

Financial Assistance Policy and Application



Subject: Financial Assistance Policy

Purpose:

To establish policy/procedures to provide financial assistance to patients who do not have the ability to pay for medically necessary services. A program established under federal and state law that requires hospitals to provide medical care for free or at a reduced cost to patients who meet the hospital's criteria for financial assistance and are unable to pay fully for the services rendered.

Objectives:

We are committed to providing medically necessary services to all patients in our community regardless of their ability to pay. Financial Assistance will be available on the basis of documented financial need when there are no third party payers to pay the amount due or when an Uninsured Hospital Patient is Presumptively Eligible. No patient will be denied Financial Assistance on the basis of age, sex or sexual orientation, race, religion or national origin. Eligibility for Financial Assistance will be determined using an application process that offers patients dignity and confidentiality.

Definitions:

- "Applicant"** means an individual who has submitted a completed Financial Assistance Application, including all information and documents requested on the Application form.
- : Extraordinary Collection Actions:** means reporting adverse information to consumer credit bureaus and collection actions that require legal or judicial process including filing a collection suit and garnishing wages.
- "Family Income"** means the adjusted gross income and cash benefits from all sources before taxes of all persons legally obligated to pay the charges incurred, less payment of child support.
- "Family Size"** means the aggregate number of personal exemptions allowed under federal tax law on a federal income tax return which was filed or could have been filed for the most recent calendar year and on which the Patient or Guarantor is one of the persons for whom a personal exemption is allowed, unless a Patient can establish a civil union pursuant to state law.
- "Federal Poverty Guidelines"** means the federal poverty income annual guidelines published by the department of Health and Human Services in the Federal Register and at www.aspe.hhs.gov/poverty.
- "Guarantor"** means a Patient's spouse or Partner and if the Patient is a minor, means the Patient's parents or guardians.
- "Illinois Resident"** means a Patient who lives in Illinois and intends to continue living in Illinois indefinitely. A Patient who relocates to Illinois for the sole purpose of receiving health care is not an Illinois Resident.
- "Maximum Charge"** means the amount generally billed to individuals who have insurance covering such care and determined by multiplying the gross charges for all emergency medical care and Medically Necessary Services by a percentage calculated annually and equal to (i) the aggregate dollar amount of claims allowed for all emergency medical care and Medically Necessary Services during the 12-month period ended on the preceding September 30 by both Medicare Fee for Service and all private insurers as primary payers, together with any associated portions of these claims the Medicare beneficiaries or insured individuals are responsible for paying in the form of co-payments, co-insurance, or deductibles

divided by (ii) the sum of the gross charges for those claims. No insurance contract which includes provisions for interim payments subject to later reconciliation shall be included in the calculation of the Maximum charge. The amount billed to a Patient eligible for financial assistance under this Policy will be less than the amount of the gross charges. The Maximum Charge for the current fiscal year is identified in Exhibit A under "Limitation on Charges".

□ **"Medical Necessary Services"** means (i) any inpatient or outpatient hospital services if the provider is the hospital or (ii) other professional services which are normally and customarily rendered by a non-hospital provider, including pharmaceuticals and supplies, covered by Medicare for beneficiaries with the same clinical presentation as the Patient, but not including non-medical services such as social and vocational services and elective cosmetic surgery other than plastic surgery designed to correct disfigurement caused by injury, illness or congenital defect or deformity.

□ **"Midwest Medical Center (MMC)"** means Midwest Medical Center and affiliated clinics.

□ **"Partner"** means a person who has established a civil union pursuant to the Illinois Religious Freedom Protection and Civil Union Act or similar state law.

□ **"Patient"** means the person who receives care from MMC and the person who is the Guarantor of the payment for services received from MMC.

□ **"Plain Language Summary"** means a written document that describes the MMC financial assistance programs available, the eligibility requirements, how to apply, and how to obtain more information including copies of the Financial Assistance Policy and Application.

