Main Line Health and Subsidiaries

Policy No. VI. 6
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Revised: September 2015
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Revised: September 2015

Policy Name: Charity Care and Financial Assistance

Policy:
Main Line Health (MLH) is committed to providing charity care and financial assistance to persons who are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. MLH is committed to treating patients who have financial needs with the same dignity and consideration that is extended to all its patients. MLH intends, with this policy, to establish charity care and financial assistance procedures that are compliant with applicable federal, state and local laws.

Scope of Policy:
This Policy shall cover medically necessary health care services provided by MLH and does not include physician services Radiology Associates of the Main Line (RAML), Emergency Medicine Associates, Main Line Pathology Associates, United Anesthesiology and other consulting physicians and vendors. MLH is committed to treating patients with emergency medical conditions regardless of their ability to pay.

It is not the intent of this policy to offer free or discounted care to patients who have health insurance with high deductibles or coinsurance unless they otherwise qualify for Financial Assistance under this policy. Any person who does not have insurance or does not have the ability to pay all or part of their financial responsibility to MLH for MLH provided services may apply for charity care and financial assistance. Patients who are receiving elective cosmetic or plastic surgery are not eligible.

Definitions:
Uninsured Patient An individual who does not have any third-party health care coverage with (a) a third party insurer, (b) an ERISA plan, (c) a Federal Health Care Program (including without limitation Medicare, Medicaid, SCHIP and TRICARE), (d) Workers' Compensation, Medical Savings Accounts or other coverage for all or any part of the bill, including claims against third parties covered by insurance to which a MLH entity is subrogated, but only if payment is actually made by such insurance company.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family Income: Family income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household and other miscellaneous sources;

- Noncash benefits (such as food stamps and housing subsidies) do not count;

- Determined on a before –tax basis

- Excludes capital gains or losses; and

- Excludes the income of non-relatives, e.g. housemates, who reside in the same dwelling

Presumptive Charity Care: A determination that a patient is presumed eligible for Charity Care based on financial and historical qualifiers.

Amounts Generally Billed (AGB): Amounts Generally Billed refers to the amount generally billed by the hospital to insurers. Patients eligible for financial assistance will not be billed more than what Main Line Health would receive if the patient were a Medicare beneficiary. This is referred to in the IRS regulations as the "Prospective Method" of calculating amounts generally billed.

Charity Care: Charity Care means the ability to receive "free care". Patients who are uninsured for the relevant, medically necessary service, who are ineligible for governmental or other insurance coverage, and who have family incomes not in excess of 200% of the Federal Poverty Level will be eligible to receive "free care". (See attached Schedule A.)

Financial Assistance: Financial Assistance means patients who are uninsured for the relevant service and who are ineligible for governmental or other insurance coverage, and who have family incomes in excess of 200%, but not exceeding 500%, of the Federal Poverty Level, will be eligible to receive Financial Assistance in the form of amounts Generally Billed-Medicare reimbursement. (See attached Schedule A.)

Federal Health Care Program: Any health care program operated or financed at least in part by the federal, state or local government is a federal health care program.

Eligibility:
Any person who does not have insurance or does not have the ability to pay all or part of their financial responsibility to MLH for MLH provided services is eligible for charity care and financial assistance. Patients undergoing elective cosmetic or plastic surgery are not eligible.

It is recognized that there is a small percentage of the uninsured patient population that have substantial assets and thus the ability to pay for health care services. These individuals may have tax-exempt income or other assets not reflected on a tax return. This policy is not intended to provide free care or Medicare Fee Schedule rates to this portion of the uninsured patient population. They are eligible for the Self Pay discount detailed in the Participation section of this policy.

Eligibility Determination:
Inpatient Admissions: Once a patient is identified as uninsured, MLH personnel shall provide the patient with the MLH Charity Care and Financial Assistance Application. (Schedule C) The uninsured patient must complete the Application. Some or all of the financial documentation listed below will be required for consideration.

Outpatient Services: Uninsured patients receiving services will be provided with the MLH Charity Care and Financial Assistance Application (Schedule C) and/or the MLH Charity Care and Financial Assistance Form Attestation of No Insurance (Schedule B). The Patient may be required to submit some or all of the financial documentation listed below.

- Medical Assistance eligibility/denial notice from the State of Pennsylvania and/or County Services for Inpatient admissions

- Income Tax returns for the most recently filed year.

- Proof of income and Adjusted Gross Income such as:
  - Pay stubs from the past six (6) pay periods
  - W-2 withholding statement
  - Social Security checks, receipts or deposits
  - Bank statements - checking and savings
  - Any other documentation that may serve as proof of Financial Assistance eligibility.

The financial resources of a parent or guardian may be considered in determining the eligibility of a patient who is dependent on the parent or guardian for financial support.

Presumptive Financial Assistance Eligibility:
There are instances where a patient may appear eligible for financial assistance, but supporting documentation is lacking or unavailable. In such event MLH will use other appropriate 3rd party resources to estimate an individual's income. A patient meeting the criteria for presumptive financial assistance will have all charges waived. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. Enrolled in a state-funded prescription programs;

2. Being homeless or receiving care from a homeless clinic;

3. Participating in the Pennsylvania Department of Welfare's Women, Infants and Children programs (WIC);

4. Being eligible for food stamps;

5. Receiving subsidized school lunches;

6. Being eligible for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);

7. Residing in low income/subsidized housing, providing the address supplied by the patient is a valid address; and

8. Patient is deceased with no known estate.

Participation:
A completed MLH Charity Care and Financial Assistance Application will be forwarded to Main Line Health Patient Accounting Department. When the Application is received, the staff will review and determine (through the use of the Charity Care and Financial Assistance Table, Schedule A) if the application is complete and whether the documentation supports the individual's eligibility for charity care or financial assistance.

Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by MLH to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts MLH will charge patients qualifying for charity care or financial assistance is as follows:

- Patient's with income 200% below the Federal Poverty Guidelines supported by the appropriate documentation as determined by the Main Line Health Patient Accounting Department, will be eligible for 100% Charity Care.

- Patients extended Financial Assistance (family incomes in excess of 200%, but not exceeding 500%, of the Federal Poverty Level) must sign a written agreement to pay the balance remaining after deducting the discount. The patient will receive a bill showing charges, the amount of the discount and the balance due (Medicare Reimbursement Rates). Physician and other services provided by outside providers, excluding Main Line Health Care physicians, are not covered by this policy and patients seeking a discount for such services should be directed to call the physician or outside provider directly to seek assistance.

Patients who do not provide the requested information necessary to completely and accurately assess their financial situation and/or who do not cooperate with efforts to secure governmental health care coverage will not be eligible for Charity Care or Financial Assistance. However, in normal circumstances, such cooperation should not be a precondition to the receipt of medically necessary treatment, especially emergency care.

Uninsured Patients with Incomes Exceeding 500% of FPL:
Patients who are uninsured patients and have family incomes exceeding 500% of the Federal Poverty Level will be eligible for a self pay discount based on the following guidelines:

- For all Inpatient Non-Elective services a discount of 60% off total charges will be applied.

- For all Inpatient Elective services a discount of 40% off total charges will be applied.

- Emergency Department services, those treated and released, a minimum discount of 40% off total charges will be applied with a maximum liability of $1,000.00.

- For all other Medically Necessary Outpatient services a discount of 40% off total charges will be applied.

- All patients eligible for financial assistance and presenting for Inpatient Non-Elective and Elective services are expected to apply for State Medical Assistance.

Applications outside of these guidelines may be approved based upon extraordinary circumstances with the documented approval of the VP of Finance and/or MLH CFO.

Collection of amounts due from patients receiving Financial Assistance shall be handled pursuant to the MLH Finance Policy on Collections.

Communication of the Charity Care and Financial Assistance Program to Patients and Within the Community:

Notifications about the availability of charity care and financial assistance from MLH, will be disseminated by MLH by various means which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, in the Conditions of Admissions form, admitting and registration departments, and patient financial services offices that are located on facility campuses, and at other public places as MLH may elect. These documents and notices will all include a contact phone number for further information. MLH will also publish and widely publicize a summary of this financial assistance policy on facility websites, in brochures available in patient access sites and other places within the community served by the hospital as MLH may elect. Such notices and summary information will be provided in the primary languages spoken by the population serviced by MLH. Referral for charity care and financial assistance may be made by any member of the MLH staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity care and financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

Regulatory Requirements:
In implementing this policy MLH management and facilities shall comply with all other federal, state and local laws, rules and regulations that may apply to activities conducted pursuant to this policy.

Schedule A

Main Line Health Charity Care and Financial Assistance Table*

To apply for Charity Care or Financial Assistance, the patient must complete the MLH Charity Care and Financial Assistance Application and proof of income must be attached. Poverty guidelines effective January 22, 2015:

SIZE OF FAMILY UNIT	Yearly Income at or below 200% of FPL, eligible for 100 % Free Care	Yearly Income in excess of 200%, but not exceeding 500% of FPL, eligible for Medicare Reimbursement Rates (Amts Generally Billed)
1	$23,540	$23,541 - $58,850
2	$31,860	$31,861 - $79,650
3	$40,180	$40,180 - $100,450
4	$48,500	$48,501 - $121,250
5	$56,820	$56,821 - $142,050
6	$65,140	$65,141 - $162,850
7	$73,460	$73,461 - $183,650
8	$81,780	$81,781 - $204,450
For each additional family member after 8 add:	$8,320	$20,800

Examples:

Family unit of 1 with an annual income of $20,000 receives a 100% discount.

Family unit of 5 with an annual income of $80,000 will be responsible for the Medicare reimbursement rate

Family unit of 4 with an annual income of $90,000 will be responsible for the Medicare reimbursement rate

Family unit of 7 with an annual income of $170,000 will be responsible for the Medicare reimbursement rate

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* This Table shall be adjusted in accordance with annually released changes to the Federal Poverty Guidelines.

Schedule B
MAIN LINE HEALTH CHARITY CARE AND FINANCIAL ASSISTANCE FORM
ATTESTATION OF NO INSURANCE

FACILITY: _____ PATIENT NUMBER: _____

LAST NAME:_____ FIRST NAME:_____ M.I.___

ADDRESS:_____ CITY:_____STATE:___ZIP:_____

SSN# LAST FOUR DIGITS: _____ DATE OF SERVICE: _____

I hereby certify that I am currently do not have the ability to pay for the hospital treatment and or other services including but not limited to Laboratory, Radiology, etc on the date stated above.

☐ **Initials:____**

I understand that by signing this document, I am applying for Charity Care or Financial Assistance.

☐ **Initials:____**

If any information I have given proves to be untrue, I understand that the hospital or other entity of Main Line Health, may re-evaluate my financial status and I may become liable for charges.

☐ **Initials:____**

Last Date Employed:_____Family Unit Size:__ Family Annual Income:_____

I certify the above information is true and complete. I understand that willful falsification of information contained in this application will result in denial of Charity Care or Financial Assistance.

_____
Patient Signature **Date**

_____
Printed Name

If you have questions, please contact the MLH Business Office @ 484-580-4360

DISCLAIMER

Main Line Health reserves the right to request such information as pay stubs, income tax returns, bank statements, social security, and/or other liquid financial information deemed appropriate to determine qualification for assistance.