

REPORT # 15

DOCKET # 11-029A

**Johnson Memorial Hospital  
Financial Assistance Summary**

1. Johnson Memorial Hospital recognizes that there are times when patients in need of medical care will have difficulty paying for the services provided. Johnson Memorial Hospital's Financial Assistance Program provides discounts to qualifying individuals based on their income and assets.
2. In accordance with the Patient Protection and Affordable Care Act of 2010, the hospital will not charge gross charges when billing individuals who qualify for financial assistance. Instead, the hospital will charge no more than the best (or on average of the three best-negotiated commercial or Medicare) rates charged to individuals who have insurance covering such care. All persons unable to pay or unable to pay in full for hospital services, may apply for Financial Assistance. In addition, all self-pay patients may receive a 25% discount from charges if paid within 30-days of initial billing.
3. As an additional service to patients, the hospital offers assistance applying for State and Federal programs that may help pay medical bills for uninsured or underinsured patients. This assistance is provided by the Entitlement Specialist and/or by the Patient Accounting Customer Service representatives.
4. Financial Assistance is available for patients with limited incomes and no health insurance or underinsured. Underinsured patients are those who have a deductible\* of at least \$250.00 regardless of the type of insurance (i.e. private insurance, group insurance, State insurance).  
\*Includes State Spend-down.

Everyone who needs emergency services can receive care and get a discount if they meet the income limits provided they applied for State insurance and received a denial letter.

Everyone can get a discount on non-emergency, medically necessary services at if they meet the income limits provided they applied for State insurance and received a denial letter.

To receive financial assistance, applicant must be a legal resident.

**Federal poverty level**

The amount of the discount varies based on the household income and the size of the family.

<b>Family size</b>	<b>Federal Poverty Level</b>	<b>250% over Federal Poverty Level</b>
1	\$10,890	\$27,225
2	14,710	36,775
3	18,530	46,325
4	22,350	55,875
5	26,170	65,425
6	29,990	74,975
7	33,810	84,525
8	37,630	94,075
For each additional person add	3,820	

\*Based on the 2011 Federal Poverty Guidelines.

All patients with income at or below 250% of the Federal Poverty Guidelines will be approved at 100% discount.

All patients with income between 251% -400% of the Federal Poverty Guidelines will be approved at a 50% discount. Remaining balance up to \$1,000 may be paid within 12 months. Remaining balance from \$1,001 up may be paid within 24 months or more depending of the total remaining balance.

**5.** State insurance denial letter will not be necessary if it is determined that applicant will not qualify for State insurance (not US citizen, no SS#, visiting visa, etc).

**6.** An advisory board will be established to review and recommend financial assistance to out of the ordinary cases. This board should be of 5 members maximum including the following departments: Pt accounting manager, customer service rep, business services director and a case manager.

**7.** Self pay accounts will not be moved to "Bad Debt" status because State insurance may take from 45 to 60 days to make a determination. While waiting for State insurance determination ROI will not send letters to self-pay accounts either.

After approval of the above new policies/changes a full policy and procedure will be developed.

**JOHNSON HEALTH NETWORK  
PATIENT ACCOUNTS DEPARTMENT  
BAD DEBT POLICY**

REPORT #15

DOCKET # 11-029A

**STANDARD:**

Johnson Memorial Hospital's primary responsibility is to provide the highest quality of medical care to its patients at the lowest cost. In order to meet these requirements, Johnson Memorial Hospital's Bad Debt Policy will provide the cash flow required to operate the institution effectively.

**POLICY:**

The primary responsibility for settlement of the account will rest with the patient.

**PROCEDURE:**

All patients, capable of doing so, will be required to sign a payment guarantee prior to admission or receipt of service. In any controversy, default, or misrepresentation, the hospital will contact the patient for payment of the bill.

Johnson Memorial Hospital will extend credit on third party benefits assigned to the hospital under proper validation of coverage. Johnson Memorial Hospital will cooperate with all third party payers to the fullest extent in order to facilitate the collection of patient's bills.

These collection policies and procedures apply to all self-pay accounts and accounts with balances such as deductibles and co-insurance.

Final detail bills and insurance claim forms (UB-04, 1500, etc) are produced, at a minimum, four days after discharge (inpatient), date of service (outpatient), or completion of Medical Records coding and are referred to the appropriate billing section. After review for completeness and correctness through system edits, the insurance claim is submitted to the appropriate third party either through electronic claim submission or hard copy submission. In the absence of third party coverage, a statement is sent directly to the patient or guarantor.

Secondary coverage claims are submitted to the appropriate third party once the primary carrier has completed its adjudication of the claim.

