

# Saint Anthony Hospital

**Policy Title: Financial Assistance Policy -  
Charity Policy**

**Department: Patient Financial Services**

**Effective Date: 9/10/2020**

## **Purpose:**

The mission of Saint Anthony Hospital (SAH) is to provide high quality and compassionate health care services by partnering with patients and their families, employees, physicians and the communities served by SAH. Saint Anthony Hospital recognizes that not all individuals possess the ability or means to purchase essential medical services. This policy is in keeping with the SAH's commitment to serve all members of the community and identifies the circumstances under which financial assistance will be extended to patients based on their ability to pay.

## **Definitions:**

**Amount Generally Billed:** The amount generally billed is the expected payment from patients, or a patient's guarantor, eligible for financial assistance. For qualifying uninsured patients, this amount will not exceed the rate SAH is allowed under the Prospective Medicare Payment System.

**Assets:** Certain assets will be considered in making a determination of eligibility for financial assistance.

**Cost to Charge Ratio:** The ratio of a hospital's costs to its charges taken from its most recently filed Medicare cost report (CMS 2552-96 Worksheet C, Part I, PPS Inpatient Ratios).

**Discounted Care:** Financial assistance provided to uninsured patients, or patient guarantors, meeting eligibility requirements, with annualized family incomes in excess of 200% but at or below 600% of the Federal Income Poverty Guidelines, will receive a partial discount of 70% off of charges as based on the *amount generally billed* as defined in this policy.

**Emergency Medical Condition:** As defined in Section 1867 of the Social Security Act (42 U.S.C. 1395dd), the term "emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

- placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,
- serious impairment to bodily functions, or
- serious dysfunction of any bodily organ or part; or
- with respect to a pregnant woman who is having contractions - that there is inadequate time to affect a safe transfer to another hospital before delivery, or that transfer may pose a threat to the health or safety of the woman or the unborn child.

**Family Income:** The annual family income and cash benefits from the prior 12-month period or the prior tax year as shown by recent pay stubs or income tax return, less payments made for alimony or child support. Proof of earnings may be determined by annualizing the year-to-date family income, taking into consideration the current earnings rate.

**Federal Poverty Income Guidelines:** The Federal Poverty Income Guidelines are updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code. Current FPIG guidelines can be referenced at <http://aspe.hhs.gov/POVERTY/>

**Financial Assistance:** Assistance provided to patients who meet this policy's eligibility criteria and for whom it would otherwise be a financial hardship to pay in full the patient payment obligation for medically necessary services provided by SAH.

**Free Care:** A 100% waiver of patient financial obligation resulting from medical services provided by SAH for uninsured patients, or their guarantors, meeting eligibility requirements and with annualized family incomes at or below 200% of the Federal Poverty Income Guidelines

**Guarantor:** An individual other than the patient who is responsible for payment of the patient's bill.

**Gross Charges:** Total charges at the full established rate for the provision of patient care services before deductions from revenue are applied.

**Health Care Services:** Any medically necessary inpatient or outpatient hospital service, including pharmaceuticals or supplies, provided to a patient.

**Illinois Resident:** 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.

**MANG Application:** Application used by the State of Illinois to determine eligibility for Medical Assistance No Grant (Medicaid).

**Maximum Collectible Amount:** The amount that may be collected in a 12-month period, for health care services provided by SAH, from an uninsured patient determined eligible under the IL Hospital Uninsured Patient Discount Act. The maximum collectible amount may not exceed 25% of the patient's family income. The 12-month period to which the maximum amount applies shall begin on the first date an uninsured patient receives health care services provided by SAH that are determined to be eligible for the uninsured discount.

**Medically Necessary:** Any inpatient or outpatient hospital service, including pharmaceuticals or supplies provided by a hospital to a patient, covered under Title XVIII of the federal Social Security Act for beneficiaries with the same clinical presentation as the uninsured patient. A "medically necessary" service does not include any of the following: (1) Non-medical services such as social and vocational services. (2) Elective cosmetic surgery, but not plastic surgery designed to correct disfigurement caused by injury, illness, or congenital defect or deformity.

**Presumptive Eligibility Policy:** Under certain circumstances, uninsured patients may be presumed or deemed eligible for financial assistance based on their enrollment in other means-tested programs or other sources of information, not provided directly by the patient, to make an individual assessment of financial need.

