



Washington Regional Medical Center (WRMC) Medical Debt Mitigation Policy

Effective Date	03/01/2024
Reviewed/Revised	01/25/2025
Approved by	03/01/2024

1. Purpose

WRMC is committed to ensuring access to healthcare by reducing the financial burden of medical expenses for qualifying patients. This policy establishes a fair and transparent framework for mitigating medical debt while complying with **North Carolina law, IRS 501(r) requirements, and federal regulations.**

2. Scope

This policy applies to **uninsured, underinsured, and financially distressed patients** receiving medically necessary care at WRMC, including emergency and inpatient services.

3. Eligibility Criteria

To qualify for **medical debt relief**, patients must meet one or more of the following:

- **Income-Based Assistance:**
 - Household income at or below **300% of the Federal Poverty Level (FPL)** qualifies for **full or partial assistance.**
 - Household income between **301%–400% of the FPL** may qualify for **discounted payment plans.**
- **Catastrophic Medical Debt:**
 - Out-of-pocket medical expenses exceeding **20% of annual household income** may qualify for **case-by-case relief.**
- **Medically Indigent Patients:**
 - Patients experiencing **financial hardship** due to sudden disability, unemployment, or other life events.
- **Uninsured Discounts:**
 - WRMC will automatically apply a **standard discount** to uninsured patients, aligning with Medicare reimbursement rates.

4. Application Process

Patients must complete a **Financial Assistance Application**, providing:

- **Proof of income** (pay stubs, tax returns, unemployment benefits).
- **Bank statements** or proof of financial hardship.
- **Medical expense documentation** (if applying for catastrophic relief).



Patients may apply **before or within 240 days** of receiving their first post-service bill.

5. Payment Plans & Interest-Free Options

WRMC will offer **affordable, interest-free payment plans** to eligible patients. Monthly payments will not exceed **5% of household income**, ensuring financial sustainability.

6. Prohibited Practices

WRMC **will not**:

- Engage in **extraordinary collection actions** (e.g., lawsuits, wage garnishments) against patients **who apply for financial assistance**.
- Report medical debt to credit agencies **before exhausting financial assistance options**.

7. Compliance & Oversight

- WRMC will conduct an **annual audit** to ensure compliance with **NC law, IRS 501(r), and best practices**.
- **Patient advocates** will assist in navigating financial aid programs, including **Medicaid eligibility screening**.

8. Public Awareness

- The policy will be **posted on WRMC's website**, and notices will be included on **billing statements**.
- WRMC staff will be trained to **inform patients of financial assistance options** at key points of care.

By:

Frank T. Avignone IV

(Please type full name here and title)

(Signature)