

Purpose: This policy establishes guidelines for free care at CMC, including minimum income guidelines to be used in determining whether individuals are unable to pay for hospital services. This policy sets forth procedures for notifying patients of the availability of free care, determining who is qualified for such care, and annually reporting the quantity of free care provided, as required by the guidelines developed under the Hospital Finance Rules, Chapter 150, Section 1 Hospital Free Care Guidelines.

1.01 OBLIGATION TO PROVIDE SERVICE AND ADOPT POLICY

- A. Cary Medical Center shall not deny any medically necessary services to any Maine resident solely because of the inability of the individual to pay for those services. CMC, via this policy, provides for a determination of the inability to pay, defines the services to be provided as free care taking into account other sources of payment for care, consistent with the standards established in The Hospital Finance Rules.
- B. For purposes of this policy, “free care” means service provided without expectation of payment from, or on behalf of, the individual receiving the hospital services.

1.02 INCOME GUIDELINES

- A. Definitions. Relative to this policy, the following definitions shall apply:
 - (1) Family. A family is a group of two or more persons related by birth, marriage or adoption who reside together and among whom there are legal responsibilities for support; all such related persons are considered members of one family. (If a household includes more than one family and/or more than one unrelated individual, the income guidelines are applied separately to each family and/or unrelated individual, and not to the household as a whole.)
 - (2) Family Unit of Size One. In conjunction with the income guidelines, a family unit of size one is an unrelated individual, that is, a person 15 years old or over who is not living with any relatives. An unrelated individual may be the sole occupant of a housing unit, or may be residing in a housing unit (or in group quarters such as a rooming house) in which one or more persons also reside who are not related to the individual in question by birth, marriage, or adoption.
 - (3) Income. Income means total annual cash receipts before taxes from all sources except as provided in subparagraph (b) below.
 - (a) Income includes:
 - (i) money wages and salaries before any deductions;

- (ii) net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
 - (iii) regular payments from social security, railroad retirement, unemployment compensation, worker's compensation, strike benefits from union funds, veterans benefits;
 - (iv) public assistance including Temporary Assistance to Needy Families, Supplemental Security Income and General Assistance money payments;
 - (v) training stipends;
 - (vi) alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household;
 - (vii) private pensions, government employee pensions, and regular insurance or annuity payments;
 - (viii) income from dividends, interest, rents, royalties or periodic receipts from estates or trusts; and
 - (ix) net gambling or lottery winnings.
- (b) Income does not include the following:
- (i) capital gains;
 - (ii) any liquid assets, including withdrawals from a bank or proceeds from the sale of property;
 - (iii) tax refunds;
 - (iv) gifts, loans and lump-sum inheritances;
 - (v) one-time insurance payment or other one-time compensation for injury;
 - (vi) non-cash benefits such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits;

- (vii) the value of food and fuel produced and consumed on farms and the imputed value of rent from owner occupied non-farm or farm housing, and
- (viii) Federal non-cash benefit programs, including Medicare, Medicaid, Food Stamps, school lunches, and housing assistance.

Note: Although one-time insurance payments are excluded from income, one-time insurance payments made for coverage of hospital services would limit the availability of free care to bills not covered by such payments.

- (4) Resident of Maine. The term “Resident of Maine” refers to an individual living in the state voluntarily with the intention of making a home in Maine. An individual who is visiting or is in Maine temporarily is not a resident.
 - A. Inability to pay. A person is unable to pay for hospital services when the family income of that person, as calculated by either of the following methods is not more than the applicable income guidelines set forth in subsection C, (if one method does not apply, the other must be applied before determination of ineligibility is made):
 - (1) Multiplying by four the person’s family income for the three month’s preceding the determination of eligibility; or
 - (2) Using the person’s actual family income for the twelve (12) months preceding the determination of eligibility.
 - B. Income Guidelines:

In accordance with Chapter 150, Hospital Finance Rules, Section 1, Cary Medical Center will provide Medically Necessary Free Care to residents of Maine whose income falls below the income guidelines in Attachment “A”. Cary Medical Center establishes its income eligibility guidelines for free care based on one hundred ninety percent (190%) of the Federal Poverty Level Guidelines (FPL).

If you believe you qualify for Free Care, please apply at:

The Financial Counselor’s Office: 498-1125
Toll Free: 1-800-858-2279, ext. 1125
billinghelp@carymed.org
www.carymedicalcenter.org

Before providing free care, Cary Medical Center will ask for information about your income and also ask you to show that insurance or a government medical assistance program will not pay for your care.

The FLP is issued annually by the U.S. Department of Health and Human Services. Each year's FPL is available on the Internet at <http://aspe.hhs.gov/poverty>. An individual can also obtain a copy of the current FLP by contacting the individual's local Department of Health and Human Services office: by calling 1-800-321-5557, ext. 79368 or 1-207-287-9368; or by writing to:

Office of MaineCare Services
Division of Policy
11 State House Station
Augusta, Maine 04333-0011

1.03 SERVICES COVERED

Cary Medical Center will provide Free Care for medically necessary inpatient and outpatient hospital services.

1.04. NOTICE OF AVAILABILITY OF FREE CARE

- A. Posted Notice. Notices of the availability of free care will be posted in locations within the hospital at which the members of the public generally transact business with the hospital or present themselves to receive or request hospital services, including admitting areas, waiting rooms, business offices, and outpatient reception areas.
- B. Individual Notice. With respect to inpatient services, individual written notice of the availability of Free Care will be given to each patient upon admission or in the case of emergency admission, before discharge. With respect to outpatient services, notice of the availability of Free Care will be provided at the time service is provided.

