

I. PURPOSE

- A. **Caro Community Hospital (CCH)** is committed to serving the healthcare needs of all of its patients, regardless of their ability to pay for services. CCH strives to ensure that the financial capacity of people who need healthcare services does not prevent them from seeking or receiving care.
- B. Consistent with its mission to deliver compassionate, high quality, care and services to enhance the health of all people served, **CCH** has established this Financial Assistance Policy to provide Financial Assistance to Uninsured Patients, Underinsured Patients and those who otherwise qualify for financial assistance under this Policy and receive emergent or medically necessary care at CCH.

II. SCOPE

A. **Eligible Services.**

This Policy applies to all qualifying Patients receiving emergency and medically necessary care rendered at **CCH**.

B. **Ineligible Services.**

This Policy does not apply to the following services:

1. Cosmetic Surgery
2. Services provided by health care providers that are not employed by CCH.

III. DEFINITIONS

“Amounts Generally Billed (AGB)” means the amounts generally billed for any emergency or other medically necessary care using the look-back method calculated by multiplying the Hospital Facilities’ gross charges for care by the AGB rate. Information regarding the AGB rate and calculation is available upon request and free of charge.

“Assets” means any tangible or intangible item owned and/or controlled by a patient or Guarantor which has monetary value.

“Charged” means the amount a Financial Assistance Policy eligible individual is personally responsible for paying, after all deductions, discounts (including discounts available under this Financial Assistance Policy), and insurance reimbursements have been applied.

“Extraordinary Collection Actions (ECA)” means actions taken by CCH or its agents against a patient or Guarantor related to obtaining payment of a bill for care covered under this Financial Assistance Policy that require a legal or judicial process, involve selling a patient's outstanding patient responsibility to another party, reporting adverse information about the patient to a consumer credit reporting agency or credit bureau or deferring, denying or requiring payment prior to providing medically necessary care because of an individual's nonpayment of one or more bills for previously provided care under the hospital's Financial Assistance Policy.

“Federal Poverty Level” means guidelines developed by the U.S. Department of Health & Human Services on an annual basis. Levels are determined by the number of members in an individual's household and their annual income.

“Financial Assistance” means a total or partial reduction in the amount billed to a patient, or his/her Guarantor(s), who is eligible for assistance under this Policy.

“Financial Assistance Application” means the information and accompanying documentation that an individual submits to apply for financial assistance under this Financial Assistance Policy.

“Financial Assistance Committee” means the internal review process comprised of hospital representatives responsible for making determinations of Financial Assistance eligibility under this Policy, to include one or more CCH administrators.

“Financial Assistance Determination” means a grant or denial of an individual's application for Financial Assistance under this Policy.

“Financial Assistance Policy” means the terms and conditions found in this document.

“Guarantor” means the individual responsible for the financial obligations of a patient and may be used interchangeably with patient.

“Hospital Facility” means any facility owned or operated by CCH that is licensed/registered or similarly recognized as a hospital by the State of Michigan, including all buildings operated under the State of Michigan license.

“Household” includes all individuals listed on a patient or Guarantor's federal income tax filing. Guarantor's of a minor dependent who do not claim the dependent on their federal taxes may submit a court decree as proof of the dependent's household status. In the event the patient's (except for minor patients) income does not warrant the filing of a federal tax statement, the patient/Guarantor may submit a notarized affidavit attesting to the foregoing.

“Income” means any interest, dividends, wages, compensation for other services, tips, pensions, fees for earned services, price of goods sold, income from rental property, gains on sale of other property, alimony, or royalties.

“Plain Language Summary” means a written statement that notifies an individual that the hospital facility offers financial assistance under a Financial Assistance Policy.

“Policy” means this Financial Assistance Policy.

“Underinsured Patient” means a patient who, despite having insurance coverage, finds the obligation to pay insurance, copayments, coinsurance and deductibles is such a financial burden that he or she delays or does not receive medically necessary health care services due to the health care costs.

