RML SPECIALTY HOSPITAL

DEPARTMENT: ADMINISTRATION	NUMBER: ADM 1507
TITLE: FINANCIAL ASSISTANCE POLICY	PAGE 1 OF 6

EFFECTIVE DATE: April 1, 2009 REVIEW DATES: REVISION DATES: June 14, 2012, May 28, 2013, November 21, 2013, June 1, 2016	APPROVED BY: Signatures on File President & CEO APPROVED BY: _____ Vice President Finance & CFO
DISTRIBUTION: PFS/ADMITTING	

POLICY

The purpose of this policy is to provide charity care and discounts to uninsured patients as a part of RML Specialty Hospital's (RML) mission to serve the community and to comply with State and Federal laws governing financial assistance provided by 501(c)(3) hospitals. This policy describes eligibility, hospital and patient responsibility, the approval process, discount determination and communication. This policy applies to both the RML Hinsdale facility and the RML Chicago facility.

Definitions

Cost to charge ratio means the ratio of a hospital's costs to its charges taken from its most recently filed Medicare cost report. (Worksheet C, Part I)

Family income means the sum of a family's annual earnings and cash benefits from all sources before taxes, less any payments made for child support.

Federal poverty income guidelines means the poverty guidelines updated periodically in the Federal Register by the US Dept of Health and Human Services under authority of 42 USC 9902(2).

Healthcare services means any medically necessary inpatient hospital services, including pharmaceuticals or supplies provided by a hospital to a patient.

Illinois resident means a person who lives in Illinois and who intends to remain living in Illinois indefinitely. Relocation to Illinois for the sole purpose of receiving health care benefits does not satisfy the residency requirement under this policy.

Partner means a person who has established a civil union Pursuant to the Illinois Religious Freedom Protection and Civil Union Act [750 ILCS 75] or similar law.

Patient means the individual receiving services from the hospital or any individual who is the guarantor of the payment of services received from the hospital.

Presumptive Eligibility means eligibility for hospital financial assistance determined by reference to criteria demonstrating financial need on the part of the patient.

Presumptive Eligibility Criteria means the categories identified as demonstrating financial need on the part of a patient used by the hospital in the implementation of presumptive eligibility.

Medically necessary means any inpatient hospital service, including pharmaceuticals or supplies provided by a hospital to a patient, with the same clinical presentation as the uninsured patient.

Uninsured patient means an Illinois resident who is a patient of a hospital and is 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.

Eligible assets means all patient owned assets of personal property excluding personal residence, assets deemed exempt from judgment under Section 12-1001 of the Code of Civil Procedure; or

any amounts held in a pension or retirement plan, provided, however, that distributions and payments from pension or retirement plans may be included as income.

I. Hospital Responsibilities and Compliance Requirements

Eligibility

RML shall provide a discount from its charges to any uninsured patient who applies for a discount, has family income of not more than 600% of the federal poverty income level guidelines (FPL), is an Illinois resident and incurs medically necessary health care services exceeding $300 in any one inpatient admission.

Basis for Calculating Amounts Charged to Uninsured Patients

No patient who is eligible for financial assistance will be charged more for medically necessary care than the Amount Generally Billed (AGB) to individuals with insurance.

Charity Care

For eligible patients with family income 200% or less of the FPL, RML will provide free care.

Non-Charity Uninsured Patient Financial Assistance Discount

For health services exceeding $300 in any one inpatient admission, the maximum amount RML can collect from an uninsured patient deemed eligible under RML's financial assistance policy is the lesser of the amount Medicaid would have paid for that patient's hospital stay or 135% of the hospital's cost to provide care. This amount is further discounted based upon the patient's family FPL as follows:

FPL Range	Additional Discount
> 200% and < = 300%	75%
> 300% and < = 400%	50%
> 400% and < =500%	25%
> 500% and <= 600%	0%

Maximum Collectible Amount

A. The maximum amount that can be collected in a 12 month period for health care services by RML is 25% of the patient's family income and is subject to the patient's continued eligibility under this policy.
B. The uninsured patient shall inform the hospital in subsequent inpatient admissions that the patient was previously entitled to the uninsured discount and whether his or her circumstances for eligibility under this policy have changed
C. An uninsured patient who owns assets having a value in excess of 600% of the FPL is excluded from the maximum collectible amount.

