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**Purpose:**


The Stonewall Memorial Hospital District’s (SMHD) mission states we are committed to providing access to safe, high quality, patient-centered healthcare by skilled and trusted professionals, while exceeding the customer’s expectations. As part of our mission, we are steadfast in our commitment to provide quality healthcare services to all our patients regardless of their financial circumstances. Through the Income-Based Discount Program, SMHD strives to be able to provide a discount on medically necessary care provided by the hospital and the clinics.

**Definitions:**

- **Uninsured:** The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.
- **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.
- **Household Income:**
  - ***Includes*** but not limited to 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, alimony, and other miscellaneous sources.
  - ***Can be included but not required*** child support, student loans, student grants, or non-cash benefits, such as food stamps and housing subsidies.
- **Household Size:** Number of people living at the same residence.
- **Financial Assistance Award:** For purposes of this policy, the term “award” shall mean a reduction to a patient’s account balance as a result of qualifying for financial relief from Stonewall Memorial Hospital District’s Income-Based Discount Program.
- **Prompt Payment Discount Percentage:** A specified discount and partial write-off of amounts due from an individual patient in exchange for payments received per the terms of this policy.
- **Services:** For purposes of this policy, the term “services” shall include medically necessary care in all SMHD clinics, inpatient services, and outpatient hospital services.


**Policy:**

- This policy serves to establish and ensure a fair and consistent method for uninsured and underinsured patients to apply and be considered for financial assistance under the Income-Based Discount Program. Business Office and Admissions staff members, who interact with patients, will communicate the availability of discounts to the patient population. Financial counselors will assist patients and families to find the financial assistance they need while keeping the patient’s financial information confidential. SMHD will always provide care, without


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discrimination, for any patient having an emergency medical condition regardless of their ability to pay. Discounts do not apply to co-pay amounts.

- Sliding Fee Scale (SFS): SMHD will establish, and review annually, a sliding fee scale that provides discounts to patients based on their income and family size. The scale shall be designed so that fees are reduced for individuals with lower incomes.
- Patient Notification: SMHD will clearly communicate the availability of the sliding fee scale to all patients. This includes posting information in public areas and informing patients during visits.
- Discount Period: Patients are eligible to receive a retroactive discount on their bills for up to 3 months from the date the Income-based discount was approved.
- If the Explanation of Benefits (EOB) or the patient’s original statement date falls within the 3-month retroactive discount period, the discount will be applied to the patient's bill.
- SMHD will ensure that information about the sliding fee discount program is included in outreach efforts to the community.
- Application Form: SMHD has developed a simple and easy-to-understand application form for patients to apply for sliding fee discounts.
- SMDH provides assistance to patients in completing the application process if needed.
- Documentation: SMHD will maintain accurate records of all sliding fee scale applications, income verification documents, and discount determinations.
- Regular Review: SMHD will review and update the sliding fee scale annually to ensure it remains aligned with current federal poverty guidelines and meets the needs of the patient population.
- Training Programs: SMHD has trained staff to ensure they understand the sliding fee scale policy, the application process, and how to communicate this information to patients.
- National Health Service Corps (NHSC) Guidelines: SMHD ensures that the sliding fee scale policy complies with NHSC guidelines and requirements, including periodic audits and reporting as required by the NHSC.
- SMHD has established clear policies regarding billing and collections that reflect the sliding fee discounts to ensure patients receiving discounts are not subjected to excessive billing practices.
- Continuous Improvement: SMHD has quality improvement processes to monitor the effectiveness of the sliding fee scale program and make adjustments as needed to better serve the patient population.
- SMHD ensures that the sliding fee discount program is accessible to all patients regardless of race, color, sex, age, national origin, disability, religion, sexual orientation, or gender identity.
- Non-Discriminatory Practices: SMHD provides discounts in a non-discriminatory manner, ensuring that all eligible patients have equal access to discounts.
- Family Revaluation Frequency: SMHD will:
  - Reevaluate patients’ financial information and family size every year to reassess their ability to continue receiving discounts under the sliding fee scale program.
  - Verify income during the revaluation. Patients need to provide updated income documentation, which may include recent pay stubs, tax returns, or other proof of income.

