


Organizational Policy		
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Financial Assistance and Medical Debt Mitigation

I. POLICY

Catawba Valley Health System (CVHS) provides needed health care services to anyone regardless of ability to pay. CVHS's Financial Assistance Policy (FAP) is designed to assist uninsured and underinsured patients who are United States residents and financially unable to pay for healthcare services. This policy applies to Catawba Valley Medical Center (CVMC) and Catawba Valley Medical Group (CVMG) (collectively CVHS), except where noted.

II. DEFINITIONS

The following definitions apply to the terms used within this policy:

Financial Assistance means partial or full charity care in lieu of patient or third-party payment for health care services, equipment and supplies provided to a patient by CVHS.

Presumptively eligible (PE) means a determination by CVHS using the procedure and criteria in this policy that a patient qualifies for Financial Assistance.

Uninsured: Patients who are not covered under an insurance health plan, workers' compensation, governmental plans such as Medicare and Medicaid, state/federal agency plans, Victim's Assistance, etc., or third-party liability resulting from automobile or other accidents.

III. PROCESS/PROCEDURE

Uncompensated care services, as required by law, are limited to specific guidelines as established by Catawba Valley Health System and outlined in this policy. Financial Assistance is secondary to all other available financial resources. CVHS will screen at the appropriate time all hospital patients for potential Presumptive Eligibility.

Non-Covered Services:

The following services are not eligible for Financial Assistance through CVHS:

- Procedures that are cosmetic services, sterilization reversals, or treatment of erectile dysfunction. Elective cosmetic procedures not associated with other medical conditions are not covered by Financial Assistance. Correction of birth defects is not considered an elective cosmetic procedure.
- Bariatric services.
- Current incarcerated applicants are not eligible for Financial Assistance. Prisoners incarcerated due to civil, or family court matters are financially responsible for their hospital bills.

Presumptive Charity Eligibility-For Hospital Services Only (billed out of Meditech):

Patients are deemed Presumptively Eligible (PE) for Financial Assistance based on certain non-income-based criteria. Patients are not required to provide documentation or other verification of meeting eligibility criteria. These criteria include the following (patients must meet at least one).

1. Homelessness;
2. Mental incapacitation with no one to act on the patient's behalf;
3. Enrollment in Medicaid of patient or a child in their household;
4. Enrollment in another means-tested public assistance program (including, but not limited to Women, Infants and Children Nutrition Program, Supplemental Nutrition Assistance Program).

Patients are excluded from Presumptive Eligibility if they:

1. Have out-of-network insurance coverage for elective (non-emergent) services.
2. Require but have not obtained authorization for services (these patients will be asked to sign a waiver).
3. Receive payment directly from their insurance carrier, attorney, or other payer source.
4. Fail to provide accurate insurance information to CVMC or do not respond timely to requests for updated insurance information.
5. Pre-purchase an MD Save voucher for their service.

Presumptive Eligibility for CVMC and CVMG:

In addition to the above, CVHS designates the following circumstances as Presumptively Eligible for Financial Assistance that may be identified post discharge and may or may not require supporting documentation.

1. Patients who are deceased with no estate funds.

2. Cooperative Christian Ministry (CCM) services for balances under \$500 with a referral. Referrals for balances over \$500 must complete a Financial Assistance application.
3. Sterilization denials by Medicaid due to authorization issues.
4. Ryan White Grant patients when the self-pay portion is not paid in 120 days.
5. Medicaid non-covered self-administered drugs.
6. Catawba County Public Health (CCPH) referred diagnostic services meeting CCPH charity criteria.
7. Uninsured behavioral health inpatients who would have been eligible for 3-way funding if annual funds had not been exhausted.

Patients who are not Presumptively Eligible as stated above and patients that contact CVHS seeking medical debt relief, have an opportunity to be considered for Financial Assistance and medical debt relief by completing a Financial Assistance application.

PROCEDURE

Effective January 1, 2025:

During the pre-registration or registration process for hospital services billed out of the Meditech system only, patients will be asked or provided a questionnaire to determine if they fall into any of the Presumptively Eligible categories above. Their answers will be recorded in the Patient Accounting System. Patients will be told if they appear to qualify for presumptive Financial Assistance for that visit during that interaction.