Excluded Assets:

i. Primary residence

ii. Personal property exempt from judgment under Section 12-1001 of the Code of Civil Procedure
iii. Pension or retirement plan assets (income however is included for this policy)

D. Hospital bills to an uninsured patient shall include in a prominent statement that an uninsured patient who meets certain income requirements may qualify for an uninsured discount, how they may apply for consideration under the hospital's financial assistance policy, a phone number at the hospital where the patient can obtain more information, and the website address where copies of the FAP, application form, and plain-language summary may be obtained.
E. RML will require the patient or guardian to certify that all of the information provided in the application is true. If the information on the application is determined to be untrue, the uninsured discount does not apply and the patient must pay RML's charges in full.
F. RML will permit an uninsured patient to apply for a discount within 240 days of the date of discharge.

II. Patient Responsibilities and Compliance Requirements

A. RML may make the availability of a discount and the maximum collectible amount under this policy contingent upon the uninsured patient first applying for coverage under public programs such as Medicare, Medicaid, or any other programs that the uninsured patient may be eligible.
B. RML will permit an uninsured patient to apply for a discount within 240 days of the date of discharge when they submit the Application for Financial Assistance.
    A. RML will require an uninsured patient who is requesting an uninsured discount to provide documentation of family income. Acceptable documentation shall include:
        i. Copy of most recent tax return
        ii. Copy of most recent W-2 and 1099 forms
        iii. Copies of the 2 most recent pay stubs
        iv. Written income verification from an employer if paid in cash
    B. RML will require the uninsured patient to certify the existence of assets owned by the patient and provide documentation of the value of such assets. Acceptable documentation could include:
        i. Statements from financial institutions
        ii. Other third party verification of value
        iii. If no third party verification exists, the patient shall certify as to the estimated value of the asset(s).

    C. Uninsured patients must verify Illinois residency. Acceptable forms include:
        i. Valid state-issued identification card
        ii. Recent residential utility bill
        iii. Lease agreement
        iv. Vehicle registration card

v. Voter registration card
vi. Mail addressed to the uninsured patient at an Illinois address from a government or credible source
vii. Written statement from a family member of the patient who resides at the same address and presents verification of residency
viii. Letter from a homeless shelter, transitional house or other similar facility

C. RML's obligation under this policy to the uninsured patient shall cease if that patient fails or refuses to provide the information or documentation requested or apply for coverage under public programs within 30 days of RML's request.
D. The uninsured patient shall notify RML of subsequent inpatient admissions that the patient received in order to determine the 12 month maximum amount that can be collected from a patient.
E. RML will require the patient to certify that all of the information provided in the application is true. If it is determined by RML that any of the information is untrue, any discount granted to the uninsured patient is forfeited and the uninsured patient is responsible for payment of the charges in full.

III. Procedure

An evaluation for Uninsured Discount can be commenced in two ways.

A. RML notifies an uninsured patient with a self-pay balance due via having provided a plain-language summary of the FAP upon admission and including a statement on the self-pay bill that he/she may be eligible for financial assistance, and the patient notifies RML that he/she cannot afford to pay the bill and requests assistance.
B. A patient without insurance is referred to RML, seeks admission, and states that he/she cannot afford to pay the medical expenses associated with their current medical services.