“Uninsured Patient” means a patient who lacks a commercial insurance product, a government insurance/assistance product, whose injury is not a compensable injury through worker’s compensation, automobile insurance or other insurance and/or a previous contract or agreement negotiated with **CCH** to which the patient is a contemplated party or beneficiary.

IV. **POLICY STATEMENTS**

A. **General**

1. **CCH** will not refuse, delay or discourage emergency and/or medically necessary services based on a patient's ability to pay for the cost of such services in accordance with the Emergency Treatment and Active Labor Act (EMTALA).
2. Financial Assistance determinations will be made without regard to a patient's age, race, religion, color, sex, disability, national origin, sexual orientation, ancestry, and familial status.
3. **CCH** will actively promote all patients' awareness of the availability of Financial Assistance.
4. This Policy applies to all emergency and medically necessary care provided by **CCH**.

B. **Eligibility**

1. Prior to seeking Financial Assistance under this Policy, all patients or the Guarantor(s) must consult with a financial counselor designated by **CCH** to determine if healthcare coverage may be obtained from a government insurance/assistance product or from the Health Insurance Exchange Marketplace. The financial counselor will also provide free copies of this Policy, the Financial Assistance Application and Plain Language Summary to every patient and/or Guarantor requesting Financial Assistance.

2. All Uninsured Patients and Underinsured Patients presenting for services who are determined to be eligible under this Policy will not be Charged more than the Amounts Generally Billed (AGB), as detailed in below in Subsection D of this Section.
3. Services Rendered by Individual Providers
 - a. This Policy may not cover services rendered by some individual providers. A full listing of providers and services covered and not covered by this Policy are available at www.cch-mi.org and updated on not less than a quarterly basis.
4. Alternate Sources of Assistance
 - a. Where qualifying for such assistance, a patient or Guarantor must exhaust all other state and federal assistance programs prior to receiving an award under this Financial Assistance Policy.
 - b. Patients who may be eligible for coverage under an applicable insurance policy, including, but not limited to, health, automobile, and homeowner's, must exhaust all insurance benefits prior to receiving an award under this Financial Assistance Policy. This includes patients covered under their own policy and those who may be entitled to benefits from a third-party policy. Patients or Guarantors may be asked to show proof that such a claim was properly submitted to the proper third party payer prior to a final determination on eligibility for assistance under this Financial Assistance Policy.
 - c. Eligible patients who receive medically necessary care from **CCH** as a result of an injury proximately caused by a third party may, at the hospital's request assign a lien by way of a written agreement in any future monetary settlement an award received from or on behalf of said third party up to the amount of the Financial Assistance awarded to the patient or Guarantor.
5. Patient Assets
 - a. **CCH** may consider patient/Guarantor Assets in the calculation of a patient's true financial burden. A patient's/Guarantor's primary residence and one (1) motor vehicle will be exempted from consideration in most cases.
 - i. A patient's primary residence is defined as the patient's principal place of residence and will be excluded from a patient's extraordinary asset calculation so long as the

patient's equity is less than Fifty Thousand dollars (\$50,000) and the home is occupied by the patient/Guarantor, patient's/Guarantor's spouse or child under twenty-one (21) years of age.

- b. **CCH** reserves the right to request a list of all property owned by the patient and/or Guarantor prior to making a final eligibility determination and adjust a patient's award of Financial Assistance if the patient/Guarantor demonstrates a claim or clear title to any extraordinary Asset not excluded from consideration under Section IVC(1) above.

6. Alternate Methods of Eligibility Determination

- a. To ensure that all patients eligible for Financial Assistance receive Financial Assistance, **CCH** may deem patients/Guarantors to be presumptively eligible for Financial Assistance if they are found to be eligible for one of the following programs, received emergency or direct admit care, and satisfied his/her required co-pay/deductible:

- i. Medicaid
- ii. State-funded prescription programs;
- iii. Homeless or received care from a homeless clinic;
- iv. Participation in Women, Infants and Children programs;
- v. Food stamp eligibility;
- vi. Subsidized school lunch program;
- vii. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down) and;
- viii. Low income/subsidized housing is provided as a valid address.