Four collection statements are generated for all self pay accounts at thirty-day intervals. A fourth and final statement is mailed at 120 days with a collection activity message and requesting an immediate response. Collection activity will be evaluated for final action at 120 days.

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Date of Origination: 10/9/2007

Signature

Revision Date(s): 10/5/2009

**JOHNSON HEALTH NETWORK  
PATIENT ACCOUNTS DEPARTMENT  
BAD DEBT POLICY**

After 120 days all accounts deemed uncollectible are then referred to an outside agency and/or attorney for collection.

The Director of Patient Accounts must approve the collection agency's or attorney's recommendation to get a judgment lien if the debtor does not settle an outstanding account.

After the agency or attorney exhausts all collection efforts, the uncollectible accounts are returned to the hospital's Billing Department.

Medicare accounts with balances due to co-insurance and /or deductibles will be treated like any self pay outstanding receivables. The collection agency must make reasonable efforts to collect the Medicare co-insurance and/or deductible from the debtor.

Patient's who can demonstrate that payment of their outstanding hospital bill would be a hardship for them to pay may apply for financial assistance.

All applicants must complete the required application and agree to assist hospital staff by obtaining appropriate information required to determine eligibility.

To qualify for full or partial assistance, the patient must meet the following criteria:

**Full Assistance:** The patient must not be covered by, nor receive services under, a third party insurer or a governmental payor such as Medicare or Medicaid. The applicant must also meet twice the current federal government's published poverty guidelines.

**Partial Assistance:** The patient must meet three and a half times the federal government's published poverty guidelines.

The Patient Accounts Representative will review all applications and make recommendations to management for patient's eligibility for financial assistance.



Peter J. Betts, LFACHE, Interim President & CEO

REPORT #15

DOCKET # 11-029A

March 01, 2011

Dear,

Enclosed, please find a financial assistance application. Upon receipt, please complete and return the application **within 30 days** for financial assistance consideration. **Please pay close attention to the information requested.** If we do not receive all necessary information within this time frame, your application may be denied. If you have any questions, please feel free to contact me at **(860) 684-8553**, I am available Monday through Friday, 8:00 a.m. until 4:15 p.m.

Sincerely,

Barbara H.  
Patient Accounting Representative  
Johnson Memorial Hospital  
Stafford Springs CT 06076  
860-684-8553

201 CHESTNUT HILL ROAD STAFFORD SPRINGS, CONNECTICUT 06076  
PHONE: 860 684-4251 / 860 749-2201 TTY: 860 684-8441



*A member of Johnson Health Network*

**CONNECTICUT D.S.S. REGIONAL OFFICES**  
**TOWNS SERVED & CONTACT INFO**  
**<http://www.dss.state.ct.us>**

**\*\*D.S.S. CENTRAL OFFICE\*\***

25 Sigourney Street, Hartford, CT 06106   Office Hours: Monday-Friday 8:30am-4:30pm  
**Information and Referral:** (800) 842-1508   **Toll free TDD/TTY:** (800) 842-4524

**~ NORTHERN REGION OFFICES ~**

**Hartford Regional Office Towns Served:** Avon, Bloomfield, Canton, East Granby, Farmington, Granby, Hartford, Newington, Rocky Hill, Simsbury, Suffield, West Hartford, Wethersfield, Windsor, Windsor Locks

**Address:** 3580 Main Street, Hartford, CT 06120-1187

**General Information:** (860) 723-1000   **TTY:** (860) 566-7913

**Manchester Sub-Office Towns Served:** Andover, Bolton, East Hartford, East Windsor, Ellington, Enfield, Glastonbury, Hebron, Manchester, Marlborough, Somers, South Windsor, Stafford, Tolland, Vernon

**Address:** 699 East Middle Turnpike, Manchester, CT 06040-3744

**General Information:** (860) 647-1441   **Toll-free:** (800) 859-6646

**New Britain Sub-Office Towns Served:** Berlin, Bristol, Burlington, New Britain, Plainville, Plymouth, Southington

**Address:** 270 Lafayette Street, New Britain, CT 06053-4174

**General Information:** (860) 612-3400   **Toll-free:** (866) 723-2591

**Willimantic Sub-Office Towns Served:** Ashford, Brooklyn, Canterbury, Chaplin, Columbia, Coventry, Eastford, Hampton, Killingly, Mansfield, Plainfield, Pomfret, Putnam, Scotland, Sterling, Thompson, Union, Willington, Windham and Woodstock

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**General Information:** (860) 465-3500   **Toll-free:** (866) 327-7700