□ **"Presumptive Charity"** means eligibility for MMC financial assistance determined by reference to categories of presumptive eligibility criteria identified as demonstrating financial need on the part of a Patient and used by MMC to determine eligibility for assistance without a completed Application.

□ **"Uninsured Patient"** means an Illinois resident who is a Patient not covered under a policy of health insurance and is not a beneficiary under a public or private health insurance, health benefit, or other health coverage program including high deductible health insurance plans, workers' compensation, accident liability insurance, or other third party liability insurance.

Financial Assistance Programs

Illinois Hospital Uninsured Patient Discount

The IL Hospital Uninsured Patient Discount does not apply to patients who reside outside of IL. MMC has defined "Uninsured Patient" to mean an IL Resident without health insurance. MMC may make the discount contingent upon the Patient first applying for insurance under public programs, if there is a reasonable basis to believe the Patient may be eligible for such program. MMC provides the following discounts:

- a. A charitable discount of 100% of its charges for all Medically Necessary Services, exceeding \$300 in any one inpatient admission or outpatient encounter provided to any Uninsured Patient who applies for a discount and has Family Income of not more than 125% of the Federal Poverty Guidelines.
- b. A discount equal to 135% of MMC's hospital cost to charge ratio determined from its most recently filed Medicare cost report multiplied by the applicable charges to any Uninsured Patient who applies for a discount and has Family Income of not more than 300% of the Federal Poverty Guidelines for all Medically Necessary Services, exceeding \$300 in any one inpatient admission or outpatient encounter.

MMC Financial Assistance Policy and Application Assistance

After both the Illinois Hospital Uninsured Patient Discount and MMC Financial Assistance are calculated (if both apply), MMC Financial Assistance will be adjusted first and if the Illinois Hospital Uninsured Patient Discount is greater than the MMC Financial Assistance amount, all remaining amounts will be allocated to the Hospital Uninsured Patient Discount. MMC provides the following types of financial assistance for Medically Necessary Services:

- a. Straight Charity: Charges will be discounted by the applicable percentage identified on the MMC Financial Assistance Guidelines which may include comparing Family Income, Assets, and Family Size to Federal Poverty Guidelines, subject to income verification procedures, all other financial assistance eligibility requirements, and the Maximum Charge. Both Family Income and equity owned by the Patient in the following assets will be considered: checking and savings accounts; stocks, certificates of deposit and mutual funds; motor vehicles; real property; and health savings/flexible spending accounts. See Exhibit A under "Straight Charity Guidelines".
- b. Catastrophic Charity: Charges may be adjusted to provide catastrophic assistance when the Controller determines that more charity assistance is available with a Catastrophic Charity adjustment compared to Straight Charity. The total unpaid Medically Necessary Services must equal at least 20% of Family Income. The amount due will be reduced to 20% of Family Income subject to the Maximum Charge with the balance adjusted to charity.

Presumptive Eligibility for MMC Charity Assistance

Charges may be adjusted to provide for a charity discount of 100% of billed charges for Medically Necessary Services provided to all Patients who do not have insurance and establish presumptive eligibility. Registration Staff will determine eligibility using the following categories of presumptive eligibility criteria without requiring the Patient to complete a Financial Assistance Application:

- a. Uninsured Patient is homeless
- b. Uninsured Patient is deceased with no estate
- c. Uninsured Patient presents mental incapacitation with no one to act on Patient's behalf
- d. Uninsured Patient is eligible for Medicaid, but not on the date of service or for non-covered services.

Financial Assistance Application and Process

Patients must complete the Application within 240 days following the date MMC provides the first billing statement to the Patient ("Application Period"). MMC may extend this time period for Patients submitting incomplete Applications within the Application Period to give them additional time reasonably needed to submit the information and documents required to complete the Application. The attached Financial Assistance Application must be fully completed and submitted with all of the financial documents requested on the Application form. The required documents to apply solely for the Hospital Uninsured Patient Discount are limited in scope and quantity and must be supplemented as identified on the Application to apply for MMC Straight Charity and Catastrophic Charity. Unreasonable failure or refusal to provide incomplete information or documentation within 30 days of MMC's request may cause an Application to be denied.

