



Washington Regional Medical Center (WRMC) Medical Debt Mitigation Policy

Effective Date	03/01/2024
Reviewed/Revised	03/12/2025
Approved by	03/12/2025

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:

- **100% financial assistance** for individuals with incomes **at or below 200% of FPL**.
- **75% discount** for individuals with incomes **between 201%-250% of FPL**.
- **50% discount** for individuals with incomes **between 251%-300% of FPL**.
- **Discounted payment plans** for individuals **between 301%-400% of FPL**.

Catastrophic Medical Debt:

- Patients with 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:



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- WRMC will automatically apply a **standard discount based on Medicare reimbursement rates** for uninsured patients.

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

- **Payment plans** are available for individuals with incomes between **200%-300% FPL**, with **no interest charged** and a term of no more than **36 months**.
- Monthly payments will **not exceed 5% of household income**.
- Payment plans may be extended beyond 36 months **if necessary** to ensure total payments do not exceed what would have been collected under the 36-month/5% structure.

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.



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- WRMC staff will be trained to inform patients of financial assistance options at key points of care.
- **Downloadable versions of this policy will be made available in Spanish** to ensure accessibility for non-English speaking patients.

By:

Frank T. Avignone IV

(Please type full name here and title)

A handwritten signature in blue ink, appearing to read "Frank T. Avignone IV", is written over a horizontal line.

(Signature)