REGISTRATION POLICIES AND GUIDELINES

THESE ARE GUIDELINES TO ASSIST THE HEALTHCARE PROFESSIONAL IN HIS/HER UNDERSTANDING OF THE POLICIES APPROVED BY THE BOARD OF DIRECTORS

NUMBER: 100-070.5
DATE EFFECTIVE: May 19, 2026
SUPERSEDES # 100-070.2
APPROVED BY: Chief Financial Officer
REG. TAG #:
PAGE # 1 OF 5

SUBJECT: Financial Assistance Policy
PURPOSE: To establish and ensure consistent method for the review and completion for charitable medical care.
DEPARTMENTS AFFECTED: Registration, Insurance, Collections

Livingston Hospital is committed to providing charity care to persons who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for medically necessary healthcare services based on their individual financial situation. Livingston Hospital strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Livingston Hospital will provide, without discrimination, care for emergency medical conditions to individuals regardless of their ability to pay or eligibility for financial or government assistance. Consistent with the Financial Assistance Policy, an application for financial assistance will be offered to all patients.

Charity is not considered a substitute for personal responsibility. Patients are expected to cooperate with Livingston Hospital's procedures for obtaining charity or other forms of payment or financial assistance and to contribute to the cost of their care based on their individual ability to pay. 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 person health, and for the protection of their individual assets.

Scope

This policy applies to Livingston Hospital and Healthcare Services, all of its clinics and remote locations and to medical staff who have assigned their right to bill for services to Livingston Hospital. It does not apply to surgical, inpatient, or emergency department professional fees billed by Tri-Rivers Healthcare PLLC, or to emergency transport services, or to any other entity not owned or controlled by Livingston Hospital.

Definitions

For the purpose of this policy and the corresponding procedures, the following definitions apply:

A. Charity Care: Health care services provided without cost or at a discounted rate to eligible patients according to Livingston Hospital's Financial Assistance Policy to prevent or alleviate financial hardship resulting from the patient's financial obligation for emergency or medically necessary care.
B. Medically Indigent: Any individual or family not classified as financially indigent who becomes so as a

result of extensive medical conditions and/or expenses after payment of third-party payers where applicable, has no other tangible assets, and therefore is rendered unable to pay.

C. Uninsured: The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligation.

D. 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.

E. Family Size: Using the Census Bureau definition, a group of two or more people who live together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for the purposes of the Financial Assistance Policy.

F. Household Income: Is determined using the Census Bureau definition, which uses the following income sources: Earnings/wages, unemployment compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Excludes capital gains or losses and if a person lives with a family, includes the income of all family members who live together as part of a single family unit

G. Amounts Generally Billed: Is the percentage of gross charges typically collected from Medicare fee-for-service and private insurances for medically necessary services. AGB is calculated using the Look Back Method described in §1.501(r)-5(b) (3) of the Internal Revenue Code with respect to all claims processed during the prior calendar year. The numerator includes Medicare and private insurance payments, co-pays, co-insurance, and deductibles for medically necessary services. The denominator includes gross charges for said services. AGB will be calculated annually and implemented by the 120th day following the close of the prior calendar year.

Dissemination of Policy and Related Documents

The Financial Assistance Policy and Application for Financial Assistance will be published on the hospital's website: www.lhhs.org. Physical copies of each form will be made available at patient registration stations and can be requested by mail.

Eligibility

The following health care services are eligible for charity care:

1. Emergency medical services provided in an emergency room setting
2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting
4. Medically necessary services

Elective procedures which do not meet the above criteria, including but not limited to weight loss surgeries, are not eligible for charity care.

Eligibility for charity will be considered for those individuals who are uninsured or underinsured and ineligible for a government health care benefit program and who are unable to pay for their medically necessary care, based upon a determination of financial need in accordance with this policy. The granting of charity shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

Procedure

Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may:

1. Include an application process, in which the patient or patient's guarantor are required to cooperate and supply personal and financial information including any of the following applicable documents:
    - Completed financial assistance application
    - Federal income tax returns
    - W-2
    - 3 months of bank statements
    - Letter showing current eligibility for assistance
    - Current Pay Stubs
    - Unemployment Compensation Letter/Notice
    - Recent LES for Military Personnel
    - Divorce Decree
    - Copy of Student Financial Aid Application with determination notice
    - Food Stamp Document showing current eligibility
    - Social Security Administration Benefit Letter
2. Include reasonable efforts by Livingston Hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs and to assist patients to apply for such programs. Livingston Hospital reserves the right to require patients to apply for these programs prior to granting financial assistance.
3. Take into account the patients available assets and all other financial resources available to the patient.
4. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

