**Policy Name: Financial Assistance**
**Policy Number: BD-09**
Category: □ Clinical ✓ non-clinical
Review Responsibility: Director of Revenue Cycle
Vice President of Finance & CFO

Approved By: Chairman, Board of Directors & President & CEO

Effective Date: 07/01/2019
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Associated Documents/Policies: N/A

**The policies set forth do not establish a standard of care to be followed in every case. It is recognized that each case is different, and those individuals involved in providing health care are expected to use their clinical judgment in determining what is in the best interests of the patient, based on the circumstances existing at the time. It is impossible to anticipate all possible situations that may exist and to prepare policies for each. Accordingly, these policies should be considered guidelines, with the understanding that departures may be required at times.**

## I. PURPOSE:

The purpose of this policy is to determine when financial assistance will be offered to a patient based upon the patient's ability to obtain assistance through state and local agencies and the patient's ability to pay. This policy assists CalvertHealth System (CHS) in managing its resources responsibly while ensuring that appropriate financial assistance is provided to the greatest number of people in need.

**MEDICAL DEBT PATIENT PROTECTIONS:**

1. Financial assistance shall be available to all eligible low-income patients who reside in the State of Maryland, **regardless of citizenship or immigration status**, consistent with applicable HSCRC regulations and associated guidance.

2. Information regarding financial assistance shall be clearly communicated to patients through billing statements, collection notices, demand letters, and upon request.

3. No patient shall be denied consideration for financial assistance based on citizenship status, national origin, or inability to provide proof of lawful residency.

4. The Practice shall adhere to updated HSCRC requirements that provide enhanced protection to patients related to medical debt, including safeguards intended to prevent premature or inappropriate collection activity.

## II. SCOPE:

Patients who are determined to be eligible for financial assistance, or who have a financial assistance application pending, shall not be referred to external collections for covered services during the evaluation period, in accordance with HSCRC regulations.

## III. DEFINITIONS:

This policy applies to all CHS patients receiving medically necessary services ordered by a physician. Hospital-employed providers, providers employed by a single member LLC in which the hospital maintains membership interest, and provider employed by a legal entity established as a partnership which CHS maintains a capital or profit interest shall adhere to this policy.

**Amounts Generally Billed (AGB)** – The CHS determination of AGB based on Medicare-allowed amounts, including the patient responsibility. **Charity Care:** Healthcare services provided without charge or at discount that are not expected to result in cash inflows in accordance with this Financial Assistance Policy.

**Family**: As defined by the United States Census Bureau's, a group of two or more people residing together and who are related by birth, marriage, or adoption. Internal Revenue Service dependency rules apply when determining eligibility.

**Family Income**: Determined using the Census Bureau definition, and includes:

- Earned income, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, veterans' benefits, pension or retirement income, interest, dividends, rents, royalties, alimony, child support, educational assistance from outside the household, and other miscellaneous sources.
- Excludes non-cash benefits (e.g., food stamps and housing subsidies).
- Is determined on a pre-tax basis.
- Excludes capital gains or losses.
- Includes the income of all family members residing in the household.

**Uninsured:** A patient with no insurance or third-party coverage.

**Underinsured**: A patient with insurance whose out-of-pocket expenses exceed their financial capacity.

## IV. POLICY:

CHS is committed to providing financial assistance to patients who are uninsured, underinsured, ineligible for government program, or otherwise unable to pay, for medical care. Financial assistance is based on an individualized assessment of financial need and is not a

substitute for personal responsibility. Patients are expected to cooperate with CHS's procedures and contribute toward the cost of care according to their ability to pay. The Board of Directors establishes the following guidelines to ensure responsible stewardship of CHS resources.

## V. PROCEDURE:

a. **Services Eligible Under this Policy**: Financial assistance or ("charity") applies to:

i. Emergency service

ii. Services that, if not treated promptly, would result in adverse outcomes.

iii. Non-elective and non-emergency services.

iv. Medically necessary services are determined on a case-by-case basis.

b. **Eligibility for Financial Assistance ("Charity Care"):** Eligibility applies to uninsured, underinsured patients who demonstrate, financial need. Determinations are made without regard to age, gender, race, social or immigrant status, sexual orientation, or religious affiliation. Probable eligibility determinations are made within two (2) business days of request or application Insured patients may receive assistance for deductibles, co-insurance, and co-payment when financial need Is demonstrated.

c. **Determination of Financial Need**:

**Assessment Components**

- Completion of the Maryland State Uniform Financial Assistance Application
- Use of publicly available data sources (e.g., credit-based indicators)
- Review of alternative payment sources
- Evaluation of assets, liabilities, prior balances, and payment history

**Timing**

- Determinations may occur before services or at any point during the collection process.
- Re-evaluation occurs annually or when new information becomes available.