1.05 DETERMINATION OF QUALIFICATION

A. Application.

- (1) Cary Medical Center will provide an opportunity for each person seeking Free Care to complete an application provided by Cary Medical Center.
- (2) Cary Medical Center may require an applicant to furnish any information that is reasonably necessary to substantiate the applicant's income or the fact that the individual is not covered by insurance or eligible for coverage by state or federal programs of medical assistance.

B. Determination

- (1) Upon receipt of an acceptably completed application, Cary Medical Center shall determine that an individual seeking free care qualifies for such care if:

- (a) the individual meets the income guidelines specified in Section 1.02;
 - (b) the individual is not covered by any insurance nor eligible for coverage by state or federal programs of medical assistance; and,
 - (c) services received were medically necessary.
- (2) If it is determined that the individual seeking free care meets the income guidelines, but is covered by insurance or by state or federal programs of medical assistance, it shall determine that any amount remaining due after payment by the insurer or medical assistance program will be considered free care.

C. Deferral of Determination.

- (1) Under the conditions specified in paragraphs (2) and (3) that follow, a determination of qualification for free care may be deferred for up to 60 days, for the purpose of requiring the applicant to obtain and present evidence of ineligibility for medical assistance programs or to verify that the services in question are not covered by insurance.
- (2) If an applicant for free care, who meets the income guidelines in section 1.02 and who is not covered under any state or federal program of medical assistance, meets any of the following criteria, qualification for free care shall be deferred:
- (a) age 65 or over
 - (b) blind
 - (c) disabled;
 - (d) an individual is a member of a family in which a child is deprived of parental support or care due to one of the following causes, and the individual's income is less than the guidelines in section 1.02:
 - (i) death of a parent;
 - (ii) continued absence of the parent (s) from the home due to incarceration in a penal institution, confinement in a general, chronic or specialized medical institution, deportation to a foreign country, divorce, desertion or mutual separation of parents or unwed parenthood;
 - (iii) disability of a parent; or

- (iv) unemployment of a parent who is the principal wage earner;
- (3) If an individual does not meet any of the criteria specified in (2) above, but the hospital is unable to determine the coverage of the individual and has a reasonable basis for believing that the individual may be covered by insurance or eligible for federal or state medical assistance programs, it may defer the determination concerning free care.
- D. Content of Favorable Determination. A determination that an applicant qualifies for free care must indicate:
 - (1) That the hospital will provide care at no charge;
 - (2) The date on which the services were requested;
 - (3) The date on which the determination was made; and
 - (4) The date on which services were or will be first provided to the applicant.
- E. Reasons for Denial. Cary Medical Center will provide each applicant who requests free care and is denied it, in whole or in part, a written and dated statement of the reasons for the denial when the denial is made. When the reason for denial is failure to provide required information during a period of deferral under subsection 1.05 (C), the applicant shall be informed that she or he may reapply for free care, if the required information can be furnished. Additionally, the notice must state that the patient has a right to a hearing; how to obtain a hearing; and name and telephone number of the person who should be contacted, should the provider/patient have questions regarding the notice.
- F. Reasons for Deferral.
 - 1. When an application for free care under paragraph 1.05 (C) (2) is deferred, the applicant shall be notified as follows:

Free care determination has not yet been made because there is reason to believe that you may be eligible for coverage by state or federal medical assistance programs. If you can show that you are not eligible for coverage by these programs within 60 days of the date of this notice by obtaining a letter or other statement from the Department of Health & Human Services, then you will be considered qualified for free care.

Even if you are eligible for coverage, free care will be available for any portions of the bill that medical assistance programs (or any insurance that you may have) will not pay.

2. When an application is deferred under paragraph 1.05 (C) (3), the applicant shall be notified of the reason for deferral, including the basis for the hospital's belief that coverage or eligibility may exist and the nature of the evidence that should be provided to complete the determination. The notice shall be in substantially the form specified in paragraph (1) above and shall include the last sentence of that form.

1.06 BILLING

- A. If an individual has been determined qualified for free care under 1.05 (B) (1), the individual shall not be billed for the services provided.
- B. If an individual has been qualified for free care under 1.05 (B) (2), the individual shall not be billed for any amount paid by an insurer or medical assistance program.
- C. If an individual's application for free care has been deferred under subsection 1.05 (C) then the individual may be billed for services during the period of deferral.
- D. If an individual has been determined qualified for free care under subsection 1.05 (B) or if the determination covering free care has been deferred under subsection 1.05 (C), then no municipality shall be billed under the general assistance program for hospital care provided to that individual.

1.07 NO LESSER COVERAGE ALLOWED

Cary Medical Center has not established policies that limit the availability of free care to individuals who are qualified for free care under the provisions of The Hospital Finance Rules, Chapter 150, Section 1 Hospital Free Care Guidelines.

1.08 REPORTING AND RECORD KEEPING

- A. The Financial Counselor's Office will maintain records of the amount of free care provided in accordance with the minimum guidelines established in this policy and of individuals to whom it was provided.
- B. Cary Medical Center reports to the Department of Health and Human Services, as part of its filing of information for purposes of final reconciliation, a summary of the amount of free care that was provided in the applicable payment year in accordance with the requirements of this chapter; the amount of free care that was not required under this Chapter that was provided in that year; and the number of individuals to whom each type of free care (required and not required) was provided.

1.09 FILING; APPLICABILITY

Cary Medical Center shall file with the Department of Health and Human Services a copy of its free care policy and a current copy of its posted notice of free care, adopted pursuant to the guidelines in this rule.