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- Reevaluate changes in family size annually that might affect the sliding fee discount should also be documented during the revaluation process.
- Maintain accurate records of the revaluation process, including the updated income verification documents and any changes in the patient's financial or family situation.
- Notify and inform patients about the need for annual revaluation when they initially apply for the sliding fee scale program and remind them as their revaluation date approaches.
- Inform patient that if their financial situation or family size changes significantly during the year (e.g., loss of a job, addition of a family member), they should notify the healthcare site to potentially adjust their sliding fee scale discount before the annual revaluation.
- **Billing and Collections:**
  - **Billing Adjustments:** Upon approval, the patient's account is adjusted to reflect the approved income-based discount. This adjustment reduces or eliminates the patient's financial responsibility based on their eligibility.
  - **Communication:** Patients are informed in writing of the adjusted bill amount and the terms of the income-based discount program. Clear communication ensures that patients understand their rights and responsibilities.
  - **Regular Statements:** Patients continue to receive regular billing statements, showing any remaining balance after the income-based adjustment. These statements serve as a record of the care provided and any amounts due.
  - **Collection Process:** The collections process begins with clear and compassionate communication. Patients are contacted via phone and mail to discuss their accounts and explore payment options.
  - **Payment Plans:** For patients with remaining balances after income-based adjustments, the hospital offers flexible payment plans to facilitate manageable monthly payments.
  - **No Interest:** Payment plans are offered without interest to reduce the financial burden on patients.
  - **Assistance Programs:** Patients are informed about additional assistance programs, such as Medicaid or other government aid, which may further reduce their financial responsibility.
  - **Prohibited Collection Practices:**
    - **Aggressive Tactics:** The hospital does not engage in aggressive collection tactics, such as lawsuits, wage garnishments, or property liens, against patients who qualify for the income-based discount or charity/indigent care.
    - **Credit Reporting:** Accounts of patients who qualify for the income-based discount or charity/indigent care are not reported to credit bureaus, protecting their credit scores.
  - **Review Process:** Patients have the right to request a review of their income-based discount application and any billing decisions. The hospital provides a transparent process for reviewing and appealing decisions.

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- Appeals: If a patient disagrees with the income-based discount determination or billing adjustment, they may file an appeal. The appeal is reviewed by the CEO and a senior member of the hospital's financial team.
- Program Monitoring: The hospital regularly monitors the income-based discount program to ensure compliance with all state and federal guidelines and continuous improvement.
- Reporting: Annual reports are prepared to summarize the income-based care provided, including the number of patients served and the total financial assistance granted.

**General Information:**


- SMHD will strive to help uninsured and underinsured patients identify potential sources of public and private insurance coverage and will try to assist patients apply for coverage or direct them to other services and/or support that can help them get enrolled.
- The Income-Based Discount Program is available to patients served by SMHD at any point in the care continuum. The discount information and application will be available in English and Spanish on the SMHD website at: <https://www.stonewallhospital.org>
- Discounts do not apply to co-pay amounts.
- Discounts only apply to services that are emergent or medically necessary. Elective procedures are not covered under the Income-Based Discount Program at SMHD facilities.
- This discount program does not include services not provided at Stonewall Memorial Hospital or the SMHD Rural Health Clinics. Services not covered include, but are not limited to, Radiology Associates, or Hendrick Laboratory. SMHD does not charge those fees and the discounts do not apply.
- If applicable, when the patient has insurance or other government assistance, SMHD will attempt to collect payment from those sources first and then the income-based discount, or another discount, can potentially be available for the patient's responsibility.
- Assistance regarding the Income-Based Discount Program is available during business hours, by calling or visiting the Business Office at SMHD, the Admissions Department at Stonewall Memorial Hospital or any SMHD Rural Health Clinics.
- An application should be completed for the income-based discount at SMHD. A prompt pay discount can be given without an application, following all other guidelines in the policy.
- Financial assistance to patients is offered through an income-based discount program, for medically necessary care, based on need. Eligibility can be determined by using the Federal Poverty Guidelines (FPG) which consider household income and family size.
- Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