**Patient Responsibilities**

- Apply for all applicable assistance programs.
- Attend required appointments.
- Provide all requested documentation.

**Ineligibility** Patients are not eligible if they:

- Fail to provide required documentation.
- Refuse screening for other programs.
- Submit false or misleading information.

**Application Review and Approval** Applications are reviewed based on income and asset guidelines. Approval authority is as follows:

- Manager: $100–$999.99
- Director of Revenue Cycle: $1,000–$9,999.99
- Vice President of Finance: $10,000–$24,999.99
- Vice President of Finance & President/CEO: $25,000+

Patients receive written notice of approval, denial, or pending status.

**Financial Assistance Identification Card: Patients** approved for financial assistance may be issued a Financial Assistance Identification Card to facilitate access to services and support efficient registration for future visits. The card will indicate

- the patient's approved financial assistance status and
- applicable effective dates.

Patients are encouraged to present this card at the time of registration or service to assist staff in verifying eligibility and applying the appropriate financial assistance adjustment.

Issuance of the card does not replace standard registration or eligibility verification processes. Patients remain responsible for reporting any changes to their financial or insurance status that may affect eligibility. Lost or expired cards may be reissued upon request and verification of continued eligibility.

**New**

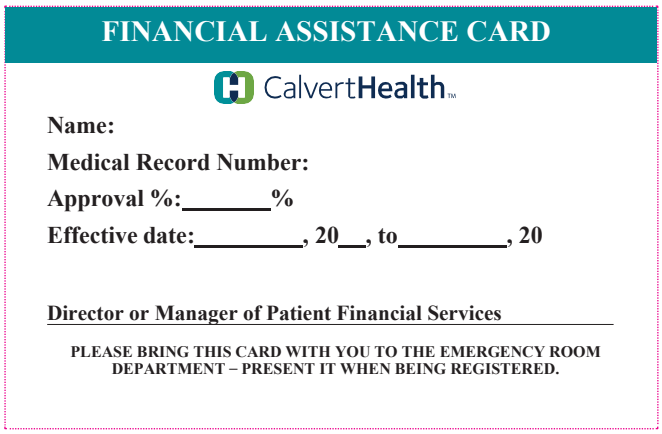
## FINANCIAL ASSISTANCE CARD

**Dear Patient,**

Please present this card to the registrar when you arrive at the hospital.

If your Financial Assistance/Charity card is not provided at the time of registration, your account may be processed as self-pay. In that case, you will be required to complete a **Self-Pay with Insurance** form.

Thank you for your cooperation.



**FINANCIAL ASSISTANCE CARD**

CalvertHealth™

**Name:**

**Medical Record Number:**

**Approval %:_____%**

**Effective date:_____, 20__, to_____, 20**

**Director or Manager of Patient Financial Services**

**PLEASE BRING THIS CARD WITH YOU TO THE EMERGENCY ROOM DEPARTMENT – PRESENT IT WHEN BEING REGISTERED.**

**CalvertHealth - Financial Assistance Program DOES NOT cover bills from Emergency Room Physicians (US Acute Care Solutions), Radiology (MD Imaging Network Rad/Net), Virtual Radiologic Co (vRad), All American Ambulance, Hospitalist Services (Adfinitas), Anesthesia (Medusind), Pathology, Durable Medical Equipment (Americle), LabCorp, Quest Diagnostics, Sheppard Pratt or any other professional services that attended to you or your family member. Please contact those services separately for payment options.**

CalvertHealth™

**PLEASE BRING THIS CARD WITH YOU TO CALVERTHEALTH EMERGENCY ROOM**

Instructions: When approved, completed and signed, please cut card and deliver to the applicant with approval letter.

a. In addition, patients can also contact the Health Education and Advocacy Unit, (HEAU). The HEAU of the Consumer Protection Division offers free mediation services to consumers who need assistance in resolving billing disputes to being terminated by their private health plan.

    i. HEAU is open Mon-Fri, from 10am-2pm.

    ii. The hotline is 410-528-1840 or toll free at 1-877-261-8807.

    iii. HEAU can also be reach by email at heau@oag.state.md.us.

    iv. HEAU is located at 200 St. Paul Place, Baltimore, MD 21202.

b. The services and companies listed below are not billed by the hospital. It outlines which entities will accept and abide by our decision to provide financial assistance.