- b. Any patient or Guarantor qualifying under section 6(a) above will be required to provide Household Income verification in order to determine the applicable discount (if any) in 7(c) below.

7. Financial Assistance

- a. Eligibility for assistance will be determined based on a patient's/Guarantor's Federal Poverty Level (FPL).
- b. The following sliding scale will be used for the current year's FPL to determine eligibility and the applicable discount.
- c. For Financial Assistance Policy eligible individuals, the amount of Financial Assistance shall be measured against the applicable FPL, as may be adjusted based on amount of available patient/Guarantor assets, and assigned according to the following schedule:

AGI to Federal Poverty Guidelines	Applicable discount
Up to 150%	100%
151-175%	80%
176-200%	60%
201-250%	40%
251% and above	0%

- d. Notwithstanding the discount schedule described in Section B.5.c above, for Uninsured Patient/Guarantors with Household income up to 250% of the Federal Poverty Guidelines and who would otherwise qualify for a discount of 40% or less from AGB, the Uninsured Patient/Guarantors will not be charged more than 115% of the Medicare reimbursement rate for medical services rendered to the Patient.

8. Additional Considerations

- a. **CCH** will deny or revoke Financial Assistance for any patient or Guarantor who falsifies any portion of a Financial Assistance Application.

C. Calculation of Amounts Billed to Patient

- 1. **CCH** limits the amounts billed to all Uninsured and Underinsured Patients/Guarantors to not more than the AGB to patients undergoing the same care and treatment who have insurance coverage for such care. Charging amounts in excess of AGB to patients/ Guarantors qualifying for assistance under this Policy is prohibited.

2. **CCH** employs the look-back method as the basis for calculating the AGB for care rendered at each Hospital Facility. The AGB is based on the annual average reimbursement received from all commercial health insurers and Medicare fee-for-service payers.
3. The AGB is calculated annually.
4. Any patient or Guarantor may request a description of methodology used to calculate AGB under this Policy or AGB assigned to any treatment or care provided to the patient. Such requests must be submitted by or on behalf of the patient in writing to the Finance Office. A response to all properly submitted and qualifying requests will be provided to the requesting party free of charge within seven (7) days of receipt of such request.

D. Non-Emergent Services Down Payment

1. Uninsured and Underinsured patients who qualify for Financial Assistance presenting for scheduled or other non-emergent services will not be Charged more than the AGB for their services.
2. Upon request, Uninsured and Underinsured patients, who qualify for Financial Assistance, presenting for non-emergent care may receive an estimated AGB cost of their care prior to services being rendered and may be asked to pay a down-payment percentage of the AGB adjusted cost prior to receiving services.
 - a. In the event the patient is unable to fulfill the down-payment, their service may be rescheduled for a later date as medically prudent and in accordance with all applicable federal and state laws and/or regulation.

V. PROCEDURE STATEMENTS

A. Financial Assistance Policy Publication

1. **CCH** will broadly publicize the availability of this Financial Assistance Policy within the communities it serves by taking the following actions:
 - a. Post this Financial Assistance Policy, a Plain Language Summary of this Policy, and its Financial Assistance Application on the hospital's Website (free of charge or the need to create a special account) and provide patients with a Plain Language Summary of this Financial Assistance Policy during registration and/or discharge.