In the event there is no evidence to support a patient's eligibility for charity care, Livingston Hospital could use outside agencies to determine charity care eligibility. Presumptive eligibility may also be determined on the base of individual life circumstances that may include:

1. Homeless
2. Food stamp eligibility
3. Patient is deceased with no known estate

Applications can be complete in person or by mail at the following address:

Livingston Hospital and Healthcare Services
131 Hospital Drive
Salem, KY 42078

Approval

The determination of eligibility for assistance may be made at any point in the collection cycle. Approved applications will be deemed effective six months prior to the date of approval. Where applicable, patient payments for services rendered in the prior six months will be refunded in full or in part according to the level of assistance granted. Approvals are effective for six months following the date of approval. Financial need will be re-evaluated at each subsequent time of service thereafter or at any time additional information relevant to the eligibility of the patient becomes known.

Uninsured patients, regardless of financial assistance status, are eligible to receive a self-pay discount of 40% on eligible, medically necessary services by contacting the Livingston Hospital Patient Financial Services Department.

Services eligible under the financial assistance policy will be made available to the patient on a sliding fee

scale, in accordance with financial need, as determined in reference to federal poverty levels (FPL) in effect at the time of determination. Eligibility will be determined on the basis of net assets and family income. Patients whose net assets, excluding their primary residence and income producing property, are valued at or below 600% of the FPL will qualify for financial assistance based on the following income thresholds:

1. Patients whose family income is at or below 200% of the FPL are eligible to receive free care.
2. Patients whose family income is above 200% but not more than 300% of the FPL are eligible to receive services at a 50% discount
3. Patients whose family income is above 300% but not more than 400% of the FPL are eligible to receive services at a 25% discount
4. Patients whose family income is above 400% of the FPL may be eligible to receive services at a discount at the discretion of Livingston Hospital's Financial Assistance Committee in cases of catastrophic illness or medical indigency.

For uninsured patients, these discounts are applied to the remaining balance after applying the self-pay discount. For insured patients, the financial assistance discount is applied to the remaining patient liability after the claim has been processed by insurance. In no event will a patient eligible for financial assistance be required to pay more than the Amount Generally Billed as determined using the lookback method described in the "Definitions" section of this document. Beginning May 19, 2026, AGB, the maximum percentage a financial assistance-eligible patient could be required to pay, is **52.3%** of gross charges.

Payment Plans:

Upon request, Livingston Hospital will work with patients to establish an interest-free payment plan for outstanding balances. Payments will need to be made at least monthly. The size of the balance and the patient's financial situation will be considered in determining the minimum amount for the payment plan.

Non-Payment:

No extraordinary collection actions (ECAs) will be taken without a good faith effort on the part of Livingston Hospital to determine whether a patient qualifies for financial assistance. The hospital's Patient Financial Services Department will review all accounts prior to the initiation of ECAs to determine that such an effort was made. No ECAs will be initiated in the first 120 days following discharge for the current episode of care or prior to mailing at least 3 separate statements to the last known address of the patient. Statements will include reference to the financial assistance policy and contact information for the hospital's Patient Financial Services Department. It is the patient's responsibility to make payment, arrange a payment plan, or complete a financial assistance application within this timeframe. Failure to do so may result in referral to an external collection agency. Livingston Hospital does authorize its external collection agencies to report to credit bureaus and, in certain cases, to initiate legal action, including but not limited to placing liens on property, in order to collect on accounts receivable.

Attachment: Federal Poverty Guidelines

For 2026, the income thresholds for the federal poverty level by family size are:

Persons in Family	100%	200%	300%	400%
1	15,960	31,920	47,880	63,840
2	21,640	43,280	64,920	86,560
3	27,320	54,640	81,960	109,280
4	33,000	66,000	99,000	132,000
5	38,680	77,360	116,040	154,720
6	44,360	88,720	133,080	177,440
7	50,040	100,080	150,120	200,160
8	55,720	111,440	167,160	222,880
For families with more than 8 persons, add $5,680 for each additional person				