US Acute Care Solutions
Accept Maryland Imaging Network
Accept The Anesthesia Company
Accept Maryland Imaging Network
Accept Adfinitas
Accept The Anesthesia Company
Accept Quest Diagnostics
Does Not Accept All American Ambulance
Does Not Accept Pathology
Does Not Accept Grace Care, LLC
Does Not Accept Lab Corp

d. **Presumptive Financial Assistance Eligibility**: When documentation is unavailable, Calvert Health System may grant presumptive eligibility resulting in 100% write-off based on reliable indicators such as:
   i. State funded prescription programs.
   ii. Homeless or received care from a homeless shelter.
   iii. Participation in Women, Infants, & Children (WIC) Program.
   iv. Households with children in the free or reduced lunch program.
   v. Patients are deceased with no estate.
   vi. Low income/subsidized housing is provided as a valid address.
   vii. Low-income-household energy assistance program.
   viii. Supplemental Nutritional Assistance Program (SNAP).
   ix. Primary Adult Care Program (PAC), until such time as inpatient benefits are added to the PAC benefit package.
   x. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down).
   **xi.** Patients are active with any other needs-based program where the financial requirements regarding the federal poverty level match or exceed CalvertHealth System's Financial Policy income threshold.

Calvert Health System may utilize technology to identify patient populations presumed as eligible for financial assistance that may not complete the application process. Financial data mining software may be used to establish proof of eligibility to support 100% discount of a specific date of service. In these instances, guarantors will be encouraged to complete financial assistance.

e. **Patient Financial Assistance Guidelines**:

f. Financial assistance is based on Federal Poverty Levels (FPL):

| g. **FPL Range** | h. **Discount** |
|---|---|
| i. 0–200% | j. 100% |
| k. 201–250% | l. 80% |
| m. 251–300% | n. 60% |

| | |
|---|---|
| o. 301–350% | p. 40% |
| q. 351–400% | r. 20% |
| s. 401–500% | t. 10% |
| u. >501% | v. Medical hardship review |

w. Patient responsibility will not exceed AGB amounts.

**Example:**

| Gross Charges | Medicare Allowed Amount (AGB) | Sliding Scale Award | Total Financial Assistance Granted | Patient's Share |
|---|---|---|---|---|
| $100.00 | $94.00 | 60% | $56.40 | **$37.60** |
| Sliding scale determines each patient's share. | | | | |

x. **Communication of the Financial Assistance Program to Patients and the Public:** Notification about the availability of financial assistance from CHS, which shall include a contact number, shall be disseminated by CHS by various means, which shall include, but are not limited to, the publication of notices in patient bills, the Emergency Department, admitting and registration departments, and patient financial services offices. Information should be included on the hospital's website and in the Patient Handbook. In addition, notification of the Hospital's financial assistance program is also provided to each patient through a plain language summary provided each patient at the time of registration. Such information shall be provided in the primary languages spoken by the population serviced by CHS. Referral of patients for financial assistance may be made by any member of the CHS staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, and chaplains. The patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws, may make a request for financial assistance.

y. **Patients Qualifying for Assistance Unable to Pay Insurance Premiums** may be referred to the CHS Foundation for potential programs that sponsor payment of premiums for indigent guarantors on a case-by-case basis. The Foundation will determine any eligibility requirements for grants, matching the patient's needs with the appropriate program. Sponsorship for premium payments includes Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Affordable Care Act, and specific programs tailored to specific health care specialties to assist patients with financing the cost of their care.

z. **Relationship to Collection Policies: CHS's** management shall develop policies and procedures for internal and external collection practices that consider the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance from CHS, and a patient's good faith effort to comply with his or her payment agreements with CHS. During the financial assistance application process, the hospital will not send unpaid

bills to outside collection agencies if the patient cooperates with the application process.

aa. **Regulatory Requirements:** In implementing this Policy, CHS shall comply with all federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.

bb. **Contact Information to Apply: Please** contact our Patient Financial Services Department at 410-535-8248 for assistance with the application process. Written correspondence should be forwarded to 100 Hospital Road, Prince Frederick, MD, 20678.

cc. **Documentation Requirements:**

**i. Verification of Income:**

- Copy of last year's Federal Tax Return
- Copies of last three (3) pay stubs
- Copy of latest W (2) form
- Written verification of wages from employer
- Copy of Social Security award letter
- Copy of Unemployment Compensation payments
- Pension income
- Alimony/Child Support payments
- Dividend, Interest, and Rental Income
- Business income or self-employment income
- Written verification from a governmental agency attesting to the patient's income status
- Copy of last two bank statements

**ii. Size of family unit:**

- Copy of last year's Federal Tax Return
- Letter from school

**iii. Patients should list on the financial assistance application all assets including:**

- Real property (house, land, etc.)
- Personal property (automobile, motorcycle, boat, etc.)
- Financial assets (checking, savings, money market, CDs, etc.)

**iv. Patients should list on the financial assistance application all significant liabilities:**

- Mortgage
- Car loan
- Credit card debt
- Personal loan