Nemours Financial Assistance Program (NFAP)

ENTERPRISE POLICY # 1.3.6
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ORIGINATING DEPT.: Finance
DOCUMENT OWNER: CFO
DOCUMENT APPLIES TO: All Nemours Associates

PURPOSE

As the magnitude of and potential for unreimbursed care grows, so does the urgency to report it and to correctly and consistently distinguish between charity care and bad debt. The appropriate classification of charity care is often difficult and subject to judgment. The purpose of this policy is to outline The Nemours Foundation charity care determination program and process, a program referred to as the Nemours Financial Assistance Program (NFAP). Where practical, the application of this program is consistent with the Healthcare Financial Management Association's (HFMA) P & P Board Statement 15: Valuation and Financial Statement Presentation of Charity Care and Bad Debts by Institutional Providers and Internal Revenue Service reporting guidelines. This policy is in compliance with the Patient Protection and Affordable Care Act of 2010.

POLICY

1. It is the policy of The Nemours Foundation ("Nemours") that the Operating Divisions will provide care, at either a discount or at no charge, to Nemours patients who qualify for participation in the NFAP. Care for emergency medical conditions will be provided to individuals, without discrimination, regardless of their eligibility under NFAP. This policy applies to services rendered by providers who are employed by Nemours. A list of providers who are employed by Nemours can be found on the Nemours website at https://www.nemours.org/find-a-doctor/provider-directory.html. This policy does not apply to services rendered by physicians who are not employed by Nemours. Payment for professional fees billed by these healthcare providers is the patient's responsibility and does not qualify for a discount or financial assistance under this policy.

2. On an annual basis, the Nemours Chief Financial Officer will approve and distribute the financial guidelines for determining a patient's financial eligibility for participating in the NFAP.

    a. The NFAP financial matrix guidelines for patients without insurance will be based on a floor of 250% of the Federal Poverty Level Guidelines and a ceiling of 300% of the Federal Poverty Level Guidelines. See Attachment 1.

3. Only the Market Presidents, the Vice Presidents of Finance, and the Physicians-in-Chief of each Operating Division may make an exception to the qualifying guidelines, outlined below, for a family suffering from extraordinary circumstances. These exceptions are to be documented in writing.

4. In general, applicants for the NFAP are required to apply for all applicable state and/or federally supported assistance programs prior to qualifying for the NFAP. Nemours may assist families in applying for applicable state/federal programs.

    a. Failure on the part of the guarantor to cooperate with any internal Nemours or federal/state agency efforts involved in establishing eligibility may result in ineligibility for the NFAP. Upon request, guarantors are to provide a denial letter stating the reason they are not eligible for such federal or state programs.

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5. Eligibility for the NFAP is available to patients who reside within the United States only. Any patient outside of the United States requesting coverage through NFAP will need to be approved by one of the individuals listed in section 3.

6. Eligibility for the NFAP is determined based on income level and other circumstances of a patient/family.

7. The following are exclusions from NFAP.

   a. Nemours will not routinely fund supplies (including pharmaceuticals), contact lenses, hearing aids, or medical equipment not provided directly by a Nemours Operating Division. Any exceptions require the prior written approval from one of the following: the Market Presidents, the Vice Presidents of Finance, and the Physicians-in-Chief of each Operating Division.

   b. In exceptional and extraordinary circumstances, Nemours may enter into written agreements with other health-care providers to directly compensate them for services provided to NFAP participants. These agreements require the prior written approval from one of the following: the Market Presidents, the Vice Presidents of Finance, and the Physicians-in-Chief of each Operating Division.

   c. Failure on the part of the guarantor to cooperate with any internal Nemours or federal/state agency efforts. It is not the intent or practice of Nemours to solicit patients with insurance by waiving or discounting co-insurance or deductible amounts. This does not prevent Nemours from waiving these balances after the application process, financial counselor review, and the final determination of the guarantor's/patient's ability to pay given the approved financial guidelines.

PROCEDURE

1. Any Nemours patient (or their guarantor) will, upon his/her request, be provided with a Nemours Financial Assistance Program application (Attachment 2) and a written explanation of the NFAP.