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- When there is a legal obligation for a third party, such as Worker’s Compensation, to pay a claim, the Income-Based Discount Program may not apply.
- The Income-Based Discount program offered by SMHD is based on the income level of the entire household as a group, meaning everyone living together in the house, regardless of family relationship.

**Eligibility Criteria:**


- Eligibility for the income-based discount program should be considered for individuals who 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 financial assistance is usually based on household income and household size, and will not consider age, gender, race, social or immigrant status, sexual orientation, or religious affiliation.
- SMHD’s Income-Based Discount Program is designed to benefit patients that reside in the following Counties: Stonewall, Kent, Dickens, King, Knox, Haskell, Motley, Jones, Fisher, and other Counties can be offered discounts with administrative approval.
  - Patients that do not reside in the Stonewall County Hospital District must apply for indigent care or financial assistance in the county they reside in before being allowed to qualify for the income-based discount program.
  - Once the application for indigent care or financial assistance is completed for the patient’s residing county, the patient may complete the income-based discount program application. Discounts may be awarded after the patient’s residing county decides the patient’s eligibility for indigent care or financial assistance.
- A patient may qualify for financial assistance through SMHD pursuant to this policy, if they meet either of the following eligibility criteria:
  - Catastrophic Balance: When a patient's outstanding, single account, balance due, after all insurance or third-party payments are made, is greater than 50% of the Patient's total annual family income and financial resources combined.
  - Presumptive Eligibility: Presumptive eligibility for Financial Assistance may be granted for circumstances outlined in the Presumptive Eligibility section of this policy.
  - For uninsured and underinsured, the income-based discount is based on the Federal Poverty Guidelines (FPG) which consider household income and family size. This discount is based on a Sliding Discount Scale, as determined by the FPG in effect at the time of the determination. The Income-Based Sliding Discount Scale is in Appendix A of the policy and will be updated annually or as the FPG is updated.

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- Patients whose household income is at or below 400% of the FPG are eligible to receive free care (See Appendix A - Sliding Discount Scale).
- Patients whose household income is above 400% but not more than 900% of the FPG are eligible to receive discounted rates based on the Sliding Fee Scale; and
- Patients whose household income exceeds 900% of the FPG will be eligible for a 40% prompt pay discount, as discussed later in the policy.

**Procedure:**

1. The Income-Based Discount Program Application (see Appendix B – Income-Based Discount Program Application) will be available, in English and Spanish, during business hours, at the SMHD Business Office, the Outpatient Admissions Department or any of the SMHD Rural Health Clinics. Patients and family can also find the Income-Based Discount Program Application on the SMHD website at: <https://www.stonewallhospital.org>
2. Financial Documents:
  - To expedite processing of the application, individuals should submit a complete application form with all required attachments, including, but not limited to, the Family Income verification documents and residency documentation outlined below. Failure to do so may result in a delayed determination or denied application.
  - Sources of income can be defined (but not limited to) as the following:
    - Gross wages, tips, or wages.
    - Social security
    - SSI disability income, pensions, and annuities.
    - Child Support.
    - Unemployment and other forms of public subsidies.
    - Net income from self-employment.
    - Workers' Compensation
    - Unemployment compensation or government program determination letters
  - The applicant will need to submit at least one of the following acceptable forms of Family Income verification of each member of the household that receives income:
    - At least four (4) weeks of the most recent month's paycheck stubs, wage record, or letter from their employer stating their salary or hourly wage and usual number of hours worked per pay period.
      - If pay stubs are used, income levels shall be rechecked every 6 months.
    - The previous year's tax returns
      - If income tax returns are used, income levels shall be rechecked each year.
    - Other acceptable forms of income verification:
      - Most recent bank statement from all banking or credit union institutions

