

SUBJECT: Financial Assistance (Hospital Charity) Policy

SCOPE: This policy applies to all patients of Mary Rutan Hospital (“Hospital”), including all inpatients, outpatients, and patients of ambulatory care clinics. This policy shall be implemented and followed by all Hospital employees who conduct functions involving screening of patients for Financial Assistance needs (e.g. patient scheduling, financial counseling, etc.)

PURPOSE: The purpose of this policy is to define eligibility for and application process of Hospital’s Financial Assistance program for all potentially eligible patients.

DEFINITIONS: As used in this policy, the following terms shall have the meanings set forth below.

Charity Care: Care provided at no cost to the patient, and covered by no other program (such as Ohio HCAP or Medicaid).

Charity Discount: Discounts off the patient’s liability, based upon income status and covered under Mary Rutan’s patient discount policy.

Supplemental Discount: Discounts offered through the Weight Management Supplemental Discount Program

Presumptive Assistance: Any application for Charity Care or Charity Discount completed prior to services being rendered, generally initiated as part of the Hospital’s Pre-Screening (Financial Clearance) Policy.

Patient Liability: The portion of a bill for healthcare services for which a patient is responsible, for example a deductible, co-insurance, or co-pay.

AGB: Amount Generally Billable is the discount to gross charge applied to all patient accounts potentially eligible for Charity Care or a Charity discount (excluding Supplemental Discount Program). The AGB is determined at least annually in December and utilizes the “look back method” where data for the last 12 months for all non-Medicaid insurances are reviewed and the generally allowable amounts (net payment) is utilized to determine the AGB rate. As of this policy’s latest revision date, the AGB rate is: 54%

POLICY:

- A. To be eligible for Charity Care or a Charity Discount the following conditions must be met:
 - 1. The patient must have received emergency or medically necessary services, or in the case of a presumptive assistance must be scheduled for upcoming medically necessary services. See Hospital’s Emergency Care and Transfer of Patients with Emergency Medical Condition Policy regarding information about emergency care.

2. The patient is an Ohio resident and not an out-of-state patient who is on vacation or any patient who has come to Ohio solely to receive medical care.
3. Have no insurance/third party payment source available, or have a balance after insurance/third party payment above \$5,000.
4. The patient must complete and submit to Hospital an HCAP application or Hospital's financial statement form.
5. The patient is required to file a complete Medicaid application, unless in Hospital's sole discretion a documented religious reason exists for not applying for government programs. The patient must complete the initial Medicaid application and must provide all information requested to supplement said application and/or support a final determination on the application. The Hospital has the right to request proof of this application.
6. Patient must have expended all funds available to patient in a Health Savings Account or Health Flexible Spending Account.

B. If a patient meets the qualifications set forth in section A and their application for assistance is approved, the discount amount will vary based upon their household's percentage of the federal poverty guidelines, and determined through their application information on the HCAP or financial statement form. The sliding scale for assistance and the relationship to federal poverty level (FPL) are shown on the table below:

Household Income Percentage of FPL	Discount from Patient Liability
≤125%	100%
125% - 150%	75%
150% - 175%	50%
175% - 200%	25%

C. In addition to Charity Care, the hospital offers a Supplemental Financial Assistance Program to those participants taking part in our Weight Management Clinic, in support of our mission and Community Needs Assessment. Application for the Supplemental Financial Assistance Program would occur through the same process as the Charity Care program, except that: (i) the medical necessity requirement in section A.1 and A.5 above are waived; (ii) the \$5,000 minimum balance after insurance in section A.3 above is waived; and (iii) the discount levels in section B are amended as follows:

Household Income Percentage of FPL	Discount from Patient Liability
≤200%	100%
200% - 250%	75%
250% - 325%	50%
325% - 400%	25%

- D. These discounts would apply after the AGB has already been applied. If a patient's application for assistance is denied, the Hospital reserves the right to reverse the AGB discount on all non-emergency services.
- E. The hospital will undertake measures to ensure that no patients receiving emergency or medically necessary services are responsible for a patient liability in excess of the AGB rate in effect at the time of service.
- F. Charity Care and Charity Discounts are both considered to be activities that benefit the community, and are claimed as community benefit by the hospital. AGB discount amounts may also be considered a community benefit and claimed as such.
- G. This policy shall be communicated by Hospital in the manners listed below, which are not exclusive of other means of communication which may be used by Hospital from time to time:
 - 1. Posting of signs
 - 2. Listed on the Maryrutan.org website
 - 3. Hospital financial counselors or similar staff to assist
 - 4. Informed on the back side of all billing statements
 - 5. A plain language summary is available and enclosed within at least one billing statement
 - 6. Outreach efforts are undertaken through Hospital's Community Relations department via various methods, including but not limited to health fairs, advertising, and/or community/town hall events.
- H. Patients have 240 days to request financial assistance from the first statement date. Other timeframes for application and the assistance application's impact on the billing process may be found in Hospital's Bad Debt/Collections policy.
- I. Potential Charity Care or Charity Discounts of Five Thousand Dollars (\$5,000) and greater will require a tax return and proof of income in addition to the items set forth in Section A, above. All applications for the Supplemental Discount Program in Section C, regardless of discount amount, will require a tax return and proof of income. Proof of income may also be required if, in evaluating the financial statement and application the Hospital has reasonable concern as to the validity or consistency of the information provided.

Acceptable proof of income can be:

- 1. Pay check stubs
- 2. SSI statements or copy of check
- 3. Disability declarations
- 4. Bank deposit statements
- 5. Statements by employer (on letterhead)
- 6. Signed statement from Bishop or dedicated person.
- 7. Any other means by which income is clearly defined

J. Approval authority for levels of Financial Assistance (Hospital Charity) shall be based on the following dollar limits:

1. Zero-\$1,000	Patient Clearance Rep/Financial Counselor
2. \$1,001-\$5,000	Supervisor of Patient Clearance
3. \$5,001-\$14,999	Director of Revenue Cycle
4. \$15,000 and over	Vice President of Fiscal Services

K. The patient's good faith effort is expected in providing the necessary paperwork and/or documentation necessary for Hospital to implement and effectuate this policy. Denial of the application for lack of documentation or for any other reason will cause the account to resume the billing process, see Bad Debt/Collections policy.

L. Certain services are excluded from Charity Care or Charity Discounts. If excluded services are deemed medically necessary by a third party payer, there will be a discount from gross charge of the contractual amount or 54%, whichever is less, in accordance with IRS rule 501r's clause on charge limitations. If the service is a "retail service" (not billed to a third party payer, and therefore not determinable to be medically necessary or not), or explicitly excluded under below, no discount from charge will apply.

Excluded services are:

- Hearing aids, excluding surgically implanted cochlear devices
- Retail laboratory services (generally referred to as the Hospital's "Direct Access Lab")
- Patient liabilities for retail pharmacy prescriptions
- Weight Management Clinic dietary supplements
- Services, including medically necessary services, where the patient chooses voluntarily to forgo the billing of their existing health insurance, workers compensation, or any other third party coverage for their services, as is their right to do so for privacy reasons under HIPAA. Should a patient choose not to have any such insurance billed for services, they will not receive an AGB discount. Instead, the discount from gross charge that their insurance or coverage would otherwise have received will be applied to the patient's liability.

M. Miscellaneous other programs supported by Mary Rutan Foundation and other sources exist and will have separate and distinct policies and procedures.