2. Any Nemours employee can refer guarantors/patients, who are believed to be eligible, to a Nemours Financial Counselor for information on the NFAP.

3. Guarantors/patients are encouraged to fully complete the Nemours Financial Assistance Program's application in order to be considered for participation in the NFAP. The completed application should be directed to the Financial Counseling Department.

   a. Failure to fully follow the terms and conditions of the NFAP (as either explained by the Financial Counselor or as outlined in the Application) may result in a patient's ineligibility for participating in the NFAP.

   b. Failure to make appropriate payments to Nemours, based upon his/her adjusted charges, may result in immediate ineligibility for continued participation in the NFAP and a reversion to "self -pay" status for all active outstanding accounts.

   c. In exceptional cases, after obtaining the written approval of the appropriate Associate Administrator, a Financial Counselor may accept verbal declarations as to income, insurance status, and dependents in assisting the applicant in completing his/her NFAP application.

   d. An eligibility determination, where verbal information has been obtained or when there is insufficient information provided by the family to fully evaluate all the criteria, may be supported by external publicly available data sources, such as credit scoring organizations, that provide information on ability to pay. Information obtained from such sources will be documented as part of the application support or charity determination.

   e. Consistent with the Patient Protection and Affordable Care Act of 2010, applications will be accepted and processed until at least 240 days from the date of the first billing statement.

4. The most current version of the NFAP's financial matrix's guidelines will be used to guide Financial Counselor(s) in determining a guarantor's/patient's financial eligibility for the NFAP.

5. The matrix included as Attachment 1 of this policy indicates the financial eligibility guidelines. If a guarantor/patient meets the financial qualifications and is eligible for a discount, the discount percentage will be applied to total gross charges.

6. Following a determination of financial assistance eligibility, the guarantor will not be charged more than individuals who have insurance which covers the care for emergency or other medically necessary care. We have calculated for NCHDE and NCHFL separately, as a percentage of gross charges; the amounts paid relating to accounts for patients who have Medicare and commercial insurance. This amount is referred to in the Federal Register as the "Amounts Generally Billed" or "AGB." The method used to calculate this percentage is the "Look Back Method" as prescribed by 26 CFR Part I "Additional Requirements for Charitable Hospitals: Proposed Rule."

7. We have prepared an analysis, per the proposed regulations, to calculate the amounts paid by Medicare and private insurers (not including Medicaid or Medicaid-managed care payers) as a percentage of gross charges. Both of the discount percentages offered by Nemours Children's Hospital, Florida (NCHFL) and Nemours Children's Hospital, Delaware (NCHDE) on Attachment 1 exceed these calculated discount amounts. The AGB will be calculated annually to comply with the aforementioned regulations. The discounts offered by NCHDE and NCHFL will always be equal to or exceed the discounts calculated through the AGB method detailed above.

8. Nemours is willing to address changes in a guarantor's ability to pay that occur within one year of the date that service has been provided. With the disclosure of the nature of such a change, NFAP participants may be eligible for a higher or full discount on any outstanding balance. The guarantor is responsible for reporting any such change to the Nemours Financial Counseling Department.

9. It is a requirement for continued participation, that the family/guarantor recertify their continued participation in the plan on an annual basis. The recertification process includes notification to the guarantor/patient of his/her obligation for services rendered and a subsequent signed statement from the guarantor/patient indicating that there has been no significant change in his/her financial information from the application date through the dates of service.

10. The NFAP is subject to audit at the discretion of the Nemours Internal Audit Department.

MEASURE TO WIDELY PUBLICIZE NFAP

1. Any Nemours patient (or their guarantor) will, upon his/her request, be provided with a Nemours Financial Assistance Program (NFAP) Attachment 1. This policy contains procedures (see section 4 above) that describe the method by which a patient may apply for financial assistance. The NFAP application is included as Attachment 2.

2. Financial assistance will not be denied based on an applicant's failure to provide information not required by the NFAP application.

3. The public may obtain a copy of this NFAP policy (Attachment 1), the NFAP application (Attachment 2), and a plain language summary of the policy by going to our website at www.nemours.org.

