

Hartford Healthcare Financial Assistance Policy

Update Date: 12/16/2010

Purpose: The purpose of this Policy is to set forth the policy of Hartford Healthcare Corporation (sometimes referred to as the “System”) governing the provision of free or discounted Health Care Services to patients who meet the System’s criteria for Financial Assistance. Specifically, this Policy will describe: (i) the eligibility criteria for Financial Assistance, and whether such assistance includes free or discounted care; (ii) the basis for calculating amounts charged to patients; (iii) the method for applying for Financial Assistance from the System’s Hospitals; (iv) the actions the System may take in the event of non-payment, including collections action and reporting to credit agencies for patients that qualify for Financial Assistance; and (v) the System measures to widely publicize this Policy within the community served by Hartford Healthcare.

Scope: This Policy applies to all Hartford Health facilities Health Care Services regardless of the location at which they are being provided by the System.

Definitions:

“*Charges*” means for a Health Care Service for a patient who is either Uninsured or Underinsured and who is eligible for Financial Assistance, the average of the System’s facility three best negotiated commercial payor rates for the Health Care Services.

“*Eligibility Criteria*” means the criteria set forth in this Policy to determine whether a patient qualifies for Financial Assistance for the Health Care Services provided by the System’s facility.

“*EMTALA*” means the Emergency Medical Treatment and Labor Act, 42 USC 1395dd, as amended from time to time.

“*Family*” means pursuant to the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, civil union or adoption. For purposes of this Policy, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

“*Family Income*” means the following income when calculating Federal Poverty Level Guidelines of liquid assets: earnings, unemployment compensation, workers’ compensation, Social Security, Supplemental Security Income, public assistance, veterans’ payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources of income. If a person lives with a Family, Family Income includes the income of all Family members.

“Federal Poverty Level Guidelines” means the federal poverty level guidelines established by the United States Department of Health and Human Services.

“Financial Assistance” means free or discounted Health Care Services provided to persons who, pursuant to the Eligibility Criteria, the Hospital has determined to be unable to pay for all or a portion of the Health Care Services.

“Free Bed Funds” means any gift of money, stock, bonds, financial instruments or other property made by any donor to Hartford Healthcare facilities for the purpose of establishing a fund to provide medical care to an inpatient or outpatient of Hartford Healthcare.

“Health Care Services” means Hartford Healthcare facilities (i) emergency medical services as defined by EMTALA; (ii) services for a condition which, if not promptly treated, will result in adverse change in the health status of the individual; (iii) non-elective services provided in response to life-threatening circumstances in a non-emergency department setting; and (iv) medically necessary services as determined by the System facility on a case-by-case basis at the facility’s discretion.

“Medically Indigent” means persons whom the System facility has determined to be unable to pay some or all of their medical bills because their medical bills exceed a certain percentage of their Family Income or Family assets even though they have income or assets that otherwise exceed the generally applicable Eligibility Criteria for free or discounted care under the Policy.

“Uninsured” means a patient who has no level of insurance or third party assistance to assist in meeting his or her payment obligations for Health Care Services and is not covered by Medicare, Medicaid or Champus or any other health insurance program of any nation, state, territory or commonwealth, or under any other governmental or privately sponsored health or accident insurance or benefit program including, but not limited to workers’ compensation and awards, settlements or judgments arising from claims, suits or proceedings involving motor vehicle accidents or alleged negligence.

“Underinsured” means the patient has some level of insurance or third-party assistance but still has out-of-pocket expenses such as high deductible plans that exceed his or her level of financial resources.

Policy: It is Hartford Healthcare’s policy to provide Financial Assistance to all eligible individuals who are Uninsured, Underinsured, ineligible for a government program, or otherwise unable to pay for Health Care Services due to their limited financial resources. It is also the System’s policy to provide without discrimination care for emergency medical conditions (as defined by EMTALA) to individuals regardless of their eligibility for Financial Assistance under this Policy or for government assistance.

I. Determining Eligibility.

In determining eligibility for Financial Assistance, it is important that both the System facility and the patient work collaboratively. Specifically, the System facilities

will do its best to apply the Eligibility Criteria in a flexible and reasonable manner and the patient will do its best in responding to Hartford Healthcare requests for information in a timely manner.

1. Eligibility for Financial Assistance. Individuals who are Uninsured, Underinsured, ineligible for any government health care benefit program and unable to pay for their Health Care Services may be eligible for Financial Assistance pursuant to this Policy. The granting of Financial Assistance shall be based upon an individualized determination of financial need, and shall not take into account age, gender, race, color, national origin, marital status, social or immigrant status, sexual orientation or religious affiliation.

