

Charity Care & Financial Assistance Policy

Revised October 31, 2025

PURPOSE

Cochran Memorial Hospital is committed to providing comprehensive healthcare services, including inpatient, outpatient, emergency, ambulance and physician care. As part of our mission to serve the community, we offer charity care and financial assistance to individuals who require medically necessary services but are uninsured, underinsured, ineligible for government assistance programs, or are otherwise unable to pay due to their financial circumstances.

Our goal is to ensure that no one is denied access to essential healthcare because of their inability to pay. We believe financial hardship should never be a barrier to receiving timely and appropriate medical care.

DEFINITIONS

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

Charity Care: Discounted medically necessary services provided to patients who are uninsured, ineligible for government assistance programs or other charitable benefits and who are unable to pay due to financial hardship.

Under this policy, Cochran Memorial Hospital recognizes two categories of charity care:

- **Financially Indigent:** Patients who are uninsured and whose yearly household income is less than or equal to 400% of the current year's Federal Poverty Guidelines, as determined by the number of individuals in the household.
- **Medically Indigent:** Patients whose medical expenses - specifically those incurred through the Cochran Memorial Hospital District bills - exceed 5% of their annual household income after all third-party payments have been applied. These patients have a household income greater than 400% but less than 500% of the current year's Federal Poverty Guidelines and are unable to pay the remaining balance.

Uninsured: A patient who does not have any form of health insurance coverage or third-party assistance to help meet their financial obligations for medically necessary care.

Underinsured: A patient who has some level of insurance or third-party assistance but still has out of pocket expenses that exceed their financial abilities

POLICY

Overview

This policy outlines Cochran Memorial Hospital's commitment to providing financial assistance to eligible patients through full or partial discounts on medically necessary care. Specifically, this policy:

- Defines eligibility criteria for financial assistance.
- Establishes the method for calculating charges to patients who qualify.
- Details the application process for requesting financial assistance.
- Describes how Cochran Memorial Hospital will publicize the policy to the community served by Cochran Memorial Hospital.
- Limits charges for emergency or other medically necessary care provided to eligible individuals to amounts generally billed to patients with commercial insurance or Medicare coverage.

Charity is not intended to replace personal responsibility. Patients are expected to actively participate in the financial assistance process, including providing necessary documentation and pursuing other available payment options. Contributions toward the cost of care will be based on each patient's ability to pay.

Individuals who have the financial means to obtain health insurance are encouraged to do so. Maintaining coverage helps ensure access to healthcare services, supports personal well-being, and protects individual financial assets.

To responsibly manage its resources and extend support to as many individuals as possible, Cochran Memorial Hospital has established the following guidelines for the provision of charity care.

Eligibility Criteria and Amounts Charged to Patients

Charity care eligibility will be considered for individuals who are uninsured, underinsured, ineligible for government healthcare benefit programs, and unable to pay for medically necessary services. Determinations are based on an assessment of financial need in

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accordance with this policy and are made without regard to age, gender, race, immigration status, sexual orientation, or religious affiliation.

Eligible services may be provided on a sliding fee scale, determined by the patient's financial need and referenced against the current Federal Poverty Guidelines. Once a patient is approved for financial assistance, Cochran Memorial Hospital will not issue future bills based on undiscounted gross charges.

The following guidelines outline the basis for calculating charges for patients who qualify for financial assistance:

1. **Full Discount:** Patients who are uninsured and whose annual family income is at or below 400% of the Federal Poverty Guidelines are eligible to receive care at no cost.
2. **Partial Discount:** Patients who are uninsured or underinsured and whose annual family income is above 400% but not more than 500% of the Federal Poverty Guidelines are eligible to receive care at discounted rates. These rates will not exceed the amounts generally billed to patients with commercial insurance or Medicare.
3. **Case-by-Case Discount:** Patients who are uninsured or underinsured and whose annual family income exceeds 500% of the Federal Poverty Guidelines may be considered for discounted rates based on exceptional circumstances, such as catastrophic illness or medical indigence, at the discretion of Cochran Memorial Hospital. Any approved discount will not exceed the amounts generally billed to commercially insured or Medicare patients.

Applying for Charity Care

Financial assistance may be granted on an individualized assessment of financial need. This determination may include, but is not limited to, the following procedures:

1. **Application Submission**
Patients or their guarantors are required to complete an application and provide relevant personal financial information and documentation necessary to assess financial need.
2. **Use of External Data**
Cochran Memorial Hospital may utilize publicly available external data sources to evaluate the patient's or guarantor's ability to pay

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3. Exploration of Alternative Coverage

Reasonable efforts will be made to identify and pursue alternative sources of payment, including public and private assistance programs. Cochran Memorial Hospital will assist patients in applying for such programs when appropriate.

4. Assessment of Financial Resources

The patient's available assets and other financial resources will be considered in the evaluation process.

5. Review of Payment History

The patient's outstanding accounts receivable and payment history for prior services may be reviewed as part of the determination.

While it is preferred that charity care requests and financial need assessments occur prior to the provision of non-emergent medically necessary services, determinations may be made at any point during the billing or collection process. Financial need may be reassessed at each subsequent visit if the last evaluation occurred more than six months prior, or if new information becomes available that may affect the patient's eligibility.

Presumptive Financial Assistance Eligibility

In certain cases, a patient may appear eligible for charity care despite lacking a completed financial assistance application or supporting documentation. When sufficient information is available, either directly from the patient or through other sources, Cochran Memorial Hospital may use that evidence to determine eligibility for charity care.

If no documentation is provided, Cochran Memorial Hospital may rely on external agencies or publicly available data to estimate the patient's income and assess eligibility for financial assistance. Due to the nature of presumptive circumstances, the only discount that may be granted under this provision is a 100% write-off of the account balance.

Presumptive eligibility may be based on individual life circumstances, including but not limited to:

1. Enrollment in state-funded prescription programs
2. Homeless or receipt care from a homeless clinic
3. Participation in Women, Infants, and Children program (WIC)
4. Eligibility for food assistance programs, such as SNAP
5. Eligibility for subsidized school lunch programs
6. Enrollment in unfunded state or local assistance programs (e.g. Medicaid spend-down)
7. Residence at a low-income or subsidized housing address
8. Deceased patient with no known estate
9. Denial of coverage due to maximum confinement or non-covered services
10. Bankruptcy declared and confirmed within twelve (12) months of receiving services
11. Uninsured accounts returned from a collection agency as uncollectable
12. Participation in the Temporary Assistance for Needy Families (TANF) program
13. Enrollment in Children's Health Insurance Program (CHIP)
14. Participation in a County Indigent Care program
15. Other factors that reasonably indicate an inability to pay

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Patients who provide false information or fail cooperate with the financial assistance process will not be eligible for charity care or discounted care assistance.

Communication of the Charity Program to Patients and Within the Community

Cochran Memorial Hospital is committed to ensuring that patients and community members are aware of the availability of charity care and financial assistance. Notification of the program will be disseminated through various channels, which may include, but are not limited to:

- Notices included in patient billing statements
- Posted signage in emergency departments, admitting and registration areas, patient financial services offices, and other public areas within the facility.
- Information included in the Conditions of Admission form
- Brochures and summaries available in patient access areas and other locations throughout the community.
- Publication of the charity care policy on the hospital's website

Referrals for charity care may be initiated by any member of the hospital staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. Additionally, patients, or their family members, close friends or associates, may request charity care, subject to privacy laws.

Indigent Care Coordinator

Date

Chief Executive Officer

Date