



HFHS Patient Financial Assistance Program (PFAP) Policy

Policy

Henry Ford Health System (HFHS) treats every patient with dignity, respect and compassion. Patients can look to HFHS for fair pricing of the medical services it provides and for assistance with finding options to help patients manage their medical costs.

All patients have the right to receive emergency medical care regardless of the patients' ability to pay or any outstanding balance from prior visits.

Patients and/or guarantors are expected to accept responsibility for any financial obligations to HFHS for medical services provided. Responsibility is demonstrated through actions such as providing HFHS with accurate and complete information, timely payment, compliance with agreed upon payment plans, and enrolling in medical coverage, whether it be employer provided, private programs, or government supported programs such as Medicare (Parts A, B and D, or C) and Medicaid programs or any other third party payor, as applicable.

Services billed by HFHS are eligible for HFHS financial assistance under this policy. The list of sites and providers participating in PFAP can be obtained free of charge from the Henry Ford Health System website or by calling the providers' offices.

The HFHS Patient Financial Assistance Program (PFAP) is designed to address those situations where a qualifying patient has a medical need for services and is not eligible for health insurance coverage, or is insured but has limited financial resources.

Qualifying for PFAP:

Qualification for HFHS PFAP will be determined on an encounter by encounter basis. Patients may qualify for PFAP under one the following three methods:

Method (1):

- Legal residency in the United States of America
- Having personal residence within HFHS' primary service areas, consisting of Wayne, Macomb, Oakland and Jackson counties
- Seeking treatment for a medical need diagnosed by an HFHS service provider at an HFHS facility
- Determined by HFHS to be ineligible for health insurance coverage
- Annual aggregate household income at or below 250% of the Federal Poverty Level

Patients meeting the above qualifications for PFAP will be eligible for a 100% discount on all medically necessary services.

Method (2):

- Patients who over a 12 month period have accumulated a large medical debt at HFHS as a result of a catastrophic medical situation with out-of-pocket expenses that exceed 30% of their gross annual household income
- Legal residency in the United States of America

- Having personal residence within HFHS' primary service areas, consisting of Wayne, Macomb, Oakland and Jackson counties
- Seeking treatment for a medical need diagnosed by an HFHS service provider at an HFHS facility

Patients meeting the above qualification for PFAP will be eligible for one of the following discounts:

- Patients with annual household incomes at or below 250% of the Federal Poverty Level will be eligible for a 100% discount on all medically necessary services.
- Patients with annual household incomes above 250% of the Federal Poverty Level will have their outstanding medical debt adjusted to 30% of their household income.

Method (3):

HFHS may determine qualification for PFAP retrospectively on a presumptive basis.

Patients meeting presumptive qualification for PFAP will be eligible for a 100% discount on all medically necessary services.

Applying for PFAP:

Application for assistance is made through contact with HFHS financial counseling staff and by providing certain financial and supporting information. Patients and/or guarantors may apply for financial assistance at any time up to 240 days after HFHS provides the initial billing to the patient and/or guarantor. HFHS will, in turn, process the application and make a determination of qualification within 30 calendar days after the completed application is received. The individual will be notified in writing of the determination and basis for determination.

Qualification for participation in the Patient Financial Assistance Program (PFAP) is subject to the approval of HFHS Revenue Cycle Management in partnership with clinical care teams.

Exceptions may be made as warranted for special circumstances. Such exceptions will be considered on a case-by-case basis. Any exception made does not constitute a change in policy nor does it guarantee that this same decision will apply in the future.

Not Qualified for PFAP:

Uninsured patients not meeting PFAP criteria will be charged for the service at no more than Amounts Generally Billed (AGB) to individuals maintaining health insurance coverage. Most typically this rate is 115% of the established Medicare payment rate for similar services.

For those patients not PFAP qualified, actions that may be taken by HFHS for nonpayment are described in a separate patient billing and collections policy which may be obtained free of charge from HFHS financial counseling staff or the Henry Ford Health System website.

Definition(s)

- **Amounts Generally Billed (AGB)** means the average amount that HFHS anticipates being paid by commercial insurers for the service by using the same billing and coding process applicable to Medicare fee for service patients.
- **Guarantor** is the person held accountable for the patient's bill.
- **HFHS Service Provider** for this purpose includes all employed providers as well as private providers credentialed at an HFHS location when they are rendering care to an HFHS patient either at an HFHS facility or in their private offices.
- **Household Income** includes before tax earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties,

incomes from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. DOES NOT include non-cash benefits such as food stamps and housing subsidies or capital gains or losses. If a person lives with a family, the income of all household family members must be included (including domestic partners) unless family members are paying rent and/or are not dependents of homeowners. Non-relatives, such as housemates, are not to be included. Dependency status shall be determined on a case by case basis.

- **Medical Need, Medically Necessary or Medical Necessity** means health care services that a physician, exercising prudent clinical judgment, would provide to a patient for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are generally accepted standards of medical practice. Preventive or screening services are only covered if ordered by an HFHS service provider.