2. Process for Determining Eligibility for Financial Assistance. In connection with determining eligibility for Financial Assistance, the System (i) will require that the patient complete an application for Financial Assistance along with providing other financial information and documentation relevant to making a determination of financial eligibility; (ii) may rely upon publicly available information and resources to determine the financial resources of the patient or a potential guarantor; (iii) may pursue alternative sources of payment from public and private payment benefit programs; (iv) may review the patient's prior payment history; and (v) may consider the patient's receipt of state-funded prescription programs, participation in Women, Infants and Children programs, food stamps, subsidized school lunches, subsidized housing, or other public assistance as presumptive eligibility when there is insufficient information provided by the patient to determine eligibility.

3. Processing Requests. Hartford Healthcare will use its best efforts to facilitate the determination process prior to rendering services so long as the determination process does not interfere with the provision of emergency medical services as defined under federal law. However, eligibility determinations can be made at any time during the revenue cycle. During the eligibility determination process, the System facilities will at all times treat the patient or their authorized representative with dignity and respect and in accordance with all state and federal laws.

4. Financial Assistance Guidelines. Eligibility criteria for Financial Assistance may include, but is not limited to, such factors as Family size, liquid and non-liquid assets, employment status, financial obligations, amount and frequency of healthcare expense (i.e. Medically Indigent) and other financial resources available to the patient. Family size is determined based upon the number of dependents living in the household. In particular, eligibility for Financial Assistance will be determined in accordance with the following guidelines:

(a) Uninsured Patients:

- (i) If Family income is at or below 250% of the Federal Poverty Level Guidelines, the patient may qualify for up to a 100% discount against the System facility's Charges for Health Care Services;

- (ii) If Family income is between 250% and 400% of the Federal Poverty Level Guidelines, the patient may qualify for up to a 50% discount against the System facility's Charges for Health Care Services;
- (iii) Patients may also qualify for Free Bed Funds in accordance with the Hartford Healthcare Free Bed Funds Policy; and
- (iv) Patients may have presumptive eligibility if they are homeless and have no assets or qualify for other means-tested government programs.

(b) *Underinsured Patients:*

- (i) Payment plans will be extended for any patient liability (including without limitation to amounts due under high deductible plans) identified in a manner consistent with the System's Payment Plan Policy;
- (ii) If Family Income is at or below 250% of the Federal Poverty Level Guidelines, the patient may qualify for up to a 100% discount against the lesser of (a) the account balance after insurance payments from third-party payors are applied; or (b) the Charges for the Health Care Services;
- (iii) If Family Income is between 250% and 400% of the Federal Poverty Level Guidelines, the patient may qualify for up to 50% discount against the lesser of (a) the account balance after insurance payments from third-party payors are applied; or (b) the Charges for the Health Care Services;
- (v) Patients may also qualify for Free Bed Funds in accordance with Hartford Healthcare Free Bed Funds Policy; and
- (vi) Patients may have presumptive eligibility if they are homeless and have no assets or qualify for other means-tested government programs.

- (c) ***Medically Indigent:*** Patients will be required to submit a Financial Assistance application along with other supporting documentation, such as medical bills, drug and medical device bills and other evidence relating to high-dollar medical liabilities, so that the Hartford Healthcare System Hardship Committee can determine whether the patient qualifies for Financial Assistance due to the patient's medical expenses and liabilities.

II. Method for Applying for Financial Assistance. Patients may ask any nurse, physician, chaplain, or staff member from Patient Registration, Patient Accounts, Office of Professional Services, Case Coordination, or Social Services about initiating the Financial Assistance application process. Information about applying for Financial Assistance is

also available online at www.hartfordhealthcare.org. Signage and written information regarding how to apply for Financial Assistance will be available in Hartford Healthcare facilities' emergency service and patient registration areas. Once a patient or his or her legal representative requests information about Financial Assistance, a Financial Counselor will provide the patient or his or her legal representative with the Financial Assistance application along with a list of the required documents that must be provided to process the application. If the patient or his or her legal representative does not provide the necessary documentation and information required to make a Financial Eligibility determination within fourteen (14) calendar days of the Hartford Healthcare facility's request, the Financial Assistance application will be deemed incomplete and rendered void. However, if an application is deemed complete by the System facility, the System facility will provide to the patient or his or her legal representative a written determination of financial eligibility within five (5) business days. Decisions by the System facilities that the patient does not qualify for Financial Assistance may be appealed by the patient or his or her legal representative within fourteen (14) calendar days of the determination. If the patient or his or her legal representative appeals the determination, the Director of Patient Access will review the determination along with any new information and render a final decision within five (5) business days.