**Qualification Period:** Applicants determined eligible for financial assistance will be granted assistance for a period of six months. Assistance will also be applied retroactively to SAH bills incurred for eligible services that are within 240 days of the date of the first post-discharge billing statement.

**Reasonable Payment Plan:** A payment plan agreed to by the patient and SAH for patient payment obligations. The payment plan will take into account the patient's available income and assets, the amount owed, and any prior payments. It will be provided interest free.

**Uninsured Discount:** The Illinois Hospital Uninsured Patient Discount Act sets the Uninsured Discount according to the patient's ability to pay. For patients at or below 600% of the Federal Poverty Limit (FPL), the discount is set to be a hospital's charges multiplied by the uninsured discount factor, which is 1.0 less the product of a hospital's Cost to Charge Ratio multiplied by 1.35. Saint Anthony Hospital's Uninsured Discount will exceed this minimum requirement under Illinois law. The SAH uninsured discount of 70% off of charges will be based on the *amount generally billed* as defined in this policy.

**Uninsured Patient:** A patient 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, automobile, accident liability insurance, or other third party liability to assist with meeting a patient's payment obligations.

**Policy:**

This policy describes eligibility criteria, levels of financial assistance, eligible services, and the procedure to be followed in applying for financial assistance. It is intended to provide relief to uninsured patients for whom paying their medical bills would be a hardship.

The necessity for medical treatment of all patients will be based upon clinical judgment without regard to the financial status of the patient. Quality medical care and financial assistance will be provided to all persons regardless of race, creed, gender, national origin, handicap, age, immigration status, sexual orientation, insurance status, or the ability to pay.

This policy is compliant with all applicable federal and state laws. Financial assistance will be extended with the expectation that patients will cooperate with SAH in applying for available insurance coverage, financial assistance or other forms of payment and that make reimburse for the cost of their care.

This policy applies to **Saint Anthony Hospital** and physicians employed by SAH.

**Procedure(s):**

**TYPES OF FINANCIAL ASSISTANCE:**

Saint Anthony Hospital will provide financial assistance to patients, or their guarantors, in compliance with federal and state laws. This policy is intended to comply with the Illinois Hospital Uninsured Patient Discount Act, the Illinois Fair Patient Billing Act, the federal Patient Protection and Affordable Care Act, and other applicable laws relating to financial assistance, billing and collection for health care services.

Patients, or their guarantors, must cooperate with SAH by providing information and documentation needed to apply for existing financial resources that may be available to pay for the patient's care, in order to qualify for financial assistance. Prior to granting financial assistance under this policy, patient accounts will be evaluated for eligibility for reimbursement sources such as Medicare, Medicaid, All Kids, Illinois funded Medical Assistance No Grant Programs (MANG), Crime Victim Assistance, and commercial or Third Party insurances or programs. The cooperation of patients, or guarantors, is required.

The services provided by private physicians, those not employed by NAH and billing under the SAH tax identification number, are not considered under this financial assistance policy, with the exception of emergency room physicians. Physicians providing services in the emergency room, whether employed by SAH or under contract with SAH, will follow this policy. Patients are encouraged to contact the private physicians and other independent providers to inquire into available financial assistance and negotiate payment arrangements directly with these providers. (See Attachment A for a list of providers or services that will or will not be covered under this policy.)

**Financial Assistance:**

To qualify for assistance, patients must be Illinois residents. The following assistance is available to patients, or their guarantors, based on family financial circumstances.

***Free Care:***

For eligible services, full free care will be provided to patients, or their guarantors, who are uninsured and with annual family incomes equal to or less than 200% of the Federal Poverty Income Guidelines.

***Partial Discounts:***

Uninsured patients with annual family incomes exceeding 200% but equal to or less than 600% of the Federal Poverty Income Guidelines will be eligible for a partial discount of 70% off of charges. Saint Anthony Hospital will send the patient correspondence to verify that the patient does not have insurance coverage. Saint Anthony Hospital will also investigate if the patient is eligible for coverage through Illinois Medicaid and other Federal or State assistance programs. If SAH does not receive notification of insurance from the patient and if the patient does not qualify for any State or Federal assistance program, SAH will issue a letter granting the patient a partial discount.

