

LAWRENCE COUNTY MEMORIAL HOSPITAL
Lawrenceville, Illinois

Originating Department: Patient Financial Services	Effective Date: 4/25/07 Revision Dates: 4/23/08; 7/23/08; 2/25/09; 5/17/10; 10/20/10, 9/29/15, 1/24/22
Title: Financial Assistance Program	Executive Approval: <i>Original Signed</i> Board Approval: 10/27/10, 10/6/15, 1/26/22
Distribution: All Departments	Page: 1 of 6

I. MISSION

The mission of Lawrence County Memorial Hospital (“**LCMH**” or “**Hospital**”) a not-for-profit, tax-exempt entity, is to restore, maintain and improve the health of the people and communities it serves. In furtherance of its mission as a charitable organization, LCMH is committed to providing medically necessary inpatient, outpatient, and comprehensive primary care clinic services (collectively, the “**Hospital Services**”) to residents of Lawrence County, Illinois and its defined service areas, regardless of any patient’s ability to pay.

II. PURPOSE

The purpose of this Financial Assistance Program is to establish guidelines for awarding Financial Assistance to Underinsured or Uninsured Patients. This Program commits to comply in all respects with the provisions of the Illinois Hospital Uninsured Patient Discount Act and the National Health Service Corps Sliding Fee Schedule. LCMH has established its Uninsured Patient Discount Policy in conjunction with its Financial Assistance Program. The Financial Assistance Program and the Uninsured Patient Discount Policy are parts of an integrated system which provides free or discounted services to all those eligible.

III. POLICY

This policy explains methods in which LCMH may utilize free or discounted services to assist its patients. A patient may qualify for free or discounted services through Presumptive or Application-Based Eligibility. LCMH will offer Financial Assistance for Hospital Services to persons or families for whom there is limited or no health insurance available. Patients whose family income is less than 400% of the Federal Poverty Guidelines will qualify for partial or full assistance under this policy. Financial Assistance patients will not be charged more than amounts generally billed to insured. To qualify for Charity, the patient must be a Lawrence county resident at time of services.

A. Presumptive Eligibility:

Determination of Presumptive Eligibility will be made prior to the patient receiving their first statement. A Presumptive Patient must have no insurance coverage. The Patient is not covered under any health insurance including high deductible plans worker’s compensation, accident liability insurance or any third party liability. Patient must meet

Originating Department: Patient Financial Services	Effective Date: 4/25/07 Revision Dates: 4/23/08; 7/23/08; 2/25/09; 5/17/10; 10/20/10, 9/29/15, 1/24/22
Title: Financial Assistance Program	Executive Approval: Original Signed Board Approval: 10/27/10, 10/6/15,1/26/22
Distribution: All Departments	Page: 2 of 6

financial eligibility. Patient must be a resident of Lawrence County. Proof of residency will be required.

Patients will be required to fill out a Presumptive Charity Application at the time of Registration or prior to Services rendered. Presumptive eligibility may be determined on the basis of a patient's life circumstances that may include the following:

- Homeless or living in a shelter.
- No income.
- Participation in Women's Infant's and Children's programs ("WIC").
- Food stamp eligibility, Participation in subsidized school lunch programs.
- Documentation provided by family, friends or clergy of the patient establishing the patient's inability to pay for the medical care (e.g., letter of support).
- Low income/subsidized housing is provided as a valid address.
- Patient and spouse are deceased with no known estate.
- The patient is mentally or physically incapacitated and has no one to act on

B. Application-Based Eligibility

Financial assistance will be granted based on percentages of the most recent poverty guidelines as established by the Federal Government Services Agency. Proof of current income will be required. Any patient that we believe may qualify for Medicaid or other insurance will be required to apply and submit the result, including possible backdating of Medicaid coverage. Applications must be received within 60 days from the date of discharge or date of service. If partial financial assistance is granted, the remaining portion will need to adhere to Payment Plan Policy. The Financial Assistance application form will adhere to the information request limits contained in the Fair Patient Billing Act and will contain a required certification statement signed by the applicant. The patient must provide the following items:

- A Determination of Eligibility for the Illinois Uninsured discount: Patient must live in Illinois at the time services are rendered.
- Provide Proof of Income
- Two Most Recent Pay Stubs
- State Tax Return for the prior Year
- Valid state Issued identification card
- Recent Residential bill
- Copy of Current Bank Statements
- Family size;

Originating Department: Patient Financial Services	Effective Date: 4/25/07 Revision Dates: 4/23/08; 7/23/08; 2/25/09; 5/17/10; 10/20/10, 9/29/15, 1/24/22
Title: Financial Assistance Program	Executive Approval: Original Signed Board Approval: 10/27/10, 10/6/15,1/26/22
Distribution: All Departments	Page: 3 of 6

- Financial obligations, including living expenses and type of loan obligations;
- Ratio of monthly income to monthly debt;
- Amount and frequency of bills for healthcare services;
- Any other circumstances and information deemed relevant by LCMH in making the most appropriate Financial Assistance determination.

