

Specialty Hospital of Lorain Policy and Procedure

Title: Financial Assistance	Policy #:
Function: Patient Rights and Organization Ethics	Effective Date: April 2018
Manual: Clinical Services	Revision/Review Date:

POLICY:

To provide a consistent, non-biased mechanism to provide free care to those patients who have no health insurance and do not qualify for Medicaid.

PROCEDURE

Definitions:

Amounts Generally Billed: As a Long Term Acute Care Hospital, the hospital is reimbursed on specific criteria as established by CMS each year. The criteria is based on:

- 1) The Diagnostic Related Group (DRG) which is based on the diagnosis and treatment of the patient
- 2) Whether the patient is considered with criteria or site neutral.
- 3) The Length of Stay at the hospital
- 4) Total Gross Charges

The hospital will utilize the CMS Long Term Pricer to calculate the reimbursement for the patient specifics and utilize the Medicare reimbursement as the AGB Limit. The Hospital is utilizing the prospective method to determine the AGB Limit.

Total Income: The estimated total income of an individual and all working adults who reside at the address. Estimated total income is based on total income from a person's most recent tax return or annualized income as calculated from two of the most recent pay stubs. If both are presented, the pay stubs will be utilized.

Covered Providers: The policy only covers the hospital bill. Medical expenses can generally be categorized as either hospital fees or provider fees. All hospital fees billed by Specialty Hospital of Lorain are covered under this policy, but no provider fees are covered under this policy. Patients will receive separate billing statements from any provider who serves them at Specialty Hospital of Lorain and none of those billing statements are eligible for financial assistance under this policy. Please contact your provider directly for information about any financial assistance they offer.

Medically Necessary Care: As a Long Term Acute Care Hospital, all services provided fall under the definition of medically necessary care and are applicable to this policy.

Specialty Hospital of Lorain Policy and Procedure

Title: Financial Assistance

Policy #:

Policy:

The hospital's criteria for financial assistance will follow the Federal Poverty Guidelines (FPG) issued by the United States Government each year. See Attachment A for the current year Federal Poverty Guidelines.

The following structure will be utilized to determine the amount of free care to be provided. Household income and the number of people living in the household will be the two major criteria used to determine if a patient is eligible for free care. Family income should not equal or be above 200% of the Federal Poverty Guidelines (Attachment A). If a person's income status is up to 100% of poverty level, the patient's account is eligible for a 100% discount. If a person is between 101% - 150% of the poverty level, the patient's account is eligible for a 50% discount. If a person's income status is between 151% - 199% of the poverty level, the patient is eligible for a 25% discount. If the income level is at 200% or above, the patient is not eligible for financial assistance. An individual who qualifies for financial assistance will not be required to pay an amount greater than the Amounts Generally Billed Limit for the applicable episode(s) of care.

The financial assistance discount will be applied to the Self Pay portion of an individual's gross charges. This is the individual's remaining liability after applying all other financial assistance and third-party coverage.

Financial assistance applications may be submitted by a patient, a guarantor, or any person acting on the behalf of a patient or guarantor. A financial assistance application should be complete and signed with the following attachments: most recent tax return or two most recent pay stubs. Completed financial assistance applications should be submitted to:

Mail: Specialty Hospital of Lorain, Administration Department, 254 Cleveland Avenue, Amherst Ohio 44001

Fax: Attn. Administration Department 440-988-6029

In Person: Specialty Hospital of Lorain, Administration Department, 254 Cleveland Avenue, Amherst, Ohio 44001

A person can contact the Business Office for information about financial assistance and/or for assistance in completing a financial assistance application.

Approval of the request will be granted or denied by the Chief Financial Officer within 30 days of receipt of a completed application. If a patient does not qualify, a letter will be sent with the basis for denial. The determination will also be documented in the hospital billing system.

Specialty Hospital of Lorain Policy and Procedure

Title: Financial Assistance

Policy #:

If the amount of write off is less than 100%, an updated billing statement with the amount that the individual now owes will be sent by the billing company (The Revenue Group). The amount is determined as follows:

- 1) The Amount Generally Billed (ABG) Limit will be calculated for the patient using information from the patient's Medical Record and billing record to include DRG, criteria vs site neutral, length of stay and total gross charges.
- 2) The ABG Limit will be compared to the self pay portion of the bill.
- 3) The patient will receive the discount (25% or 50%) on the less of the ABG Limit or the self pay portion of the bill.

The patient may contact the billing company to make payment arrangements. The Billing/Write Offs Policy will be followed for failure to make payment. The Billing/Write Offs Policy explains the hospital's procedures for handling a self pay account and any extraordinary collection efforts that the hospital will follow in the event of nonpayment after 120 days of billings. The Billing/Write Offs Policy is available by calling the phone number of the billing company on the statements mailed to the patient.

Each hospital admission will require a new financial assistance application.

The Financial Assistance policy will be available as follows:

- 1) On the Specialty Hospital of Lorain website.
- 2) All patients admitted to the hospital receive an Admission Packet which includes the Financial Assistance Policy, the Plain Language Summary and the application.
- 3) All patient statements include the contact information for the billing company along with information to contact them for assistance and the Financial Assistance Application. The billing statement also includes the current income guidelines.
- 4) Financial assistance applications are provided from the Case Manager while the patient is inhouse and from The Revenue Group after discharge.
- 5) Upon inquiry (either written or in person), printed copies will be available of the Financial Assistance Policy, the Plain Language Summary, or the Financial Assistance application free of charge.
- 6) Annually, the hospital will provide a link to the hospital website and information regarding the availability of financial assistance on the Specialty Hospital of Lorain Facebook and Twitter accounts.

Attachment A

2017 Federal Poverty Guidelines

ANNUAL INCOME LIMITS

Household Size	Annual Income Federal Poverty Guideline (FPG)	150% FPG	200% FPG
1	\$11,880	\$17,820	\$23,760
2	\$16,020	\$24,030	\$32,040
3	\$20,160	\$30,240	\$40,320
4	\$24,300	\$36,450	\$48,600

For each additional person in household, add \$4,140

2018 Federal Poverty Guidelines

ANNUAL INCOME LIMITS

Household Size	Annual Income Federal Poverty Guideline (FPG)	150% FPG	200% FPG
1	\$12,060	\$18,090	\$24,120
2	\$16,240	\$24,360	\$32,480
3	\$20,420	\$30,630	\$40,840
4	\$24,600	\$36,900	\$49,200

For each additional person in household, add \$4,180