***Medical Hardship/Maximum Collectible Amount:***

Saint Anthony Hospital will limit the amount that may be collected in a 12-month period from an uninsured patient, or patient guarantor, with income less than or equal to 600% of the Federal Poverty Income Guidelines and with assets totaling less than the equivalent of 600% of the Federal Poverty Level threshold. Patients must first exhaust all other payment options including private

coverage, federal, state and local medical assistance programs, and other forms of assistance provided by third-parties.

The maximum amount to be collected annually may not exceed 25% of the patient's annual family income. The 12-month period to which the maximum amount applies will begin on the first date an uninsured patient, determined eligible for the uninsured discount, receives services provided by SAH.

**Payment Plans:** For financial assistance eligible patients with a remaining balance, a payment plan will be agreed to by the patient and SAH. The payment plan will take into account the patient's available income and assets, the amount owed, and any prior payments. It will be provided interest free to all patients eligible for assistance under this policy.

**Forms of Payment:** Saint Anthony Hospital will accept the following forms of payment: cash, check, money order, Health Savings Account, Flexible Spending Account, Visa, MasterCard, or Discover.

**ELIGIBILITY CRITERIA:**

Financial assistance will be extended to all uninsured patients, or patient guarantors, in accordance with SAH policy. Eligibility will be based on Illinois residency and a combination of family income and assets.

Financial assistance will be extended to patients, or a patient's guarantor, based on financial need and in compliance with federal and state laws. Financial assistance applicants will be responsible for applying to public programs and pursuing private health insurance coverage. Patients, or patient's guarantors, choosing not to cooperate in applying for programs identified by SAH as possible sources of payment for care, may be denied financial assistance.

**EMERGENCY MEDICAL POLICY:**

In accordance with FEDERAL EMERGENCY MEDICAL TREATMENT AND LABOR ACT (EMTALA) regulations, no patient is to be screened for financial assistance or payment information prior to the rendering of services in emergency situations. It is the policy of SAH to prohibit actions that discourage people from seeking emergency medical care, such as demanding upfront payments or permitting debt collection activities that interfere with provision of emergency medical care.

**APPLICATION PROCESS:**

If, during the pre-admission or admission procedures or at any time during or following treatment at SAH, it is determined that a patient may be unable to pay, the patient will be referred to a financial counselor. It is at this point of contact that the process of determining financial need begins. An application for financial assistance may be submitted up to 240 days after the date of the first post-discharge statement.

The financial counselor will obtain appropriate financial and demographic information to assist in the determination of eligibility. The information will include a signed, completed request for financial assistance form.

Financial/demographic information may include, but is not limited to, the following items:

- Income, including wages, payments from unemployment and pension plans
- Liquid assets
- Living expenses
- Family size (including dependent children aged 18 and under residing in the home)

Saint Anthony Hospital does not include the following into the computation of income:

- Payments made for child support

Saint Anthony Hospital will have the patient assessed for medical assistance through the Illinois Department of Health & Human Services, formerly the Illinois Department of Public Aid, if it is determined that the patient may qualify. If it is determined that the patient may qualify for assistance through the State, SAH will utilize and outside vendor to complete the proper monetary assistance (non-grant) or MANG application.

**DOCUMENTATION:**

Eligibility for financial assistance will be based on financial need at the time of application; income, assets and living expenses will be considered in making an eligibility determination. In general, documentation is required to support an application for financial assistance. If adequate documentation is not provided, NAH may seek additional information.

Income documentation includes:

- Three recent check stubs
- Most recent W-2 tax form or;
- A copy of the most recent income tax filing.

Asset documentation includes:

Asset information is required from patients, or their guarantors, to determine eligibility. Documentation will be the most recent monthly statements for an applicant's assets including checking accounts, savings or money market accounts, certificates of deposit, real estate excluding the primary residence of patient or guarantor, personal property exempt from judgment under Section 12-1001 of the Code of Civil Procedure, retirement accounts, and other investment assets.

If required documentation does not exist, the patient, or patient guarantor, will certify as to the estimated value of the assets considered for eligibility.

If the patient, or guarantor, is determined to be ineligible for assistance through the State and if applicable, is determined, the financial/demographic information will be compared to a general guideline of 200% of the annual poverty level as published in the Federal Register by the Department of Health & Human Services. The Financial Counselor will annotate the Financial Assistance Approval form with all pertinent data which will be utilized to make a final determination.