1. Each patient seeking an Uninsured Discount will be referred to the Admitting Manager.
2. The Admitting Manager will communicate with the patient and a preliminary assessment for assistance will be conducted (i.e. federal poverty limits, assets available, employment status).
3. The following criteria must be met in order for a review for a final determination for a discount to be conducted:
    i. Patient must apply for all other programs, such as Medicare, Medicaid and any other programs that may be available to the patient.
    ii. Patient must complete the Application for Charity Care/Uninsured Discount with all requested documents.
4. The Patient Financial Services Department will determine if patient qualifies for a discount within 10 days of the receipt of a completed application and supporting documentation.

5. Approval must be obtained by either the Controller or Director of Patient Financial Services and forwarded to either the Vice President Finance & CFO or President & CEO for final approval.
6. If approved, a letter and verbal communication will be made to the patient informing them of the approval for a discount, the percentage discount, and the payment plan.

IV. Communication

The availability of hospital financial assistance as defined under this policy shall be widely communicated to patients including but not limited to:

1. Posting a sign in areas of the hospital commonly utilized for admission and registration of patients with the following notice:

   "You may be eligible for financial assistance under the terms and conditions the hospital offers to qualified patients. For more information, please contact either the Director of Patient Financial Services or the Admitting Manager."

   The sign shall be in English and in any other language that is the primary language of at least 5% of the patients served by RML annually as defined by RML's 5/31 fiscal year.

2. Availability of financial assistance must be prominently displayed on RML's public website including a description of the financial assistance application process and a copy of the financial assistance application.

3. Each patient shall be notified of the availability of financial assistance upon admission by being provided with a plain-language summary of the Financial Assistance Policy.

4. Written material shall be available regarding RML's financial assistance program in areas of the hospital commonly utilized for admission and registration of patients.

V. Application of FAP to Providers other than the Hospital

The granting of financial assistance under this policy is limited to hospital charges and the charges of those providers employed by RML. A list of all RML physician staff members who have agreed and not agreed to comply with this policy shall be posted on RML's website and also provided to patients upon admission. This list shall be updated no less than quarterly.

VI. Eligibility for Presumptive Financial Assistance

A. Patients are deemed presumptively eligible for free care if the patient demonstrates one or more of the following;
   1) Homelessness
   2) Deceased with no estate

3) Mental incapacitation with no one to act on patient's behalf
4) Medicaid eligibility, but not on date of service or for non-covered services.
5) Enrollment in one of the following assistance programs for low-income individuals having eligibility criteria at or below 200% of the federal poverty income guidelines:
    a) Women, Infants and Children Nutrition Program (WIC)
    b) Supplemental Nutrition Assistance Program (SNAP)
    c) Illinois Free Lunch and Breakfast Program
    d) Low Income Home Energy Assistance Program (LIHEAP)
    e) Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low-income financial status as a criterion for membership.
    f) Receipt of grant assistance for medical services.

B. In the event that the uninsured patient does not apply for Financial Assistance, cooperate with demonstrating the inability to pay or the patient fails to contact RML in response to collection efforts, RML may extend Financial Assistance to the uninsured patient. RML would take into consideration the information available to make a determination of presumptive eligibility for Financial Assistance, such as the Medicaid application completed by the patient, whether the referring hospital granted Financial Assistance for the patient for the episode of care relating to the patient's RML hospitalization, whether the patient was granted Medicaid eligibility following their RML hospitalization, the use of external credit reporting agencies, and any other available information that would be relevant in determining the patient's ability to pay for their RML hospitalization. RML will make every effort to grant Financial Assistance on a presumptive eligibility basis only to uninsured patients who are deemed unable to pay.

C. Presumptive Eligibility shall be applied to an uninsured patient as soon as possible after receipt of hospital services by the patient and prior to issuing any bill for those services.

VII. Billings and Collections Policy

RML has a separate Billings and Collections Policy which establishes the collection efforts it may take for all patients with self pay obligations related to insured patient deductibles and co-pays, non-covered services and uninsured patient financial obligations. This policy is available by contacting the Patient Financial Services Department at 630-286-4222.

Developed by: Vice President Finance & CFO
Committee Approval: RMLHP Corporation Board of Directors November 23, 2015