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- Current W-2 form.
  - Unemployment benefit letter
  - Social Security letter or self-attested amount
  - Educational assistance (grant letter)
  - Official documentation of spousal maintenance
- SMHD would like to have a minimum of four (4) weeks of income verification.
  - Income documentation should be provided for each family member listed on the application.
  - Applicants seeking to qualify for Catastrophic Balance Assistance should also supply evidence of financial resources as requested in the application.

### 3. Residency documentation

- Applicants should submit at least one of the following acceptable forms of residency documentation:
  - A valid Texas driver's license.
  - Current voter registration.
  - Pay stub with the patient's name and Texas home address.
  - Rental agreement or mortgage statement with the patient's name and Texas home address.
  - Bank statement or utility bill mailed to the applicant's address with the patient's name and Texas home address listed.
  - Motor vehicle registration.
  - School records.
  - Any other official current document that displays the with the patient's name and Texas home address.
- If none of the listed items are available, residency may be verified through one of the following:
  - Observance of personal effects and living arrangement
  - Statements from landlords, neighbors, or other reliable sources
  - A written attestation from a city or county official may be accepted if the applicant is a resident and does not have access to any of the listed forms of residency documentation above.

#### **Presumptive Financial Assistance Eligibility:**

- There are instances when a patient may appear eligible for financial assistance, but the hospital is unable to collect supporting documentation. In the event there is no evidence to support a patient's eligibility for an Income-Based Discount or indigent/charity care, SMHD could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write-off of the account balance. Presumptive eligibility for financial assistance may be determined for patients who are unable to complete, or who do not respond to, the screening and application process.


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- The following are possible reasons to allow presumptive eligibility:
  - A patient is deceased with no estate on file.
  - A patient is documented as homeless.
  - At the time of screening, a patient qualifies for public health programs including, but not limited to:
    - Social Security.
    - Unemployment benefits.
    - Food stamps.
    - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).
    - State-funded prescription programs.
    - Subsidized or free school lunch program eligibility.
    - Low income/subsidized housing is provided as a valid address.
    - Medicaid Program participants where coverage is denied for maximum confinement, or non-covered services.
    - Bankruptcy declared and confirmed within the prior (12) months of hospital services being rendered.
    - Any uninsured account returned from a collection agency as uncollectable.
    - Participation in Temporary Assistance for Needy Families (TANF) Program
    - Participation in Children’s Health Insurance Program (CHIP)
    - Participation in County Indigent Health Care programs
    - Eligibility for other state or local assistance programs that are unfunded.
    - Patients who reside in another county that are considered “Indigent” according to that County’s Indigent Care Policy may be considered “un-insured” and may be considered for Indigent or Charity Care write off. Any balance that is not covered by their county’s plan may be considered presumptive charity care.
    - Hospital services provided with no history of payments.
    - Patient has stated that he/she does not have the resources to pay.
    - Patient has been given an income-based discount application but has not returned the application or the necessary documentation.
    - The address on file is no longer a valid address.
    - Other factors which are useful in formatting an expectation of payment.
    - Patients who are unable or unwilling to provide adequate information to determine their ability to pay and/or coverage by an insurance carrier may be considered for presumptive charity write-off.
    - Traditional Medicaid patients’ “non-covered” services may be eligible.
    - Medicare write-offs will follow the bad debt policy.

**Prompt Pay Discount:**

- SMHD will offer patients a forty percent (40%) discount toward their financial liabilities if the patient resolves the liabilities in full within thirty (30) days of the first billing statement date.




