FC.02.01	TANNER MEDICAL CENTER, INC.
TITLE:	**Financial Assistance Policy**
FORMULATED BY:	**Patient Financial Services**
APPLIES TO:	**Tanner Medical Center, Carrollton**
EFFECTIVE: 3/95	**REVIEWED: 6/99** **REVISED: 5/00, 6/01, 6/03,10/03,10/04,8/05, 04/07,12/07,2/10,10/10, 3/12,11/12,3/13, 4/13**
REQ/REG BY: **Department of Community Health,** **IRS 501 ©(3) and 501r** **Irs.gov/pub/irs-drop/reg-130266-11.pdf**	**REFERENCE: BN/SY**

Purpose:

Tanner Medical Center, Inc. Board of Director's is committed to providing quality heath care to patients. As a community healthcare provider, Tanner Health System offers financial assistance programs to help patients meet their medically necessary healthcare financial responsibilities. Tanner provides a Financial Assistance Program to assist eligible uninsured and/or underinsured patients and their families with medical bills beyond their ability to pay. To ensure that access to care is not denied, we offer a program to provide assistance for treatment of medically indigent patients, uninsured patients or underinsured patients and to ensure the inability to pay does not act to deny or substantially delay receipt of medically necessary services. To have a process in place that will identify and refer all potential patients for evaluation for assistance through the Patient Financial Assistance Program (PFAP) -Charity/Indigent program.

Policy:

Tanner Medical Center is committed **t**o providing financial assistance for all patients with healthcare needs regardless of financial situation. Emergency care as defined by the Emergency Medical Treatment and Active Labor Act will be provided to all patients regardless of their ability to pay. In order to meet criteria for the assistance program, the patient/guarantor must meet a family income of two hundred (200%) percent of the Federal poverty guidelines (FPG) based on family size established by the Federal Government Services Agency (GSA) which is published annually in the Federal Register. Financial assistance is not considered to be a substitute for personal responsibility, and patients are expected to cooperate with gathering financial information and contributing to the cost of their care based on their ability to pay The Financial Assistance program covers payment for medically necessary care, but does not cover routine co-pays and deductibles for patients having medical insurance coverage unless a hardship can be documented. The program also excludes services deemed not medically necessary, such as cosmetic surgery or fertility services.

Patients have a right to:

- ✓ The availability of free and reduced-charge services
- ✓ The ability to gain admittance without pre-admission deposits
- ✓ Not be transferred solely or in significant part for economic reasons
- ✓ The availability of services provided
- ✓ The terms of eligibility for free and reduced services
- ✓ The application process for free and reduced charges
- ✓ The person or office to which complaints or questions about the hospital's participation in or operation of the program may be directed

DEFINITIONS

FPG-Federal Poverty Guidelines: Poverty guidelines issued by the federal government at the beginning of each calendar year that are used to determine eligibility for poverty programs. The current FPG can be found on the U. S. Department of Health and Human Services website at hhs.gov

Uninsured patients: Patients without third party insurance for health services, including Medicare and Medicaid.

Medically Indigent: A patient with medically necessary medical bills which have created a hardship on the patient and his/her family income is up to 200% of the Federal poverty guidelines (2 times) depending upon family size. The discount for medically indigent is 100% or a % discount based on discretionary income. (Copy available upon request)

Charity: A patient with family discretionary income up to 200% of the Federal poverty guidelines (2 times) depending on the family size. The higher the patient's discretionary income and healthcare bills the higher the patient discount for discount. The discount is based on a sliding scale analyzing discretionary income, family income and immediate family size.

All accounts deemed as Charity through the Patient Financial Assistance Program and having a remaining balance after the determined discount percentage, such balance would be the responsibility of the patient/guarantor. In order to receive the Charity discounts, the patient must, pay by cash, credit card, or In House contract for the balance due.

Indigent: A patient with family income up to 200% of the FPG (2 times) based on family size and receives a 100% discount of their gross charges on their healthcare bills.

Family Unit size: Size is defined as the applicant, spouse, and all legal dependents as allowed by the IRS. If the applicant is a minor, the family unit will include the parents, legal guardians, and all household dependents as allowed by the IRS.