- b. Post conspicuous public displays in appropriate acute care settings such as emergency departments and patient registration areas describing the available assistance and directing eligible patients to the Financial Assistance Application.
 - c. Include a conspicuous written notice on all patient billing statements that notifies the patient/Guarantor about the availability of this Policy, the telephone number of its Customer Service Department which can assist patients with any questions they may have regarding this Policy and the direct Website address where copies of the Financial Assistance Policy, Financial Assistance Application, and Plain Language Summary are available.
 - d. Make hospital financial representatives available via telephone at least Monday through Friday, excluding holidays, from 8:00 a.m. to 4:30 p.m. Eastern Time to address questions related to this Policy. Upon request, hospital financial representatives will also mail copies of this Financial Assistance Policy, a Plain Language Summary, and a Financial Assistance Application to patients or their Guarantor free of charge upon request.
 - e. Make paper copies of the Financial Assistance Policy, Financial Assistance Application, and Plain Language Summary available upon request and without charge in public locations of the Hospital; including the emergency room and patient registration areas.
2. **CCH** will broadly communicate this Policy as a part of its general community outreach efforts.
 3. **CCH** will educate its staff on this Financial Assistance Policy and the process for qualifying for benefits under this Policy.

B. Financial Assistance Application

1. Patients applying for assistance under this Policy will be required to complete a Financial Assistance Application.
 - a. Patients must include the following documentation with their Financial Assistance Application:
 - i. Copy of most recent signed federal tax return (including all pages and schedules)

- ii. Copy of two (2) most recent pay stubs showing year to date income.
- iii. Copies of documentation, income-generating statements or award letters to verify additional Household income such as:

- Disability
- Social Security
- Unemployment
- Bank Statements
- Retirement/Pension amounts
- Alimony or Child Support
- Rental or Estate Income

- 2. Patients or their Guarantors wishing to apply for Financial Assistance are encouraged to submit a Financial Assistance Application within ninety days (90) days of their discharge. Patients or their Guarantor may submit an application up to two-hundred and forty (240) days from the date of the patient's post-discharge billing statement. However, accounts may be subject to ECA collection efforts as defined in Section V, Subsection D of this Policy as soon as one hundred and twenty (120) days after patients or their Guarantor(s) have been provided the first post-discharge billing statement.
- 3. Patients or their Guarantors submitting an incomplete application will receive written notification of the application's deficiency, the additional information or documentation necessary to complete the application, and contact information for the Finance Office within thirty (30) days after the date upon which the application was first submitted. The application will be held open for a period of sixty (60) days from the date the deficiency notification is mailed.
 - a. **CCH** will suspend any ECA defined in Section V, Subsection D of this Policy until the application is complete or the patient/Guarantor fails to cure any deficiencies in the application prior to the end of the allotted sixty (60) day period described in Section V(B)(3) above.
 - b. Deficient application(s) which are not corrected within the sixty (60) day period following the hospital's written notification to the patient/Guarantor of such deficiency shall be deemed withdrawn and shall require no further action on the part of CCH.

4. Patients with limited English proficiency may request to have a copy of this Policy, a Financial Assistance Application, and a Plain Language Summary translated.
5. The patient, and/or their representative, such as the patient's physician, family members, Guarantor, legal counsel, community or religious groups, social services or hospital personnel may request a Financial Assistance Application to be mailed to a patient's or Guarantor's primary mailing address free of charge.
6. **CCH** keeps all applications and supporting documentation confidential.
7. **CCH** approved applications shall remain in effect for a period of six (6) months following approval of the application.

C. Eligibility Determination

1. **CCH** shall provide the patient or Guarantor with a Financial Assistance determination within thirty (30) days of receiving a completed Financial Assistance Application and all requested documentation.
2. If a patient or Guarantor is granted less than full assistance and the patient or Guarantor provides additional information for reconsideration, **CCH** may amend a prior Financial Assistance Determination.
3. All Financial Assistance determinations are final unless amended pursuant to Section V(C)(2) above.
4. A patient's Financial Assistance Application and eligibility determination are specific to each individual date(s) of service and related patient encounters.