Patients that qualify will have a letter sent to the address on file, if one exists, that will further describe options regarding Medicaid enrollment as well as Financial Assistance. Uninsured patients that do not qualify for non-income-based PE Financial Assistance will also receive written notification regarding Medicaid enrollment as well as information about how to apply for Financial Assistance. Patients that refuse to answer the questions above will be considered ineligible for Presumptive Financial Assistance.

Prior to a hospital account moving to bad debt (collection agency), all uninsured patient balances will be sent to our vendor partner, MedProve. MedProve runs this information through their software to determine estimated household income, household size and Federal Poverty Level (FPL) percentage. A file is sent back to CVHS with that information. Patients that have an FPL up to 300% will have their balances adjusted at 100%.

Presumptive Financial Assistance will only apply to the account reviewed. Patients deemed Presumptively Eligible for Financial Assistance may be required to sign an attestation.

Prior to July 1, 2025, Catawba Valley Medical Center will do a one-time look back to relieve/donate all unpaid patient medical debt dating back to January 1, 2014, for United States residents who are currently enrolled in North Carolina Medicaid (including enrolled in limited

benefit family planning coverage). For patients who meet this criteria CVHS will reclassify their debt as charity. This includes any debts subject to an internal payment plan previously agreed to by the patient. Patients will be notified via letter that their debt has been reclassified as charity and relieved. Account balances placed with Access One are excluded from this debt relief.

Effective July 1, 2025:

CVMC shall evaluate all patients who are United States residents and verified as enrolled in North Carolina Medicaid for past medical debt within sixty (60) days of the patient's inpatient discharge or outpatient encounter from the hospital and reclassify any past debt as charity care for patients that meet the criteria in this policy. Verified Medicaid patients will be notified verbally during their stay that past debt will be reclassified as charity and relieved.

All other CVMC patients that are currently enrolled in Medicaid and have past balances will be notified via letter within thirty (30) days that their debt that has been reclassified as charity and relieved.

Effective January 1, 2026:

CVMC patients will be deemed Presumptively Eligible for Financial Assistance if they have household income up to 300% of the FPL (if they do not already meet non-income-based criteria described above). CVMC will partner with a third party to evaluate household income.

Effective July 1, 2026:

CVHS will relieve all patient medical debt deemed uncollectible dating back to January 1, 2014, for any North Carolina residents with incomes at or below 350% FPL or for whom total debt exceeds 5% of annual income, excluding any individuals enrolled in North Carolina Medicaid whose debt was relieved or reclassified in accordance with this policy. CVHS will assess a patient's qualification for debt relief based upon whether the patient meets the income threshold at the time of the assessment.

CVHS will consider debt to be uncollectible after unsuccessful attempts at collecting on the debt (meaning debt has not been paid in full or payment plan has not been established) have been made for at least two years from the date the first bill was sent to the patient and there is no active appeal with an insurer related to the debt. For individuals up to 300% of FPL: (1) all outstanding balances associated with payment plans where a patient has made payments for more than 36 months will be relieved; and (2) other payment plans in place will be capped at 36 months with no change to monthly payment amount.

Qualified patients will be notified that they qualify for charity care via letter prior to issuing any bills to the patient.

Patients who are not Presumptively Eligible as stated above and patients that contact CVHS seeking medical debt relief, have an opportunity to be considered for Financial Assistance and medical debt relief by completing a Financial Assistance application.

Income Eligibility:

The primary guidelines for income eligibility for Financial Assistance are outlined below:

Income for eligibility purposes is defined as total monthly or annual cash receipts before taxes (gross income) from all sources within the household, including eligible dependents.

Household income includes, but is not limited to, the following:

- Annual household adjusted gross income
- Unemployment compensation
- Workers' compensation
- Social Security and Supplemental Security Income
- Veteran's payments
- Pension or retirement income
- Other applicable income to include, but not be limited to, rental income, alimony, child support, and any other miscellaneous source

The following are excluded from income calculations:

- Foster care stipends received on behalf of a foster child.

Countable income will be calculated using annual income reported on the previous year's Federal Income Tax Form or income verified from the prior three months, whichever is more favorable to the applicant. For self-employed individuals, income is determined by total income on line 9 of Form 1040 of the most current Federal Income Tax Return. Income from corporations, professional enterprises, or partnerships is also considered. All pertinent tax forms that were filed with the IRS during the prior year must be provided.