III. Relationship to Hartford Healthcare Collection Practices. In the event a patient fails to qualify for Financial Assistance or fails to pay their portion of discounted Charges pursuant to this Policy, and the patient does not pay timely their obligations to Hartford Healthcare, the System reserves the right to institute and pursue collection actions and to pursue any remedies available at law or in equity, including but not limited to, imposing wage garnishments or filing and foreclosing on liens on primary residences or other assets, instituting and prosecuting legal actions and reporting the matter to one or more credit rating agencies. For those patients who qualify for Financial Assistance and who, in the System's sole determination, are cooperating in good faith to resolve the System's outstanding accounts, the System facilities may offer extended payment plans to eligible patients, will not impose wage garnishments or liens on primary residences, will not send unpaid bills to outside collection agencies and will cease all collection efforts.

IV. Publication and Education. Hartford Healthcare facilities will disseminate information about its Financial Assistance Policy as follows: (i) provide signage regarding this Policy and written summary information describing the Policy along with financial assistance contact information in the Emergency Department, Labor and Delivery areas and all other System patient registration areas; (ii) directly provide to each patient written summary information describing the Policy along with financial assistance contact information in all admission, patient registration, discharge, billing and collection written communications; (iii) post the Policy on the System's web site with clear linkage to the Policy on the System's home page; (iv) educate all admission and registration personnel regarding the Policy so that they can serve as an informational resource to patients regarding the Policy; and (v) include the tag line "Please ask about our Financial Assistance Policy" in all Hartford Healthcare written advertisements.

V. Relation to Free Bed Funds. If a patient applies for Financial Assistance, Hartford Healthcare facilities will determine his or her eligibility for Financial Assistance and or Free Bed Funds.

VI. Regulatory Compliance. The System will comply with all state and federal laws, rules and regulations applicable to the conduct described in this Policy.

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Approved By: _____ **Thomas Marchozzi, EVP & CFO Hartford Healthcare Corp.**

Date: _____ **October 1, 2010** _____

Issued Date: 08/16/2010

FINANCIAL ASSISTANCE PROCEDURE

POLICY:

Guided by Hartford Hospital's charitable mission of caring for patients 24 hours per day, seven days per week, regardless of a patient's ability to pay, it is the policy of the Hospital to provide those services without charge or at reduced charges to eligible patients who cannot afford to pay for that care.

GUIDELINES:

These financial aid guidelines are intended to assist those low-income, uninsured and underinsured individuals who do not otherwise have the ability to pay for medically necessary healthcare as prescribed by their physician and as determined by the Hospital's qualification criteria.

While it is incumbent upon the hospital to have and fairly implement financial aid policies, it is incumbent upon financial aid applicants to cooperate with the hospital by providing necessary financial information and/or providing other information needed to enroll in a publicly sponsored insurance plan, such as, Medicaid or HUSKY. Excluded from the Financial Assistance Policy are any non-covered elective procedures.

APPLICATION PROCEDURE:

Dependent on how the request for Financial Assistance is received, the process of completing an application in person or over the phone with a Financial Counselor is the same. If additional documentation is required in order to process the application, the patient or patient representative must submit required supporting documents within ten business days of first encounter.

Application process is initiated and completed through Search America (SA) Payment Advisor suite.

At the time of request for Financial Assistance, a Financial Coordinator will:

1. Review the SA Work list and search for patient.
2. If patient is not found on the SA work list, the Financial Coordinator will initiate a SA transaction based on information provided by the patient. An encounter number must exist in SIEMENS.
3. Financial Coordinator will search in SIEMENS to look for any other outstanding accounts for specific patient.

4. Financial Coordinator will verify with Office of Professional Services, IDX System to determine if pt has other outstanding Self Pay Accounts. OPS Patient Balance accounts will be included on application.
5. Financial Coordinator begins completing the application with the patient via SA. If the application is being completed in person and additional information is required, the application will be placed on hold for ten business days until required documentation is presented. P05 will be added to account. If documentation is not received within the allowed time frame, account will be updated to reflect Self Pay status.
6. If application is approved for 100% assistance, an approval letter will be given to and /or mailed to the patient within five business days by the individual completing the application process.
7. If application is partially approved, a partial approval letter will be given and /or mailed to the patient within five business days by the individual completing the application process.
8. If application is denied based on patient being over income, over asset and or non-compliant by not providing needed information. A denial letter will be given to and /or mailed to the patient within five business days.