D. Collection Actions

1. Collection actions shall apply to those individuals found to be eligible under this CCH Financial Assistance Policy.
2. **CCH** and any purchaser of the patient's debt, third-party collection agency, or other party the patient's debt has been referred to will not engage in ECAs against a patient/Guarantor to obtain payment for care before reasonable efforts are made to determine whether the patient/Guarantor is eligible for care under this Financial Assistance Policy.
3. Reasonable determination efforts of a patient/Guarantor's eligibility for Financial Assistance under this Financial Assistance Policy include:

- a. Prior to initiating an ECA, provide written notice within 120 days of the post-discharge statement informing the patient/Guarantor that Financial Assistance is available for those who qualify.
 - b. In the case of a patient/Guarantor submitting an incomplete Financial Assistance Application during the application period, notifying the patient/Guarantor of how to complete the Financial Assistance Application and provide the information and time to complete the application as set forth in Section V(B)(2)-(3) above.
 - c. In the case of a patient/Guarantor submitting a complete Financial Assistance Application, determine whether the patient/Guarantor is eligible for Financial Assistance under this Policy.
4. In addition to the efforts made in Subsection (D)(2)(a)-(c) above, the following actions will be taken at least thirty (30) days before initiating one or more ECA(s) to obtain payment for care:
- a. Provide the patient/Guarantor written notice indicating financial assistance is available to qualifying individuals, identify the ECA(s) that **CCH** or its authorized party intends to initiate for payment of care, the deadline for such ECA(s), which may be initiated no earlier than 30 days after the date that written notice is provided.
 - b. Provide the Plain Language Summary and a copy of the Financial Assistance Policy with the written notice required under Subsection 3(a) above.
 - c. Attempt to notify the patient/Guarantor verbally about the Financial Assistance Policy and how to obtain assistance through the Financial Assistance Application process.
5. **CCH** and its authorized representative will not initiate an ECA against a patient/Guarantor if he or she has an active Financial Assistance award.
6. **CCH** and its authorized representative may initiate ECA(s) against a patient/Guarantor in accordance with this Policy. ECA(s) may include the following:
- a. Selling a patient/Guarantor's outstanding financial responsibility to a third party;
 - b. Reporting adverse information about the patient/Guarantor to consumer credit reporting agencies or credit bureaus;

- c. Deferring or denying, or requiring a payment before providing, non-emergent medically necessary care because of a patient/Guarantor's nonpayment of one or more bills for previously provided care covered under this Policy.
- d. Actions requiring a legal or judicial process, including but not limited to:
 - i. Placing a lien on a patient/Guarantor's property;
 - ii. Foreclosing on a patient/Guarantor's real property;
 - iii. Attaching or seizing a patient/Guarantor's bank account or other personal property;
 - iv. Commencing a civil action against a patient/Guarantor;
 - v. Causing a patient/Guarantor arrest;
 - vi. Causing a patient/Guarantor to be subject to a writ of body attachment;
 - vii. Garnishing the patient/Guarantor's wages.
- 7. When it is necessary to engage in any collection activity (including ECAs), **CCH** and its authorized representative, will engage in fair, respectful and transparent collections activities. **CCH** will ensure that all contractual agreements with authorized representatives will conform with the minimum standards required by the Department of Treasury regulations.
- 8. A patient or Guarantor currently subject to an ECA and who has not previously applied for Financial Assistance may apply for assistance up to two-hundred and forty (240) days from the date of the first post-discharge billing statement.
- 9. In the event an application is filed within the two hundred-forty (240) day time period, **CCH** and its authorized representative will indefinitely suspend any ECA which may have been initiated against a patient/Guarantor while the Financial Assistance Application is processed and considered.

E. Refunds

- 1. Patient/Guarantor who are determined to be eligible for assistance under this Policy and remitted payment to **CCH** in excess of their responsibility

will be alerted to the overpayment as soon as practicable after discovery of the overpayment.

2. Patient/Guarantor with an outstanding account balance on a separate account not eligible for assistance under this Policy will have any refund amount applied to the separate account.
3. Patient/Guarantor with no outstanding account balance will be issued a refund check for their overpayment as soon as reasonably possible.

Approved by the Board of Directors on October __, 2016

Secretary/Treasurer
Caro Community Hospital
Board of Trustees