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**Appendix A: Income-Based Discount Sliding Scale:**

**2024 Federal Poverty Guidelines (FPG) Sliding Fee Scale:**

Family Size	100% Discount	90% Discount	80% Discount	70% Discount	60% Discount	50% Discount
	≤ 400% FPG	≤ 500% FPG	≤ 600% FPG	≤ 700% FPG	≤ 800% FPG	≤ 900% FPG
1	\$60,240	\$75,300	\$90,360	\$105,420	\$120,480	\$135,540
2	\$81,760	\$102,200	\$122,640	\$143,080	\$163,520	\$183,960
3	\$103,280	\$129,100	\$154,920	\$180,740	\$206,560	\$232,380
4	\$124,800	\$156,000	\$187,200	\$218,400	\$249,600	\$280,800
5	\$146,320	\$182,900	\$219,480	\$256,060	\$292,640	\$329,220
6	\$167,840	\$209,800	\$251,760	\$293,720	\$335,680	\$377,640
7	\$189,360	\$236,700	\$284,040	\$331,380	\$378,720	\$426,060
8	\$210,880	\$263,600	\$316,320	\$369,040	\$421,760	\$474,480
9	\$232,400	\$290,500	\$348,600	\$406,700	\$464,800	\$522,900
10	\$253,920	\$317,400	\$380,880	\$444,360	\$507,840	\$571,320
11	\$275,440	\$344,300	\$413,160	\$482,020	\$550,880	\$619,740
12	\$296,960	\$371,200	\$445,440	\$519,680	\$593,920	\$668,160
13	\$318,480	\$398,100	\$477,720	\$557,340	\$636,960	\$716,580
14	\$340,000	\$425,000	\$510,000	\$595,000	\$680,000	\$765,000

- Based on single person 100% FPG of \$15,060. Each additional person adds \$5,380 to 100% FPG. Totals multiplied by the percent of FPG.
- Income levels are based on the 2024 Federal Poverty Guidelines. This chart will be updated annually as the FPG is updated.

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**Appendix B: Income-Based Discount Application:**

**Application**

Patient Information Section - ALL INFORMATION IS CONFIDENTIAL			
Applicant Name:		Today's Date:	
Address/City/Zip:		County:	Phone #:
Name: (List All Household Members)	Date of Birth:	Insurance: (if applicable)	Annual Income: (indicate if monthly)
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
8. _____	_____	_____	_____
9. _____	_____	_____	_____
<b>TOTAL:</b>			
<i>If additional members are in the household a second application can be used to list them all.</i>			
Penalty Clause, Confirmation Statement, and Authorization for Release of Information			
<p>I certify that the information provided for this application is true and correct to the best of my knowledge. I understand that I am responsible for any charges and payment arrangements made between me and Stonewall Memorial Hospital District. I also understand that any misrepresentations made with the intent to defraud Stonewall Memorial Hospital District may result in criminal prosecution. Additionally if I misrepresent my eligibility knowing that I am not eligible, I may be charged with a crime.</p> <p>I understand that it is my responsibility to notify Stonewall Memorial Hospital District of an income or household change that may influence the discount levels on this application. Failure to do so may void this application.</p>			
Printed Patient Name: _____		Patient Signature: _____ Date: _____	
Printed Agent or Family Member's Name (if applicable): _____		Agent or Family Member's Signature _____ Date: _____	
SMHD Staff Section Only (Do Not Document Below):			
Number of household members:		Total Annualized Income:	
Income Verified: <input type="checkbox"/> Unable to Verify: <input type="checkbox"/>		Qualified FPG Percentage:	
Effective Date:		Expiration Date:	
Printed Eligibility Clerk's Name: _____		Eligibility Clerk's Signature: _____ Date: _____	
Michael Moorhead, CEO			
Printed Administrator's Name: _____		Administrator's Signature: _____ Date: _____	
Application Notes:			

Please return this application, with proof of income to the SMHD's Admissions, Business Office, or mail to:  
SMHD Income-Based Discount Program, 821 N. Broadway, Aspermont TX, 79502