Unmarried couples living under the same roof with a mutual child are considered a household and both parents' income will be counted when determining eligibility for Financial Assistance for any person in the household. Anyone who provides documentation that the patient is living in a parent's home, but the person is employed and is legitimately paying rent or living expenses to their parents, will be considered a separate household. Income from person(s) age 65 or over living in a child's household receiving only Social Security will be considered a separate household.

If the applicant has not worked for the same employer or in the same line of work for the past full tax year, the last four consecutive weeks of gross income will be reviewed to determine eligibility. Anyone who states they have no income must disclose verbally and in writing how they are being provided with food, clothing, and shelter. Individuals with an income below 300% of the Federal Poverty guidelines, determined by the Department of Health and Human Services, may be considered for Financial Assistance.

Financial verification of income must be submitted within thirty (30) days of the date of application. Valid proof of income includes pay stubs, W-2 forms, tax returns, written verification from an employer, checking and savings account balances, and tax records. If the information is not received within this time, the application may be denied.

Once a patient has been approved for Financial Assistance through the application process, any payments received prior to approval or after approval **will not** be refunded.

CVHS also reserves the right in its discretion to approve accounts for Financial Assistance based on other extenuating circumstances that may determine indigence.

For those patients that apply and are approved through the Financial Assistance application process:

1. All patients and qualified family members that are approved through the application process will be approved for 100% discount.
2. All open self-pay balances will be adjusted in the Patient Accounting System. This includes any balances with Access One.
3. Financial Assistance will also be extended to service dates within 365 days after the date of application. After 365 days, patients must reapply.
4. Exceptions may be made as approved by Administration.
5. Financial Assistance application approvals will be shared between hospital and hospital-owned physician practices to allow for continuity of the approval process and to decrease the patient's need to provide additional documentation.
6. In accordance with HIPAA and CVHS' Notice of Privacy Practices, approvals are also shared with the following: Catawba Valley Hospitalists, Wake Forest Emergency Room Physicians, and Piedmont Pathology.

No collection efforts will be conducted on accounts approved for Financial Assistance or accounts pending disposition of an application for Financial Assistance.

CVHS reserves the right in its discretion to reverse Financial Assistance adjustments provided by this policy and hold the patient or guarantor fully responsible for payment if the information provided is determined to be false or inaccurate or if CVHS obtains proof that compensation for services has been received from another source.

Patient requests for Financial Assistance consideration should be directed to CVHS' Medical Eligibility Specialists, Patient Financial Advocates, or the Customer Service Supervisor. A written conditional or final determination of eligibility for Financial Assistance will be issued within thirty (30) days of the date of the completed application.

Patient Responsibilities Regarding Financial Assistance:

If applicable, prior to being considered for Financial Assistance, the patient/family must cooperate with the CVHS provider to furnish information and documentation to apply for other existing financial resources that may be available to pay for the patient's health care, such as Medicaid, Medicare, third-party liability, etc.

- A patient who qualifies for partial discounts must cooperate with the CVHS provider to establish a reasonable payment plan that takes into account available income and

- assets, the amount of the discounted bill(s), and any prior payments.
- Patients who qualify for partial discounts must make a good faith effort to honor the payment plans for their discounted healthcare bills. They are responsible for communicating to the CVHS provider any change in their financial situation that may impact their ability to pay their discounted healthcare bills or to honor the provisions of their payment plans.
- CVHS will not be able to provide Financial Assistance to patients who do not cooperate in providing information or documentation required under this policy.

▪ **Communication Concerning Financial Assistance:**

CVHS communicates its Financial Assistance Policy to all patients through means which include, but are not limited to:

- On CVHS' website
- Provided during financial counselor patient interviews
- A copy of this policy is available at no cost upon request via mail or in person at the following address:

Patient Financial Services
 1224 Commerce St. SW
 Conover, NC 28613

The Financial Assistance Policy and application are available in English, Spanish and Hmong. Other language translations are available through interpreter services.

APPROVED BY:

Committee	Date:
Senior Leadership	02/23/2026

Review Dates: 02/23/2026, 09/22/2025, 06/16/2025, 12/27/2024, 07/11/2024, 03/11/2024, 07/01/2022, 12/02/2020, 07/06/2020, 03/04/2020, 02/02/2017, 06/06/2015, 12/27/13, 05/09/2011, 05/28/10, 05/14/08, 05/01/08, 02/06/2008, 08/01/2007, 01/31/2007, 09/27/2006, 04/12/2006, 12/07/2005