Approvals and denials are based on criteria provided by Federal Poverty Guidelines also known as FPL.

APPROVAL/DENIAL:

1. Most approvals or denials will be system generated based on FPL.

However the following may also review and make decision.

1. Financial Assistance Patient Access Manager
2. Patient Access Director,
3. Patient Accounts Director
4. Revenue Cycle Director
5. Executive Vice President and CFO Administration.

A Financial Assistance Review Committee is also in place for any patient appeals made after initial denial and/or for Hardship situations. The amount of Financial Assistance for which a patient is eligible will be determined based on the factors listed in the Financial Assistance Policy.

Process: Completing a Financial Assistance Application

Financial Coordinator will:

1. Complete the application on line via Search America System
2. Obtain necessary documents if applicable
3. List all accounts to be considered for assistance. **Note:** The account must be patient responsibility with a Financial Class of P, Q, R, 1, 3 or 5
4. Place appropriate payer codes in SIEMENS
P43 Approved Full Financial Assistance
P44 Approved Partial Financial Assistance
P45 Denied Financial Assistance
P05 Pending Financial Assistance
Change Payer Plan Code to P if Financial Class is Q or R. If Financial Class is R, Remove Payment Plan contract
5. Change the Guarantor to “FB – Free Bed Coordinator” on all accounts with P43
6. Add REP Code 510 for P43 or P44
7. Contact the appropriate Collection Agency to place a sixty (60) day hold on accounts in Financial Class 1, 3 or 5 which are being considered for Financial Assistance and are in Collection (if applicable, indicate on the application).
8. Comment all allocable accounts in SIEMENS.
9. Print and scan the Financial Assistance Application in the EDM Folder FIN APP, under the Medical Record Number.
10. Scan the documents if any in the EDM Folder PERS DOC, under the Medical Record Number.

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Patient Accounts Administrative Assistant will:

1. Verify correct pricing by reviewing accounts (44% is based on 100% of charges. If the patient already had a 44% discount applied this will need to be updated to 100% of actual services rendered.)

2. Allocate allowances appropriately in SIEMENS.
3. Notify appropriate Collection Agency to remove 'account hold' if applicable.
4. Remove Statement Code "N" from all accounts.
5. Remove Credit Rating "L" from all accounts.
6. Comment all accounts in Siemens system.

Process: Financial Assistance Application – Approved by the Financial Assistance Review Committee after Initial Denial

If an application is approved by the review committee after it was initially denied, the steps of updating SIEMENS, scanning must occur.

Process: Financial Assistance Application - Pending Payer Review

If a payment is received on an account Pending Payer Review, that payment will be held pending payer determination.

Process: Financial Assistance Write Off

Administrative Associate's Financial Assistance Procedure

The Administrative Associate will utilize work-list in collector's work-station. Priority will be given to Denied accounts and Partial Financial Assistance accounts.

Denied accounts (P45) –add P98 for system to generate automatic discount, move money to Patient Balance, bill the patient/guarantor and account(s) will appear in Collector Work Station (CWS).

Partial Financial Assistance accounts (P44), if applicable, the self-pay discount will be reversed (44%) and then a 44% discount will be added for Hartford Hospital accounts and a 35% discount for MidState Medical Center. The remaining balance will be transferred to the patient's balance field.

To determine if an account on the work-list has been approved, the Administrative Associate will review account for the following:

1. Check for a 510 Rep Code
2. Guarantor is FB Coordinator

3. Approval comments have been entered into the comment field of account. Verify on EDM if approval or denial letters have been sent to the patient.
4. If account is P05 status, complete a review and process accordingly

Free Beds -The Administrative Associate will research the account to determine if it qualifies for a Free Bed fund. A 520 rep code will be documented on account to process a Financial Assistance allowance if appropriate. After the account is processed, enter "AWOC" (allowance write-off completed) or "AWAP" activity codes for accounts requiring Supervisor, Manager or Director's approval in the collector's work-station activity code area. If there is a concern/question, or the account should not be processed, enter "APMR" in the activity code field of the collector's work-station. These accounts require Self-Pay Manager's review.

Bad Debt Accounts-need to be reactivated. Prior to processing, add a Payer Plan code and where applicable, wait a day for the self-pay allowance to reverse.

Unitized Accounts – Process the units approved and changed the guarantor back to the patient

The Administrative Associate will enter all Free Bed transactions into an Access Report.