SPRINGHILL MEDICAL CENTER

and Rural Health Clinics

POLICIES AND PROCEDURES

DEPARTMENT: Springhill Medical Services Inc. DATE ADOPTED: August 2007

SUBJECT: Charity Care and Financial Assistance Policy DATE REVISED: February 2022

POLICY NO: REV- 002

Scope: All subsidiaries of Springhill Medical Services, Inc. ("SMC"), and their personnel.

Purpose: To set forth guidance for providing financial assistance to patients, including guidance on communicating the availability of the program and on recording and reporting financial assistance granted. Springhill Medical Center Hospital and Clinics that is wholly-owned by Springhill Medical Center Inc.

Policy: In support of our values of integrity, trust, respect, compassion and stewardship, Springhill Medical Center Hospital and hospital based clinics are providing a discount on billed charges to patients for medically necessary care delivered to those who are uninsured and ineligible for government programs, or are otherwise medically indigent.

SMC will strive to ensure that the financial capacity of people who need medically necessary services does not prevent them from seeking or receiving care. The discount program is not considered to be a substitute for personal responsibility, and patients are expected to cooperate with the procedures to obtain the discount and to contribute to the cost of their care based on their individual ability to pay.

A. SMC will pursue payment from the patient/guarantor for all deductibles, co-pays, coinsurance, and/or services not covered by insurance or other third-party payer.

B. SMC has a Financial Assistance Policy established to provide financial support to uninsured/underinsured patients who are unable to meet personal payment responsibilities and who meet established criteria. The determination that a patient or patient's guarantor needs financial assistance for these financial responsibilities may be made before or after services are rendered. Patient/guarantor must provide documentation for the need for financial assistance within 14 days of initiating the application process. A failure to provide this documentation within 14 days will result in the expiration of the application.

C. If patient is covered by insurance, Medicaid, or other indigent care programs, SMC will pursue all possible forms of third-party payment before applying financial assistance discounts. Patients/guarantors are expected to assist with all such efforts to obtain third-party payment.

D. The key elements of this policy will be communicated to the public through methods such as publishing on the hospital's web site and including in information packets distributed at registration.

DEFINITIONS:

For the purpose of this policy, the terms below are defined as follows:

A. ***Charity Care and Financial Assistance:*** Healthcare services that have or will be provided but are never expected to result in cash inflows. Financial Assistance results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

B. ***Family:*** Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, 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.

C. ***Family Income:*** Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

Included 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 estate, Trusts, Educational Assistance, Alimony, Child Support, Assistance from outside the household, and other miscellaneous sources.

1. Noncash benefits such as food stamps and housing subsidies are not counted
2. Determined on a before-tax basis
3. Excludes capital gains or losses; and If a person lives with a family, includes the income of all family members (Non-relatives such as housemates, do not count)

D. ***Uninsured:*** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

E. ***Underinsured:*** The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

F. ***Uninsured Discount****:* A discount to an uninsured patient's billed charged for medically necessary inpatient/outpatient hospital services and hospital-based clinic services in accordance with the guidelines of this policy.

PROCEDURE:

A. Charity Care and Financial Assistance

1. Where possible, prior to the registration of the patient, a financial counselor will conduct a pre-registration interview with the patient, the guarantor, and/or his/her legal representative. If a pre-registration interview is not possible, this interview should be conducted upon registration/admission or as soon as possible thereafter. In the case of an emergency admission, the evaluation of payment alternatives should not take place until the medical care required to stabilize the patient has been provided.

2. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than 1 year prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known. Request for financial assistance shall be processed promptly and Springhill Medical Center shall notify the patient or applicant in writing within 30 days of receipt of a completed application. Patients requesting financial assistance must complete the Confidential Financial Assistance income statements.

3. Written notice will be mailed to the patient/guarantor for any incomplete application received.

4. A determination of eligibility will be made and documented for patients who submit a completed Financial Assistance Application based solely on family income and family size using the current Federal Poverty Guidelines ("FPG"). The Collections Manager will review and sign off.

5. Patients at or below 200% of the current FPG will be eligible for the Financial Assistance Program and discounts will be applied based on the Sliding Fee Schedule included in this policy.