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**New Haven Regional Office Towns Served:** Ansonia, Bethany, Branford, Derby, East Haven, Hamden, Milford, New Haven, North Branford, North Haven, Orange, Seymour, Shelton, Wallingford, West Haven, Woodbridge

**General Information:** (203) 974-8000

**Middletown Regional Office Towns Served:** Chester, Clinton, Cromwell, Deep River, Durham, East Haddam, East Hampton, Essex, Guilford, Haddam, Killingworth, Lyme, Madison, Meriden, Middlefield, Middletown, Old Lyme, Old Saybrook, Portland, Westbrook

**General Information:** (860) 704-3100

**Norwich Regional Office Towns Served:** Bozrah, Colchester, East Lyme, Franklin, Griswold, Groton, Lebanon, Ledyard, Lisbon, Montville, New London, North Stonington, Norwich, Preston, Salem, Sprague, Stonington, Voluntown, Waterford

**General Information:** (860) 823-5000   **Toll-free:** (800) 473-8909

**~ WESTERN REGION OFFICES ~**

**Bridgeport Regional Office Towns Served:** Bridgeport, Easton, Fairfield, Monroe, Norwalk, Stratford, Trumbull, Weston, Westport

**General Information:** (203) 551-2700   **Toll-free:** (877) 551-2700

**Stamford Regional Office Towns Served:** Darien, Greenwich, New Canaan, Stamford, Wilton

**General Information:** (203) 251-9300   **Toll-free:** (866) 663-9300

**Waterbury Regional Office Towns Served:** Beacon Falls, Cheshire, Middlebury, Naugatuck, Oxford, Prospect, Southbury, Waterbury, Watertown, Wolcott

**General Information:** (203) 597-4000   **Danbury Regional Office Towns Served:** Bethel, Bridgewater, Brookfield, Danbury, New Fairfield, New Milford, Newtown, Redding, Ridgefield, Sherman

**General Information:** (203) 207-890

**Torrington Regional Office Towns Served:** Barkhamsted, Bethlehem, Canaan, Colebrook, Cornwall, Goshen, Hartland, Harwinton, Kent, Litchfield, Morris, New Hartford,

Norfolk, North Canaan, Roxbury, Salisbury, Sharon, Thomaston, Torrington, Warren, Washington, Winchester, Woodbury



Patient Accounting Department  
201 Chestnut Hill Road  
Stafford Springs, CT 06076-4005

# Financial Assistance Application

Date Completed: \_\_\_\_\_

Patient's First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_ Last Name: \_\_\_\_\_

Street Address: \_\_\_\_\_ Apt No.: \_\_\_\_\_ P.O. Box: \_\_\_\_\_

City/Town: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Phone #: \_\_\_\_\_

Number of Dependents (including spouse) in household: \_\_\_\_\_ Total Dependents under 18 years old: \_\_\_\_\_

Income verification is required for all applicants in adherence to the JMH program guidelines listed below. In order for your financial assistance application to be processed, you must provide copies of the following documents as applicable to your 2009 income:

- Copy of determination letter from Department of Social Services (**mandatory**).
- Four** recent employer pay stubs for yourself and any dependents. Please indicate periods of unemployment.
- Copy of **2009** 1040-tax form.
- Proof of alimony, child support, and/or divorce decree.
- Proof of estate, dividends, allotments, tips, social security, retirement pension slips, workers compensation or strike benefits, net winning income, royalties, annuity income, welfare benefits or general assistance benefits.
- If self-employed, receipts from unincorporated business, professional enterprise, or partnership after deductions for business expenses (use business tax from previous calendar year). Include schedule K-1 (1120).
- If these charges occurred under part of a third party liability suit, please disclose this information.
- If none of the above proof-of-income applies, please provide a detailed letter explaining the means of support for you, your family or household unit.

## INCOME

PATIENT'S EMPLOYER: \_\_\_\_\_ WEEKLY INCOME BEFORE TAX: \$ \_\_\_\_\_

SPOUSE'S EMPLOYER: \_\_\_\_\_ WEEKLY INCOME BEFORE TAX: \$ \_\_\_\_\_

OTHER MONTHLY INCOME: SOCIAL SECURITY.....\$ \_\_\_\_\_

PENSION PLAN.....\$ \_\_\_\_\_

OTHER (SPECIFY): \_\_\_\_\_ \$ \_\_\_\_\_

TOTAL OTHER INCOME \$ \_\_\_\_\_

The above statements are true and accurate. I understand that financial assistance is available only after all other sources of third party reimbursement have been exhausted. I agree to cooperate and follow through with applications for state assistance as well as any other third party payers as requested by your office. This application is subject to approval.