MMC will screen Uninsured Patients for Presumptive Eligibility. No Application will be required. However, if there is a reasonable basis to believe the Patient may be eligible for insurance coverage under public programs, or if MMC requires documentation to establish a presumptive eligibility category, MMC shall allow the Patient 30 days to respond to MMC and apply for insurance coverage or to produce requested documents. MMC shall determine eligibility for Presumptive Charity Assistance as soon as possible after providing services and prior to the issuance of any bill for such services. MMC uses the following sources of information to determine eligibility for Presumptive Charity: Medi or Department of Human Services, court records, Department of Correction data and obituaries.

MMC will send written notification of approval or denial of financial assistance to the Patient within 30 working days following receipt of a completed and signed Application submitted with all requested documents. If the Patient is not eligible for 100% financial assistance leaving a balance due, MMC will send a billing statement to the Patient showing all contractual allowances, discounts and charity adjustments, the balance due from the patient and how this amount was determined, and informing the Patient how to obtain the Maximum Charge calculation. The adjusted balance due shall not exceed the Maximum Charge.

MMC will widely publicize its Policy, Application and Plain Language Summary in English and any other language that is spoken by populations with limited English proficiency that constitute the lesser of 1,000 individuals or 5% of the community the hospital serves. Communication shall include:

- a. Posting the Policy and Application on the MMC website including:
 - i. On the Insurance and Payment link, this message will be conspicuously displayed: "Need help paying your bill? You may be eligible for financial assistance. Click here for more information." When readers click on the link, they will go to a Web page that explains the free and discounted care available and how to download the Policy, Application and Plain Language Summary.
 - ii. The web page will provide a telephone number that individuals can call and a hospital room number that individuals can visit for more information about the Financial Assistance Policy and for assistance in submitting Applications.
- b. The Policy, Application and Plain Language Summary will be available upon request and without charge as part of the intake or discharge process, by mail and in the hospital admission areas and emergency room.
- c. Posting a sign in the admission areas and emergency room of the Hospital with the following notice: "Uninsured? Having trouble paying your hospital bill? You may be eligible for financial assistance. A copy of the Financial Assistance Policy and Application may be obtained on-line: www.midwestmedicalcenter.org. If you have questions or need assistance in submitting an Application, please call 877-632-2129 or visit a Registration Representative."
- d. Information will be included on or with the MMC patient billing statements describing the available financial assistance and providing the telephone number of the hospital office or department that can provide information about the Policy and application process, and the website where copies of the Policy, Application and Plain Language Summary may be obtained.
- e. MMC will inform the community about its Policy in a manner reasonably calculated to reach individuals most likely to need financial assistance.

Staff in the patient financial services and registration departments at MMC will understand its Financial Assistance Policy and Application and be able to direct questions to the appropriate MMC representative.

In addition to MMC, other providers deliver Medically Necessary Care in the hospital facility. Eligibility for MMC financial assistance programs may not apply to the bills of some of these other providers. A list of the other providers delivering Medically Necessary Care in the hospital is maintained as a separate document available on the Insurance and Payment link at www.midwestmedicalcenter.org, showing the last date it was updated, and identifying which providers accept MMC financial assistance discounts and which providers do not.

Patient Responsibilities

Before a Patient may receive financial assistance, the Patient must fully cooperate with MMC by providing the information and documentation requested to obtain all payments from Medicare, Medicaid, AllKids, the State Children's Health Insurance Program, Family Care, VOC and any other public program, if there is a reasonable basis to believe the patient may be eligible for benefits. In addition, Patients must fully cooperate in recovering any amounts due under any policy of insurance or health plan, including a high deductible health insurance policy or health plan, workers' compensation, accident liability insurance, and any third party liability. Unreasonable failure or refusal to apply for coverage under public programs, or to cooperate in providing information regarding any policies of insurance, within 30 days of request may make the Patient ineligible for financial assistance.