4. Paper copies of the NFAP policy, the NFAP application, and a plain language summary are available at Nemours hospital and clinic locations and will be provided without charge, upon request. These documents are available in English and Spanish and can be mailed to the requestor without charge.

5. Visitors to Nemours hospital and clinic locations are informed of the availability of financial assistance through conspicuous displays located when they enter the location, at the check-in kiosks, and through videos played on the various monitors, where applicable.

6. Residents of the community are made aware of the Nemours NFAP through our various clinic locations dispersed throughout our patient community. These clinics have brochures, displays, etc., on which the availability of Nemours financial assistance is displayed. This awareness is also made on the Delaware Medicaid website, which references the Nemours Financial Assistance Policy.

7. We believe the above measure to be in compliance with the IRS Regulations concerning charity care policies and procedures and making these policies and procedures widely publicized to the community served by the hospitals.

RELATED DOCUMENTS — None

REFERENCES — None

DEFINITIONS

- Charity care — is provided to a patient with demonstrated inability to pay based on the poverty thresholds listed in Attachment.

APPENDIX — None

ATTACHMENTS

- Nemours Financial Assistance Program, Patients Without Insurance Financial Guidelines
- Nemours Financial Assistance Program Application

Attachment 1

The Nemours Foundation

Nemours Financial Assistance Program:

Patients Without Insurance

Financial Guidelines

Family Size	<250% FPL 100% Disc	<300% FPL 80% Disc
1	$39,900	$47,880
2	$54,100	$64,920
3	$68,300	$81,960
4	$82,500	$99,000
5	$96,700	$116,040
6	$110,900	$133,080
7	$125,100	$150,120
8	$125,100	$167,160

FPL = Federal Poverty Level
Source: aspe.hhs.gov: January 2026

Attachment 2

Nemours Financial Assistance Program Application

TYPE OF APPLICATION:

☐ New ☐ Renewal ☐ Last Expired:

PATIENT INFORMATION

Patient Name: _____ MRN: _____

Sex: _____ Date of Birth: _____ Social Security #: _____

Address: _____

Home Phone: _____ Other Phone: _____

Sibling 1 Name: _____ DOB: _____

Sibling 2 Name:_____ DOB: _____

GUARANTOR/APPLICANT INFORMATION

Applicant Name:_____ Social Security #: _____

Relationship to Patient: _____ Date of Birth:_____

Number of Exemptions: _____ Marital Status: _____

Address: _____

Home Phone: _____ Other Phone: _____

Income: $ _____ ☐ Weekly ☐ Biweekly ☐ 2x/Month ☐ Monthly

Other Income: $ _____ ☐ Alimony/Child Support ☐ Social Security

☐ Unemployment ☐ Other

Employer: _____Phone: _____

Employer Address: _____

GUARANTOR/APPLICANT INFORMATION (CONTINUED)

Co-Applicant Name: _____ Social Security #: _____

Relationship to Patient: _____ Date of Birth:_____

Address: _____

Home Phone: _____ Other Phone: _____

Income: $ _____ ☐Weekly ☐Biweekly ☐2x/Month ☐Monthly

Other Income: $ _____ ☐Alimony/Child Support ☐Social Security

☐Unemployment ☐Other

Employer: _____Phone: _____

Employer Address: _____

I certify that the above information is true and accurate, to the best of my knowledge.

I understand this application is made to Nemours to determine my eligibility for financial assistance under the Nemours Financial Assistance Program (NFAP).

I understand that Nemours may verify all or any portion of the above information. I further agree to keep my account current and in good standing. If my account goes into default, I will be disqualified from the program.

If during the review and processing of my application, it is determined that I am eligible for other assistance through federal or state programs, I agree to take all reasonable steps necessary to participate in said program(s) and shall immediately advise of such eligibility.

I agree to provide all requested information to process my application within 15 days of request. I understand that failure to do so may delay determination of my application or may cause disqualification from my participation in NFAP. Further, I understand that my failure to complete the application within 30 days without contacting the Financial Advocate to request an extension will result in having to initiate a new application.

In the event this application is not approved, I understand that I will become fully responsible for my bill.

Applicant: _____ Co-Applicant: _____

Date: _____

Financial Advocate: _____ Date: _____