Indigent Care L666

PURPOSE:
To establish appropriate guidelines for determining discounts that will be made available for medically necessary services rendered by CarePartners Health Services to patients without the means to pay.

APPLICATION:
Patient Financial Services, Finance Department, Admissions Department, Clinical Professional Staff, Senior Leadership Team, CEO, COO, CFO, Inpatient Rehabilitation, Outpatient Rehabilitation, Home Health, and Hospice Services.

POLICY STATEMENT:
Although CarePartners endeavors to serve anyone benefiting from its services without regard to economic condition, CarePartners survives as an institution through the collection of payment for its services. The Board of Directors of CarePartners establishes available indigent care funds through the approval of the annual budget. The demand for services to patients without the means to pay exceeds our ability to provide the same. Consequently, CarePartners adopts this policy to assure the availability of funds, consistent and efficient allocation among patients, and includes reasonable efforts to identify patients needing assistance. Patients may be required to apply for other available payer sources such as Medicaid and Vocational Rehabilitation before Indigent Care is considered.

Information regarding CarePartners Indigent Care Policy is available via the hospital's website, during financial discussions with hospital staff, and on request. This policy is applied consistently and includes reasonable efforts to ensure that financial assistance is offered prior to assignment to a collection agency. CarePartners reserves the right to reverse a discount previously applied if it is determined that additional payer resources were available or if information provided is found to be false. Patients will be notified and afforded an opportunity to provide additional clarification.

If a patient qualifies for Financial Assistance with our affiliate hospital, Mission Health System, CarePartners will request a copy of the application from Mission and will not require the patient to complete a duplicate application.
DEFINITIONS:

Indigent Care - Health services provided to a patient who is eligible based on a classification as Financially Indigent or experiencing Financial Hardship. These services are reimbursed in part or in total through indigent care funds.

Financially Indigent - Financially Indigent means a patient whose total Reported Income is less than 300% of the Federal Poverty Guidelines (FPG) which qualifies him/her for an indigent care discount.

Financial Hardship - Financial Hardship is used to permit the waiver of all or a portion of a beneficiary's cost-sharing amount. Determination of a patient's financial need for assistance is based on:

A. a patient's income, assets, and expenses;
B. number of members in the patient's family unit;
C. the scope and extent of a patient's unpaid medical bills; and
D. available health care insurance and other payment sources.

Family Unit - Family Unit is defined as the Patient, Spouse/Domestic Partner sharing the home, Dependent Children, or Disabled Adult dependents living in the home. Income for all members of the family unit will be considered in eligibility status.

Benefit Maximum - A Benefit Maximum is a predetermined limit set by a third party payer on a covered service or supply by dollar amount, duration, or number of visits.

Medically Necessary Care - Medical necessity is a legal term in the U.S. related to health care activities which may be justified as reasonable, necessary, and/or appropriate, based on evidence-based clinical standards of care.

Indigent Care Eligibility - CarePartners uses the U.S. Department of Health and Human Services Federal Poverty Guidelines to establish the amount of indigent care funds that may be provided to a patient based on eligibility and availability of resources. The cost of services reimbursed through CarePartners indigent care funds is based on a sliding scale below.

<table>
<thead>
<tr>
<th>Percent of Indigent Care</th>
<th>Percent of HHS FPG</th>
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<tbody>
<tr>
<td>100%</td>
<td>150% or less</td>
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<tr>
<td>75%</td>
<td>151% to 200%</td>
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<td>50%</td>
<td>201% to 250%</td>
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<td>25%</td>
<td>251% to 300%</td>
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Federal Poverty Guidelines are updated annually and published in the Federal Register.

Assets - Real estate (not including the primary residence), personal vehicles (exceeding one per licensed adult driver), and other personal property (including boats, campers, trailers, etc.) will be considered in the eligibility determination as documented below:

- Up to 10,000 no effect
- 10 to 20,000 additional $2000 patient responsibility or deductible
- Over 20,000 not eligible for Indigent Care
STANDARDS:

Patients who have indicated no means or limited means of payment must complete the Financial Assistance Form and provide requested supporting financial documentation. Outstanding balances within 90 days of the date of the Financial Assistance Application will be considered if approved for indigent care. Patients moving through the CarePartners continuum will complete only one Financial Assistance Form to follow them through the course of their episode of care. Patients will be required to provide current financial information yearly to ensure continued eligibility for indigent care.