A Patient is not eligible for MMC Financial Assistance until each of the following requirements is satisfied, unless the Patient is Presumptively Eligible.

- a. All third party payer benefit claims are exhausted
- b. The Patient has signed the Application in the space provided for certifying that all of the financial information and documents disclosed accurately reflect the Patient's financial circumstances.
- c. The Patient has attached all financial documents requested to the Application for verification of the Patient's financial circumstances.

Recipients of partial financial assistance must communicate to MMC any material change in their financial situation that may impact their ability to pay the balance due or to honor the terms of a reasonable payment plan. Failure to do so within 30 days of the changed situation may cause MMC to refer the balance due to collection.

Patients who receive Medically Necessary Services from MMC after receiving financial assistance must inform MMC during subsequent treatment of their eligibility for financial assistance to ensure MMC collects no more than 25% of Family Income in any applicable 12 month period.

MMC may reverse a financial assistance adjustment if it later learns the Applicant failed to fully disclose Family Income or Assets, or falsified information submitted to apply for financial assistance. A financial assistance adjustment may be reversed if the Patient fails to inform MMC within 30 days of a material change in eligibility.

The actions MMC may take in the event of nonpayment of amounts not eligible for financial assistance are described in the MMC Billing and Collection Policy. A free copy of this Policy is available on the Insurance and Payment link at www.midwestmedicalcenter.org and by mail by calling 877-632-2129.

MMC Reporting Requirements

MMC shall file an annual Hospital Financial Assistance Report with the Office of the Illinois Attorney General at the same time MMC files its Community Benefits Report, which shall include the following:

- a. A copy of the Financial Assistance Application, which includes the Hospital Presumptive Eligibility Policy;
- b. Hospital financial assistance statistics, which shall include:
 - i. The number of Hospital Financial Assistance Applications submitted to the Hospital, both complete and incomplete, during the most recent fiscal year;
 - ii. The number of Hospital Financial Assistance Applications approved under its Presumptive Eligibility Policy during the most recent fiscal year;
 - iii. The number of Hospital Financial Assistance Applications the Hospital approved outside of its Presumptive Eligibility Policy during the most recent fiscal year;
 - iv. The number of Hospital Financial Assistance Applications the Hospital denied during the most recent fiscal year; and
 - v. The total dollar amount of the financial assistance the Hospital provided during the most recent fiscal year, based on actual cost of care.
- c. A description of the electronic and information technology ("EIT") that the Hospital used in the implementation of the hospital financial assistance application requirements adopted by the Office of Attorney General under the Fair Patient Billing Act, including the source of the EIT. The Hospital shall certify annually that every such hospital financial assistance application requirement is included in the Applications processed by EIT.
- d. A description of the EIT that the Hospital used in the implementation of the presumptive eligibility criteria requirements adopted by the Office of the Attorney General under the Fair Patient Billing Act, including the source of the EIT. The Hospital shall certify annually that every such presumptive eligibility criteria requirement is included in the Applications processed by EIT. Both of these reporting requirements are mandated under the Fair Patient Billing Act.

Exhibit A

Limitation on Charges

Midwest Medical Center shall limit the amounts charged for emergency or other medically necessary care provided to persons eligible for assistance under the Midwest Medical Center Financial Assistance Program to the Maximum Charge allowed under Internal Revenue Code Section 501(r). The Maximum Charge is 67% of the gross charges for all emergency services and Medically Necessary Services for the 12 month period ended on the preceding September 30.