6. The Chief Financial Officer will review the monthly Financial Assistance approvals and sign off.

B. Presumptive Eligibility

In certain situations, patients will be presumptively deemed eligible for financial assistance without completing the formal application process. Presumptive eligibility is based on their eligibility for other programs or life circumstances such as:

a. Medicaid Recipient - Any patient eligible for Medicaid or other indigent care program
    i. Medicaid unpaid portion for non-covered services
    ii. exceeding length of stay

iii. out-of-state Medicaid patients that we do not have a provider number to bill

b. Patient deceased with no known estate:

C. Communication of the Discount Program to Patients and the Public

Information about available Financial Assistance shall be made available which may include the following: Notices posted at all points of patient check-in, information provided to the patient at time of registration, communication received from hospital business office or hospital based clinics. Such information shall be provided in the primary languages spoken by the populations served by the site. Referral of patient's for financial assistance may be made by any member of Springhill Medical Center or its' clinics including physicians, nurse practitioners, physician assistants, nurses, financial counselors, social workers, case managers, etc. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient subject to applicable privacy laws.

D. Billing and Collection

1. The amounts to be collected from uninsured patients for emergency or other medically necessary care shall not exceed Amounts Generally Billed (AGB) as determined by the prospective method based on Medicare.

2. Hospital Charges: The standard charges in the hospital are based on 300% of the Medicare Fee Schedule. Uninsured patients will receive a 67% discount to reduce standard charges to AGB before applying FAP sliding-fee discounts.

3. Rural Health Clinics: Medicare reimburses Rural Health Clinic visits by an All Inclusive Rate. The FAP sliding fee discount will be applied to the lesser of the standard charges or Medicare All Inclusive Rate

4. Professional Fees: The standard charges for Professional Fees are based on 200% of the Medicare Fee Schedule. Uninsured patients will receive a 50% discount to reduce standard charges to AGB before applying FAP sliding-fee discounts.

5. Collection efforts will be made to determine a patient's eligibility for charity care for a period of 120 days. During this period patients will receive 4 statements. After this period reasonable collection efforts will be considered to have been made and the patients account will be reviewed for collections placement and/or bad debt.

6. Any Deductible, Coinsurance, or Co Pay claimed as Medicare Bad Debt is excluded from being reported as Charity Care

E. Covered Providers

All providers practicing in any of the SMC locations are covered by this policy except those listed in Non-Covered Providers..

F. Non-Covered Providers

The following non-employed providers are not covered by this policy.

a. Baton Rouge Radiology Group – Provides interpretation of diagnostic imaging
b. Dr. Ray Smith – Cardiologist – Doctors Clinic
c. NES – ED Physicians and Hospitalists – While not covered by this policy, NES has agreed to honor the SMC FAP determinations and discounts.

G. Policy Changes

This policy may be revised at any time as business needs require. Income thresholds for sliding fee discount are updated annually based on the poverty guidelines published by the US Department of Health and Human Services.

- May 2020
- May 2021
- January 2022: Added presumptive eligibility, updated sliding scale with 2022 FPG
- February 2022: Added detail regarding AGB discounts, added covered providers and non-covered providers

H. Sliding Fee Schedule

Patient Responsibility After AGB Discount	Fixed Nominal Fee: $5	20%	40%	60%	80%	100%
Annual income threshold by percent of 2022 FPG						
Percent of Poverty	**100%**	**125%**	**150%**	**175%**	**200%**	**Above 200%**
Persons in Family						
1	$13,590.	$16,987	$20,385	$23,782	$27,180.	$27,180
2	$18,310	$22,887	$27,465	$32,042	$36,620	$36,620
3	$23,030	$28,787	$34,545	$40,302	$46,060	$46,060
4	$27,750	$34,687	$41,625	$48,562	$55,500	$55,500
5	$32,470	$40,587	$48,705	$56,822	$64,940	$64,940
6	$37,190	$46,487	$55,785	$65,082	$74,380	$74,380
7	$41,910	$52,387	$62,865	$73,342	$83,820	$83,820
8	$46,630	$58,287	$69,945	$81,602	$93,260	$93,260
For each additional person add	$4,720	$5,900	$7,080	$8,260	$9,440	$9,440

Brian Griffin

Digitally signed by Brian Griffin
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Approval

3/1/2022

Date