CarePartners also provides a catastrophic discount clause for those patients who are over the financial guidelines for Indigent Care, but are experiencing a financial hardship due to an unpaid balance over $10,000. Those balances will be discounted such that the remaining patient liability does not exceed 25% of the family unit’s annual income as documented on the Financial Assistance Application.

EXCLUSIONS AND LIMITATIONS:

An individual would not be considered for indigent care funds for services not typically covered under health insurance plans. Supplies excluded from Medicare, Medicaid or third party coverage would remain the patient's self-pay responsibility and would not be eligible for indigent care funds, e.g. splints, garments used with lymphedema treatment, etc.

Medically necessary services provided to patients who are eligible for indigent care in outpatient or home health may be limited to a maximum number of visits equal to the criteria established for the public health Medicaid programs. If Medicaid does not provide treatment coverage due to an excluded diagnosis, patients will be eligible to participate in group therapy classes (both land and pool) at nominal to no fee.

For patients with insurance coverage, Indigent Care may not be used to extend treatment once the patient's benefit maximum is reached. These patients will also be eligible for participation in group therapy classes.

CarePartners offers services that are always deemed as self pay responsibility and are not eligible for financial assistance. These services include but are not limited to: Adult Day Services, Private Duty Nursing, Private Care Management, Driving Evaluations, Laser Therapy, Constraint Induced Therapy, Functional Capacity Evaluations (FCE), Wellness Programs, and Walk Aids.

PROCEDURE: Service Specific

A. Intake/Liaison will identify patients indicating limited or no means of payment for medically necessary services and notify the Financial Counselor.

B. The Financial Counselor will obtain information regarding patient's financial resources to determine eligibility for Indigent Care.

C. The Patient Financial Counselor meets with the patient and explains the application form and documentation needed for financial assistance. The patient completes the forms and returns them to the Patient Financial Counselor. The Financial Counselor will follow up with the patient to obtain any missing information necessary to determine eligibility.

D. If a patient does not complete the Financial Assistance Form or does not submit the required documentation, the patient will be classified as self-pay until the application is complete and eligibility for indigent care can be determined. Applications for financial assistance will be held open for 60 days after the request is made for the patient to complete the Financial Assistance Form.
E. The Financial Counselor will process the completed application and make the eligibility determination.

F. A down payment may be required for services if the patient has a liability based on the sliding scale
determination of the Indigent Care Policy.

G. After the account is final billed, the Financial Counselor will complete the Account Adjustment form and
attach the completed, signed application with other supporting documentation and forwards the
completed package to Patient Financial Services.

H. Approval for Indigent Care follows the guidelines below:
   ◦ >10,000 Financial Counselor
   ◦ 10,001-50,000 Director
   ◦ >50,000 CFO

I. The Financial Counselor will advise the patient in writing of the eligibility determination and any self pay
responsibility they may have. The Financial Counselor will also notify the Executive Director of the
appropriate Service Line if care is continuing so they may consult with the Case Managers and Social
Workers regarding on-going resource needs and discharge options.

FORMS:
Financial Assistance Application (L666b English, L666g Spanish)
Financial Assistance Application Letter (L666c)
Financial Assistance Status Letter (L666f)
Financial Determination Form

APPROVALS:
Every three years by Senior Leadership and the Director of Revenue Cycle.

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<tr>
<th>Approver</th>
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<tr>
<td>Janise Donovan: Director, Post Acute Compliance</td>
<td>03/2013</td>
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<tr>
<td>Nancy Bannan: Compliance Specialist</td>
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<tr>
<td>Janise Donovan: Director, Post Acute Compliance [NB]</td>
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<tr>
<td>Chuck Dyson: Revenue Cycle Integrity Director</td>
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<tr>
<td>Gregg Dixon: Chief Financial Officer</td>
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