by which patients may apply for financial assistance;
4. Describes how NRHS will publicize the Policy within the community served;
5. Limits the amounts that NRHS will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally received by NRHS for commercially insured or Medicare patients.

## POLICY

Charity is not considered to be a substitute for personal responsibility. Patients are expected

to cooperate with NRHS's procedures for obtaining charity or other forms of payment or financial assistance and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to healthcare services, for their overall personal health, and for the protection of their individual assets. In order to manage NRHS's resources responsibly and to provide the appropriate level of assistance to the greatest number of persons in need, this Policy establishes the following guidelines for the provision of patient charity.

## **DEFINITIONS**

For the purpose of this Policy, the terms below are defined as follows:

1. Charity Care - Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.
2. Family - Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.
3. Family Income - Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:
  - a) Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
  - b) Excludes noncash benefits, such as food stamps and housing subsidies;
  - c) Determined on a before-tax basis;
  - d) Excludes capital gains or losses; and
  - e) If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).
  - f) Calculated for the most current twelve (12) month period.
4. Uninsured - The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.
5. Underinsured - The patient has some level of insurance or third-party assistance, but still has out-of-pocket expenses that exceed his/her financial

abilities.

6. Gross charges - The total charges for the provision of patient care services before deductions from revenue are applied.
7. Emergency medical conditions - Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).
8. Medically necessary - As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

## **PROCEDURES**

**Eligible Services under this Policy:** For purposes of this Policy, “charity” or “financial assistance” refers to healthcare services provided and billed by NRHS without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:

1. Emergency medical services provided in a hospital emergency room setting;
2. Hospital services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
3. Non-elective hospital services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically necessary services, evaluated on a case-by-case basis at NRHS’s discretion.
5. Services rendered by convening and co-providers and billed by NRHS.
6. Financial Assistance is not available for any services determined to be cosmetic, certain elective services, and those for which a self-pay package price is established and patient has agreed to accept.

**Eligibility for Charity:** Eligibility for charity will be considered for individuals that 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 take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

**Method by Which Patients May Apply for Charity Care:** Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may

1. Include an application process, in which the patient or the patient’s guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
2. Include the use of external publically available data sources that provide information on a patient’s or a patient’s guarantor’s ability to pay (such as

credit scoring);

3. Include reasonable efforts by NRHS to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
4. Take into account the patient's available assets, and all other financial resources available to the patient; and
5. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

It is preferred but not required that a request for charity and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of service if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

NRHS's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and NRHS shall notify the patient or applicant in writing within thirty (30) days of receipt of a completed application containing all required documentation.

**Presumptive Financial Assistance Eligibility:** There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. In these instances, NRHS may utilize a third-party to conduct an electronic review of patient information to assess financial need. This review utilizes a healthcare industry recognized model that is based on public record databases. This predictive model incorporates public record data to calculate a socio-economic and financial capacity score that includes estimates for income, assets and liquidity. This is known as a Presumptive Financial Assistance Scoring. The electronic technology is designed to assess each patient to the same standards and is calibrated against historical approvals for NRHS financial assistance under the traditional application process. This information will enable NRHS to make an informed decision of financial need by utilizing the best estimates available in the absence of information provided directly by the patient.

The electronic technology will be deployed prior to bad debt assignment after all other eligibility and payment sources have been exhausted. This allows NRHS to screen all patients for financial assistance prior to pursuing any extraordinary collection actions. The data returned from this electronic eligibility review will constitute adequate documentation of financial need under this Policy.

Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a one hundred percent (100%) write off of the account balance for dates of service as determined by the presumptive score. If a patient does not qualify as determined by the third-party information, the patient may still be considered under the traditional financial assistance application process.

Patient accounts granted presumptive eligibility will be reclassified under this financial

assistance Policy. They will not be sent to collections, will not be subject to further collection actions, will not be notified of their qualification and will not be included in NRHS's bad debt expense.

**Eligibility Criteria and Discount Amounts to Patients:** Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to federal poverty guidelines in effect at the time of the determination. Once a patient has been determined by NRHS to be eligible for financial assistance, the level of discount, based on federal poverty guidelines and income, is indicated in Exhibit A.

**Communication of the Charity Program to Patients and Within the Community:** Notification about charity available from NRHS, which shall include a contact number, shall be disseminated by NRHS through various means, as NRHS shall elect. Such information shall be provided in the primary language spoken by the population serviced by NRHS. Referral of patients for charity may be made by any member of the NRHS staff or medical staff, including physicians, nurses, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

**Relationship to Collection Policies:** NRHS shall develop policies and procedures for internal and external collection practices (including actions NRHS may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity under this Policy and a patient's good faith effort to comply with his or her payment agreements with NRHS.

NRHS will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care under this Policy.

Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by NRHS;
2. Documentation that NRHS has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this Policy and that the patient has not complied with the application requirements;
3. Documentation that the patient does not qualify for financial assistance on a presumptive basis;
  - a) Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.
  - b) Third party and health insurance will take precedence over financial assistance and any financial assistance rendered will be void.

**Regulatory Requirements:** In implementing this Policy, NRHS shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this

policy.

## **PROCESS**

Patients are required to return the following documentation with the completed financial assistance application, if applicable. Please note: Patient Financial Services (PFS) may access current credit reporting information for verification of the documentation enclosed with the application.

- a) DHS Eligibility Letter showing dates of coverage;
- b) Social Security Eligibility Letter (Social Security benefits paid to minors do not count as income);
- c) For students, a copy of their Financial Aid Award Letter (student loans do not count as income);
- d) Signed copy of the most current federal income tax return and copies of the most recent W-2's for each household wage earner.
- e) Patients who reside in a household of which they are not a legal dependent of a household member will not be required to provide proof of income for every member of the household, only their own. The other members of the household will not be listed on the application and household expenses will not be included;
  - 1. Verifiable income statements or pay stubs from the last three (3) months. Other income includes: financial assistance from parents or other relatives, alimony, interest income, tips, unemployment, etc. Self-employed patients will be required to produce a quarterly tax return if they contend that current income differs from their income in prior years;
  - 2. Patients who are homeless and living in a shelter can obtain a letter of verification from the Director of the shelter and submit that with their application;
  - 3. Proof of Food Stamps; for the applying applicant; or listed on the eligibility letter as having this benefit
  - 4. Proof of Medicaid eligibility for applying applicant

The following are exceptions to the above process:

- 1. Medicaid copays will be collected from patients and will not be part of the charitable adjustment. Any uncollected co-pay will be adjusted to charity prior to bad debt placement. Medicaid non-covered, that is patient responsibility, will not qualify for financial assistance.

2. Patients who qualify for the following programs will automatically be approved for Financial Assistance:
  - a) Supplemental Security Income (SSI) & Disability (SSDI)
  - b) Food Stamps
  - c) Special Low Income Medicare Beneficiary (SLMB) patient responsibility amounts only.
  - d) Dually eligible for Medicare and Medicaid. Applies to services for which Medicare denies the claim or a portion of the claim i.e. ambulance not medically necessary, self-administered drugs, Medicare Local Coverage Determinations (when an Advanced Beneficiary Notice is signed). The balance will be adjusted to charity once Medicare and Medicaid have been billed and assigned an amount to patient responsibility.
  - e) Medicaid Programs for patient responsibility only:
    1. Soon to be Sooners
    2. Title XIX
    3. QMB (Qualified Medicare Beneficiaries)
    4. Alien Emergency Services
    5. Healthy Adult Program (HAP)
    6. Sooner Select
  
3. In addition to a Financial Assistance determination, a medical indigence allowance can be considered if the patient's adjusted gross monthly income is less than monthly living expenses (to include only house payment or rent, food, utilities, dependent care, and insurance) when applicant is the head of household (e.g., homeowner, rental lessor, etc.). Full charity may be granted in these cases.
  
4. For patients who exceed federal poverty guidelines, NRHS may reduce the patient responsibility portion of the bill to no more than twenty percent (20%) of the patient's gross annual income.
  
5. If a patient is deceased, the Attorney or Personal Representative typically contacts NRHS to confirm whether there is an estate or not. If there is no estate, the patient's family may complete a Financial Assistance application. If the family has no assets or funds to pay the patient's bill, the account may be adjusted to Bad Debt uncollectible or Medicare Bad Debt, if the patient has Medicare. One hundred percent (100%) financial assistance may be applied if the deceased has no surviving family members.
  
6. Approval limits must be followed according to the following authorization levels:
 

|    |                       |                    |
|----|-----------------------|--------------------|
| a) | Manager               | \$ .01-\$50,000    |
| b) | Director of PFS       | \$50,001-\$150,000 |
| c) | Admin Director of RCM | \$150,001+         |

7. All completed applications are to be kept on file for at least twenty-four (24) months or until the Medicare audit for that period has been completed.
8. Patients with no visible means of support will not be approved.
9. If at any time it is determined a third party is or may be liable for services, any recovery takes precedence over financial assistance, and any financial assistance rendered will be void. The patient will then be responsible for payment of all charges of any covered services.

| Financial Assistance Sliding Scale                 |         |           |           |           |
|----------------------------------------------------|---------|-----------|-----------|-----------|
| Income as a Percent of Federal Poverty Guidelines* | 0%-180% | 181%-200% | 201%-220% | 221%-300% |
| Discount Percentage                                | 100%    | 90%       | 80%       | 70%       |

**EXHIBIT A**

*\*Guidelines in effect at the time of charity determination*

**APPROVAL**