Family Unit income: Income is defined as gross income for all members of the family unit for the last year. Examples of income are: benefits from social security, retirement, veteran's administration, welfare, workers compensation, sick leave, disability

compensation, alimony, child support, stock/certificate dividends, interest, or income from property.

Disposable income: Income is defined as available income determined by subtracting the family unit income from the Charity federal poverty guidelines.

Liquid assets- Assets are defined as assets that can be converted into cash in a relatively short period of time, generally within 30 days. Non-physical assets such as bank accounts, certificate of deposits, 401K, bonds, money markets, etc are considered liquid assets.

APPLICATION PROCESS

1. **Obtain an application.** In order to qualify for the Patient Financial Assistance Program, an application must be completed. Patients are given information pertaining to Charity/Indigent program at all areas of registration and cashier windows. Emergency Patients – Registration process will not delay the treatment of the patient). Any self pay or under insured patient must meet criteria for indigent and charity care discounts. The application, Financial Assistance Policy, Billing and Collection Policy and a Financial Assistance summary can be found at the following locations:
   1. **Website**-Printing the application from the Tanner website at: http://www.tanner.org/Main/PatientFinancialAssistance.aspx

   2. **Registration** - Patient Financial Assistance Program Applications and policies are provided at time of registration, upon request. Visiting one of our 3 hospital facilities where they are available at all registration areas

   3. **Business Office** – Paper Patient Financial Assistant Program Applications are available by Business Office or Hospital Staff. Calling 770.812.5795 to have a copy mailed directly to your home.

2. **Meet required income and family size requirements.** Tanner uses a sliding scale based on your family size and income level to determine each patient's hospital discount. The family income must be less than two times (or 200 percent) the current Federal Poverty Guidelines (FPG) for each size of family.

Household size	100% of FPG	200% of FPG
1	$11,490	$22,980
2	$15,510	$31,020
3	$19,530	$39,060
4	$23,550	$47,100
5	$27,570	$55,140
6	$31,590	$63,180
7	$35,610	$71,220
8	$39,630	$79,260
For each add'l person, add	$4,020	$8,040

a. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account patient's age, gender, race, veteran status, immigration status, sexual orientation, or religious affiliation.

b. The medical care must be medically necessary to be considered for the financial assistance. Medical services solely for cosmetic purposes and services or procedures that are elective in nature will not be considered for the program.

c. In addition to the above discounted rate, family units that are above 200% of the FPG, where the patient is medically indigent or has unusual financial circumstances, such as catastrophic illness or accident, are evaluated based on their individual financial situation and their discretionary income.

3. **Complete your Financial Application-** A completed application must be returned with all supporting documentation within 30 days of receipt. Applicants must fully cooperate and comply with all verification of income and assets. Examples of items needed for a complete application are tax returns, income verifications, bank statements, etc. When application is complete, you may either hand deliver it to one of our 3 hospital facilities or mail it to the address below:

   Tanner Medical Center
   Patient Financial Counselor
   705 Dixie Street
   Carrollton, Georgia 30117

4. Tanner will notify the applicant of our financial assistance decision within five days of receiving the completed application. Assistance may be denied without a completed application.

5. If a patient wishes to discuss applying for financial assistance with a financial counselor, obtain a copy of Tanner's Financial Assistance policy, obtain a copy of the Billing and Collection policy, obtain a copy of the application or need help completing the application, they should contact the Tanner Patient Financial Assistance Department at 770.812.5795 or email patientfinancials@tanner.org during normal business hours, Monday through Friday from 8 a.m. to 4:30 p.m.

APPLICATION PROCESS

1. Patient presents himself/herself for services:
   - Patient will be triaged and treated according to EMTALA without delay of receiving medically necessary care, treatment and services with current registration policy and procedures.
   - Extraordinary collection efforts will not occur on an account where the patient is not aware of the process of applying for financial assistance.

2. After the patient is registered, the registrar will provide the patient or responsible party with the following:
   - A cover letter explaining "The Patient Financial Assistance Program"
   - A summary of the Financial Assistance Policy
   - A full version of the Hospital Financial Assistance Policy (when requested)
   - Patient Financial Assistance Program application.
   - Patient Financial Assistance Instructions
   - Name and phone number to contact a Financial Counselor

3. After reviewing the information, should the patient feel they would like to apply for assistance, the following should take place.
   - Patient/Guarantor should check the total number of family members according to total income.
   - List names of all family members and date of birth.
   - Sign Responsible party line, enter address and phone number.
   - Return the Patient Financial Assistance Program form back to the registrar.