The completed application will be forwarded to the Executive Director of Revenue Cycle Services for review/approval/denial. Applications are to be sent to the following office:

Saint Anthony Hospital  
Patient Financial Services Department  
2875 W. 19<sup>th</sup> Street  
Chicago, IL 60623  
Or Call: 773-484-4811

With incomplete applications or unsigned applications, a request will be made for additional information and/or a signature. These applications will remain active until 240 days after the first post-discharge billing statement or 30 days from the date the letter was mailed to the applicant requesting additional information, whichever is later. If the applicant has not responded within this timeframe, the application will be denied.

The Executive Director of Revenue Cycle Services or designee will process the appropriate financial assistance notification letter to the patient/guarantor. If the patient/guarantor will owe a balance after the application of the financial assistance adjustment, the financial counselor will contact the patient/guarantor by phone in order to arrange a mutually agreeable payment plan to cover the remaining balance. All payment plans are interest free.

**QUALIFICATION PERIOD:**

Completed requests for financial assistance shall be promptly processed and applicants will be notified within 30 days of receipt of a completed application. If eligibility is approved, SAH will grant financial assistance for a period six months.

Financial assistance will be applied to accounts incurred for eligible services provided at NAH for accounts that are within 240 days of the date of the first post-discharge billing statement. Saint Anthony Hospital will review accounts that are presently remanded to a collection agency for assistance if the financial circumstances warrants a review and if the collection agency contacts the SAH after speaking with the patient/guarantor.

No patient shall be denied assistance based on failure to provide information or documentation not required in the application. If denied financial assistance, the patient or patient's guarantor, may re-apply at any time there has been a change of income or status.

**PRESUMPTIVE ELIGIBILITY POLICY:**

Certain patients shall be deemed presumptively eligible for the highest discount levels of financial assistance if they meet or demonstrate on of the following conditions:

- 1) Homelessness;
- 2) Deceased with no estate;
- 3) Mental incapacitation with no one to act on the patient's behalf;
- 4) Medicaid eligibility, but not on date of service or for non-covered service;
- 5) Recent personal bankruptcy;
- 6) Incarceration in a penal institution;
- 7) Recipient of, or enrolled in, any of the following:
  - Women, Infants and Children Nutrition Program (WIC);

- Supplemental Nutrition Assistance Program (SNAP);
- Illinois Free Lunch and Breakfast Program;
- Low Income Home Energy Assistance Program (LIHEAP);
- 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;
- Receipt of grant assistance for medical services.

Saint Anthony Hospitals acknowledges that some patients may be non-responsive to SAH's application process. Under these circumstances other sources of information may be used to make an individual assessment of financial need. This information will allow for an informed decision on the financial need of these non-responsive patients utilizing the best estimates available in the absence of information provided directly by the patient.

To assess financial need, SAH may utilize a third-party to conduct an electronic review of patient information that uses a healthcare industry-recognized model based on public record databases. This predictive model incorporates public record data to calculate a socio-economic and financial capacity score that includes estimates for income, assets and liquidity. The electronic technology is designed to assess each patient to the same standards and is calibrated against historical approvals for SAH financial assistance under the standard application process

The data returned from this electronic eligibility review will constitute adequate documentation of financial need under this policy.

The electronic technology may also be deployed early in the revenue cycle, or just prior to bad debt assignment, after all other eligibility and payment sources have been exhausted. Utilizing electronic technology allows SAH to screen all patients for financial assistance prior to pursuing any extraordinary collection actions. On a monthly basis, SAH will submit accounts from uninsured patients through an electronic eligibility review and those qualifying under the model's established rule set will be granted presumptive financial assistance. The data returned from this electronic eligibility review will constitute adequate documentation of financial need under the SAH policy.

When electronic enrollment is used as the basis for presumptive eligibility, assistance will be granted for any remaining balance due for eligible services for the specific account in the file. If a patient does not qualify under the electronic enrollment process, the patient may still apply for assistance by submitting an application through the standard financial assistance application process or based on the presumptive eligibility categories identified above.

Patient accounts granted presumptive eligibility will be reclassified under the financial assistance policy. They will not be sent to collection, will not be subject to further collection actions, and will not be included in the hospital's bad debt expense.

**ELIGIBLE SERVICES:**

Services eligible under this policy include the following:

- Emergency medical services provided in an emergency setting.
- Services for a condition that, if not treated promptly, would lead to an adverse change in the health status of a patient.
- Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting.
- Other medically necessary services.

Services not eligible under the policy include the following.