Straight Charity Guidelines

Financial Assistance Application:

- a. A Patient must first apply for benefits from all Third Party Payers.
- b. A Patient may not receive Charity Care before each of the following requirements is satisfied, unless Uninsured Hospital Patient is Presumptively Eligible.
 - All third Party Payer benefit claims are exhausted
 - The Patient has signed the application in the space provided for certifying that all of the financial information and documents disclosed accurately reflect the Patient's financial circumstances.
 - The Patient has attached all financial documents requested to the application for verification of the Patient's financial circumstances.

Eligibility Determination:

The Controller will determine eligibility for Charity Care on the basis of the Patient's assets and Family Income. If the Patient's assets are insufficient to pay the amount due, the Patient will qualify for financial assistance on a sliding scale comparing the Patient's adjusted gross income to the Federal Poverty Guidelines.

- Patients with an adjusted gross income at or below 150% of the Federal Poverty Guidelines for the Family Size will be eligible for 100% Financial Assistance.
- Patients with an adjusted gross income greater than 150%, but equal to or less than 300% of the Federal Poverty Guidelines for the Family Size will be eligible for partial financial assistance.

Financial Assistance Application/Determination of Eligibility

YOU MAY BE ABLE TO RECEIVE FREE OR DISCOUNTED CARE: Completing this application will help Midwest Medical Center determine if you can receive free or discounted services or other public programs that can help pay for your healthcare. Please submit this application to Midwest Medical Center.

IF YOU ARE UNINSURED, A SOCIAL SECURITY NUMBER IS NOT REQUIRED TO QUALIFY FOR FREE OR DISCOUNTED CARE. However, a Social Security Number is required for some public programs, including Medicaid. Providing a Social Security Number is not required, but will help Midwest Medical Center determine whether you qualify for any public programs.

Please complete this form and submit it to Midwest Medical Center in person, by mail, by electronic mail, or by fax to apply for free or discounted care within 240 days following the date MMC provides the first billing statement to the Patient.

Patient acknowledges that he or she has made a good faith effort to provide all information requested in the application to assist Midwest Medical Center in determining whether the patient is eligible for financial assistance.

Required Documents:

For the Hospital Uninsured Patient Discount, only one of the following Income Verification and Residency Verification documents is needed.

Income Verification

- ✓ Most recently filed federal income tax return and corresponding Schedules and W-2 and 1099 Forms;
- ✓ Most recent W-2 and 1099 forms;
- ✓ Copies of the 2 most recent pay stubs;
- ✓ Written income verification from an employer if paid in cash; or
- ✓ 1 other reasonable form of income verification deemed acceptable to MMC.

Residency Verification

- ✓ Any one of the above Income Verification documents;
- ✓ Valid state-issued ID Card;
- ✓ Recent residential utility bill;
- ✓ Lease Agreement;
- ✓ Vehicle registration card;
- ✓ Voter registration card;
- ✓ Mail addressed to the patient at an IL address from a credible source;
- ✓ Statement from family member residing at same address who presents verification of residency; or
- ✓ A letter from a homeless shelter or similar facility verifying residency.

For the MMC Charity Assistance Program, all of the following documents must be submitted in addition to Residency Verification documents.

- ✓ Most recently filed federal income tax return and corresponding Schedules and W-2 and 1099 Forms;
- ✓ Most recent W-2 and 1099 forms;
- ✓ Copies of the 2 most recent pay stubs;
- ✓ Written income verification from an employer if paid in cash;
- ✓ Most recent statement/check voucher for all other income benefits including:
 - Social Security
 - Unemployment/Severance Pay
 - Pension/Retirement
 - Alimony and Child Support
 - Interest/Dividend
 - Disability
 - VA
 - Work Comp
 - Trust
 - Rental
 - Other
- ✓ 2 most recent Bank statements – checking and savings
- ✓ If self-employed, your 2 most recent business account Bank Statements; most recently filed business tax return including all Schedules; Business Income Statement; and Accounts Receivable Ledger
- ✓ Forms approving or denying Unemployment compensation or Workers' Compensation

Note: - Incomplete applications received without sufficient information and/or all of the above income documentation will be pended and a letter will go in the mail to the Applicant letting them know what is missing and making the application incomplete. If MMC does not receive the requested information or documents within 30 days and/or the Applicant refuses to complete the application or provide any of the necessary documentation, then the application will be denied and the Patient will be billed the entire balance due.