4. A Patient Financial Counselor is assigned each applicant. Each patient will be interviewed and financial statements/applications reviewed. Gather and review the following information for Charity/Indigent determination.
   - ✓ Charity care application/financial statement.
   - ✓ Supporting documentation, such as tax documents, utility statements, pay stubs, bank statements etc.
   - ✓ A printout of the account face sheet, with all patient demographics.
   - ✓ Financial Analysis worksheet
   - ✓ Information on Medicaid referral and denial.

   - ✓ A credit check may be processed for applicants and household members to

assist in determining the overall financial status and value of assets.

i. A credit report may be used solely in the determination of charity when a financial application cannot be obtained.
ii. If the applicants' credit report indicates the family income provided is not realistic, financial assistance may be denied.

5. The Counselor will review the account to determine that no third-party coverage or limited coverage exists to pay the account and the patients address and phone number is listed.

   - Uninsured Patients will be identified and referred to an outside company for assistance in obtaining Medicaid, Disability and/or Crime Victim eligibility determination.

   - Prior to legal collection, external collection agencies will notify the hospital of accounts that may qualify for financial assistance or where the patient has requested financial assistance.

6. All requests for Financial Assistance discounts will be approved by appropriate party in order to determine that all accounts meet criteria. Liquid assets exceeding 125% of balance due will disqualify the patient from charity consideration unless extenuating circumstances are documented, reviewed and approved by the Department Director and the CFO. Discounts will range from free care to a discounted care.

   - The determination/approval must be completed within 5 Business days from the date application is received, determined complete and verified that all required documentation is provided.

   - Patients approved and/or denied financial assistance are sent a Letter of Notification.

   - Approvals for financial assistance are good for one year and can be used for any new accounts within the 12 month time frame with no additional information required.

7. The Department of Patient Financial Services is responsible for determining that the hospital has made reasonable efforts to determine FAP eligibility. Patients that are denied have the option to re-apply at any given time. Also, patients denied financial assistance may also appeal to the Director of Patient Financial Services at 770-836-9582.

8. Documentation is maintained in a secure confidential location but available for review upon request of authorities or patient.

CHARGES BILLED TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE. Patients approved for financial assistance will not be billed gross charges. For the calendar year of 2013, these patients will receive a 60% discount off of the hospital list price.

The discount is calculated by obtaining the Medicare and the commercial insurance charges billed for emergency and medically necessary care and determining the average reimbursement. This discount is calculated annually based on the look back method reviewing all charges and collections for all claims paid in full for emergency and other medically necessary care to determine the "amounts generally billed".

COMMUNICATION OF THE FINANCIAL ASSISTANCE PROGRAM

Financial Assistance Policy information is readily available free of charge in paper and electronic form in the following areas:

1. Posted on Hospital walls in Registration areas for patients, family and visitors
2. Printed in fliers available at Registration desks for patients and families
3. Printed in fliers and posted on walls mounts throughout hospitals
4. Mailed to patients with statements
5. Communicated to patients during phone calls
6. Printed flyers available at local physician offices
7. Provided annual in-service and provided flyers for local Practice Managers Associations of physician office staff.
8. Printed flyers provided to local advocacy groups/agencies such as Alice's house, DFACS, Health Departments
9. Printed in local newspaper annually for the community
10. Provided to location physician office management meetings annually
11. Posted on Tanner website-tanner.org under
    - Pay Your Bill Tab-Patient Financial Assistance Tab

<u>RECORD RETENTION</u>

- Patient Counselor will document patient account as to all action taken and the results.
- Hard copies of all supporting documents will be maintained in a safe and secure location for the established time frame.
- All documents will be destroyed in accordance with current destruction policy.
- Steps will be taken at all times to ensure the safety and security of personal information is protected at all times.

Procedure Links:

1. Performing In-House Monitoring
2. Referring Patients for Public Assistance
3. Self pay billing and collection policy
4. Determining eligibility for Indigent/Charity care

Exhibits:

1. Financial Statement
2. Financial Analysis Worksheet
3. Properly documented patient account

4. Charity Guidelines
5. Federal Poverty Guidelines