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Application taken by: \_\_\_\_\_ Status: Approved \_\_\_\_\_ Denied \_\_\_\_\_

JOHNSON MEMORIAL HOSPITAL  
PATIENT ACCOUNTS DEPARTMENT  
FINANCIAL ASSISTANCE POLICY

REPORT # 15

DOCKET # 11-029A

**STANDARD:**

Johnson Memorial Hospital recognizes its responsibility to assist patients unable to pay for services rendered.

**POLICY:**

Johnson Memorial Hospital will provide free or reduced cost medical services to those patients who are uninsured and/or underinsured and whose services are deemed medically necessary.

**PROCEDURE:**

- A. Notification of the availability of Financial Assistance will be posted in the following areas of the Hospital in both English and Spanish:
  1. Admitting
  2. Emergency Department
  3. Patient Account Department
  4. Social Service
- B. All Self Pay patients will be given, at time of registration, the Notice of Uninsured Qualifications. (In English and Spanish)
  1. The Notice will identify the criteria for qualifying for a reduction in billed charges
  2. The Notice will identify the number to call to obtain applications for reduced charges.
- C. All requests for assistance will be forwarded an application form with instructions for completion.
- D. Completed applications will be reviewed to determine patient's eligibility for assistance.
- E. Criteria for determining eligibility and the amount of financial assistance for which the patient is eligible will include the following factors as well as others:
  1. Individual and/or family income - The hospital will recognize standards for determination of poverty with consideration of family size and other pertinent factors. Individual or family income generally is not the exclusive criteria for determining the appropriate amount of financial assistance.
  2. Individual or family net worth - The hospital will consider all liquid and non-liquid assets owned, less liabilities and claims against assets. Eligibility for Medicaid will also be considered.

JOHNSON MEMORIAL HOSPITAL  
PATIENT ACCOUNTS DEPARTMENT  
FINANCIAL ASSISTANCE POLICY

3. Employment status – The hospital will consider the likelihood of future earnings sufficient to meet their medical related obligation within a reasonable period of time.
4. Implications of family size in addition to adequacy of individual or family income will be considered.
5. Other financial obligations including living expenses and other items of a reasonable and necessary nature will be considered.
6. The amount and frequency of bills for healthcare services will be considered in relation to all the other factors outlined above. While eligibility relates to meeting criteria at the time service is rendered, the history of service and the need for future service may be considered. A separate determination of the amount of financial assistance for which a patient is eligible is made on such occasion of service, or regular confirmation of eligibility is made during extended programs of service.
7. The appropriate form and amount of financial assistance is determined in relation to amounts due after applying all other resources. Criteria may be more detailed and call for more specific evidence of eligibility for large amounts than for small amounts.

F. A request for financial assistance can be made at any time during the collection process. The request may be made by or "on behalf" of an individual seeking services from our hospital. This request can be made before or after services are received.

- 1 Request received after an account has been turned over to an external collection agency and/or attorney, will be placed on hold with the external party pending determination on the patient's eligibility for assistance.
  - a. Accounts requesting assistance will be given 30 days to submit completed forms or make payment.
  - b. If payment, arrangement for payment, or completed financial assistance forms is not received within 30 days, the account will be taken off hold and the external agency for collection will resume collection.

G. Application:

- 1 Prior to consideration for Financial Assistance all other payment avenues must be exhausted to include patient's application for state assistance if applicable.
- 2 The patient's account must be in a Self Pay billing status and/or Bad Debt status.

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PATIENT ACCOUNTS DEPARTMENT  
FINANCIAL ASSISTANCE POLICY

- 3 A Financial Assistance application (see attached) must be completed.
- 4 Information obtained on the Financial Assistance form is reviewed for accuracy.
- 5 Comment on the account that a Financial Assistance application has been received.
- 6 Hold all statements pending determination.
- 7 Applicant's gross income will be compared to national poverty guidelines to confirm patient falls within established criteria.
- 8 Next, compare patient's net income to poverty guidelines.
- 9 Notice of action, approval and /or denial will be sent to the patient.
- 10 Acknowledgments of approved applications will identify the amount of financial assistance approved and how the balance may be paid.
- 11 Income guidelines and financial assistance awarded:

400% of Poverty Guidelines	30% assistance
300% of Poverty Guidelines	50% assistance'
250% of Poverty Guidelines	75% assistance
200% of Poverty Guidelines	100% assistance

- 12 Financial Assistance granted: Notification will be sent out within two weeks of receipt of completed application indicating if financial assistance has been granted and for what amount. If assistance is denied, an explanation of the reason for our determination is submitted.
- 13 All applications for assistance under Section 19a-673 of the CT General Statutes will be logged and reported for reporting to finance.