- Elective procedures not medically necessary.
- Services typically not covered under Medicare or commercial insurance.

**AMOUNTS GENERALLY PAID BY ELIGIBLE PATIENTS:**

The amounts to be collected from uninsured patients found eligible for financial assistance is not to exceed the amount SAH is allowed under the Prospective Medicare Payment System. Patients determined eligible for financial assistance will not be expected to pay gross charges for eligible services while covered under SAH financial assistance policy. A discount of 70% off of gross charges will be provided to qualified uninsured patients based on the calculation for *amount generally billed* as defined in this section.

**APPEALS AND DISPUTE RESOLUTION:**

Applicants denied financial assistance may appeal the determination in writing by providing information on the reason for the appeal and any relevant information. An appeal letter must be received within 30 days of the date of the determination letter.

Disputes and appeals may be filed by contacting:

Saint Anthony Hospital  
Patient Financial Services Department  
2875 W. 19th Street  
Chicago, IL 60623  
Or Call: 773-484-4811

The appeal will be reviewed and a written decision provided to the patient within 30 days of receiving a completed, written appeal.

**NOTIFICATION OF FINANCIAL ASSISTANCE:**

Saint Anthony Hospital utilizes signage and its "Patients' Rights & Responsibilities" brochure to notify all patients of the financial assistance program. The brochure is available at all entry points and is included within the admissions packet and in all outpatient areas. Information on the SAH financial assistance policy will be posted in the emergency department, and hospital admission and

registration areas.

In keeping with State regulation, the patient/guarantor is notified of the financial assistance program via a message which is printed on all statements.

Information on this financial assistance policy will be made available to patients and the community served by SAH. The policy, application and a plain language summary of the policy will be available on the system's website.

Information on financial assistance, and the notice posted in hospital locations, will be in English, and in any other language that is the primary language spoken by at least 5% of the residents in the service area.

A request for financial assistance may be made by the patient, a patient's guarantor, a family member, close friend, or associate of the patient, subject to applicable privacy laws. The SAH will respond to oral or written requests for more information on the financial assistance policy made by a patient or any interested party. Any SAH staff member may make a referral of a patient to a financial counselor to examine eligibility for financial assistance.

The SAH will distribute informational materials on the financial assistance policy to agencies and non-profit organizations serving the low-income population in the hospital service area.

#### COLLECTION PRACTICES;

- Liens on personal residences are not permitted under any circumstances
- Garnishment of wages is permitted only if
  1. The patient does not qualify for charity under Section 4 of the policy and a court determines that the patient's wages are sufficient for garnishment
  2. Garnishment pursued by a collection agency or other representative of the hospital has had prior review and approval from executive management of the hospital (see policy :PFS G1.2)
- Saint Anthony Hospital will not pursue an involuntary bankruptcy proceeding against a patient as a result of its collection efforts of uninsured patients.
- Neither Saint Anthony Hospital, or a collection agency, or other representative working on behalf of the hospital may take any actions that would cause a bench warrant ( an order issued by a judge or court for the arrest of a person, also called body attachments) to be issued.
- No interest charges will be assessed by Saint Anthony Hospital.
- Management is accountable to ensure that all collection policies follow the Federal Fair Debt and Collection Practices Act and the Illinois Patient Fair Billing Act.

- All hospital collection agency agreements will be amended to incorporate the required language (as notice to the collection agency) of Saint Anthony Hospital's policies and procedures regarding billing and collection practices for uninsured patients including the values-based manner in which all contacts with patients and families are conducted.

**REGULATORY REQUIREMENTS:**

Saint Anthony Hospital will comply with all federal and state laws, rules and regulations and reporting requirements that may apply to activities conducted pursuant to this policy. This policy requires that SAH track financial assistance provided to ensure accurate reporting. Information on financial assistance provided under this policy will be reported annually on the IRS Form 990 Schedule H.

**RECORD KEEPING:**

Saint Anthony Hospital will document all financial assistance in order to maintain proper controls and meet all internal and external compliance requirements. All completed applications are kept in file by month/day of the adjustment date. Each application will include a copy of the letter which was sent to the patient once the final determination was made. A copy of the adjustment batch is also kept on file. Each day is filed in alphabetical order for ease of reference.

**POLICY APPROVAL:**

This SAH financial assistance policy has been approved by the SAH (Governance Body). It is subject to periodic review. Any change to the policy must be approved by the SAH (Governance Body).