If a Patient meets the presumptive eligibility criteria for MMC Charity Assistance or is otherwise presumptively eligible by virtue of the Patient's Family Income, the Patient shall not be required to complete the Application's Section on monthly expenses.

Patient Information

Last Name: _____ First Name: _____ Middle Initial: _____

Date of Birth: _____ Social Security#: _____ - _____ - _____ (not required if uninsured patient)

Street Address _____

City _____ State _____ Zip _____

Phone: _____ E-mail Address: _____

Employer: _____ Employer's Phone Number: _____

Employer's Address: _____

Single Married Civil Union Divorced Widowed

Spouse/Partner/Parent/Guardian Name: _____

Street Address _____

City _____ State _____ Zip _____

Phone: _____

Employer: _____ Employer's Phone Number: _____

Employer's Address: _____

of Persons in the Patient's Family/Household: _____

of Persons who are Dependents of the Patient: _____ Ages of Patient's Dependents: _____

Monthly Household Income

Source	Patient Amount/Frequency	Spouse/Partner/Parent/Guardian Amount/Frequency
Wages	\$ _____ / _____	\$ _____ / _____
Unemployment	\$ _____ / _____	\$ _____ / _____
Work Comp	\$ _____ / _____	\$ _____ / _____
SS/SSI/SSD	\$ _____ / _____	\$ _____ / _____
Child Support/Alimony	\$ _____ / _____	\$ _____ / _____
VA Benefits	\$ _____ / _____	\$ _____ / _____
Private Disability	\$ _____ / _____	\$ _____ / _____
Pension/Retirement	\$ _____ / _____	\$ _____ / _____
Interest/Dividend	\$ _____ / _____	\$ _____ / _____
Trust	\$ _____ / _____	\$ _____ / _____
Rental	\$ _____ / _____	\$ _____ / _____
Other Income	\$ _____ / _____	\$ _____ / _____

Assets: Please identify your assets and estimated asset value

Financial Accounts	Name of Financial Institution/Administrator	Estimated Value
Checking Account		
Savings Account		
Certificates of Deposit		
Health Savings/Flex Spend		
Investments	Name of Stock/Fund	Estimated Value
Stocks		
Mutual Funds		
Vehicles	Make and Model	Estimated Value
Automobile		
Automobile		
Other		
Real Property	Address	Estimate Value

Monthly Household Expenses

Rent/Mortgage _____	Gas/Electric _____	Food _____
Telephone _____	Water/Sewer _____	Child Care _____
Transportation _____	Medical _____	Loans _____
Description of other expenses and dollar amount _____		

Notification:

A letter will be mailed to the Applicant within 30 days after Midwest Medical Center receives the Financial Assistance Application. If information or documents are missing from the Application, the letter will identify what is missing and what MMC needs to process the Application. If the Application is complete, the letter will identify financial assistance granted, request a payment plan on any balance due, and a billing statement will follow showing the balance due.

Certification:

I certify that the information in this Application is true and correct to the best of my knowledge. I will apply for any state, federal or local assistance for which I may be eligible to help pay for this hospital bill. I understand that the information provided may be verified by Midwest Medical Center, and I authorize Midwest Medical Center to contact third parties to verify the accuracy of the information provided in this application. I understand that if I knowingly provide untrue information in this application, I will be ineligible for financial assistance, any financial assistance granted to me may be reversed, and I will be responsible for the payment of the hospital bill.

Date of Request: _____ Patient or Applicant's Signature: _____