“Amounts generally billed” (AGB) is calculated per the Affordable Care Act Look-Back Method for claims paid in the prior calendar year (regardless of the service date). The calculation under the look-back method divides total amount “allowed” by Medicare and all private health insurers by total gross charges. “Allowed” amount is the amount reimbursed by insurance plus the amount to be paid by the patient, regardless of whether the amount is actually paid. To obtain information about the discount percentage amount free of charge, the patient may contact the Hospital Business Office at (618) 943-1000.

C. Approval: Eligibility forms must be reviewed will be approved or denied based on the following:

- \$0.01 to \$1,000.99 Financial Counselor Approval
- \$1,001.00 to \$4,999.99 PFS Director
- \$5,000.00 and Above to be approved by the Chief Financial Officer
- Once eligibility has been determined, due to the inherent nature of the presumptive circumstances, a Financial Assistance equal to 100% of the account balance will be granted.

IV. QUALIFICATION AND ELIGIBILITY

Financial Assistance may be available to patients who have received medically necessary care and all other sources of payment have been exhausted. A patient who does not qualify for financial assistance initially may re-apply at any time that there is significant change in their financial situation as long as their accounts are in good standing. All patients will have at least 60 days from the first statement date (considered the notification date) to submit an application before going to a collection agency. Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (“**FPL**”) in effect at the time of the determination.

LCMH will charge patients qualifying for financial assistance is as follows:

- Patients whose family income is at or below 200% of the FPL are eligible to receive free care.

Originating Department: Patient Financial Services	Effective Date: 4/25/07 Revision Dates: 4/23/08; 7/23/08; 2/25/09; 5/17/10; 10/20/10, 9/29/15, 1/24/22
Title: Financial Assistance Program	Executive Approval: Original Signed Board Approval: 10/27/10, 10/6/15,1/26/22
Distribution: All Departments	Page: 4 of 6

- Patients whose family income is above 200% and up to 400% of the FPL are eligible to receive services at a discount rate.
- Patients whose family income exceeds 400% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of LCMH.

V. ACCOUNTS FOR FURTHER FINANCIAL ASSISTANCE

In the event of an illness where proper documentation has been submitted, but the patient still has a responsible balance resulting from LCMH bills that causes an undue hardship upon the household, the Patient Financial Services Director along with the CFO may review and determine if additional Financial Assistance is merited.

Such cases may include, but are not limited to, those instances in which a patient is left with a “substantial” balance even after being awarded partial Financial Assistance and the application of the maximum amount collectible under the Uninsured Patient Discount Policy. As the circumstances of such cases will vary widely, the definition of “substantial” and the amount of Financial Assistance will be determined on a case-by-case basis considering all financial, family and health circumstances of the patient.

Such assistance will be available for patients who have applied for but did not qualify for 100% Financial Assistance. LCMH will grant assistance if the total bill is over 30% of the annual income and the debt to income ratio is 60% or above. The debts listed on the application must demonstrate prudent spending. Assistance will be given for a particular encounter or encounters. The patient must reapply each time assistance is needed under this provision. The amount deemed eligible will be eligible for Financial Assistance and cannot be reversed and no further collection effort will be made on that portion.

The Chief Financial Officer may utilize their discretion to make exceptions to the above procedures based on specific extraordinary circumstances to authorize additional qualifying Financial Assistance.

VI. RESPONSIBILITIES OF COMMUNICATION

LCMH will have a means of communicating the availability of the Financial Assistance Program to all patients. Forms of communicating the Financial Assistance Program include, but are not limited to: placing signage, applications, brochures, *etc.* in prominent patient locations throughout the facility, including, but not limited to, Emergency Room, Business

Originating Department: Patient Financial Services	Effective Date: 4/25/07 Revision Dates: 4/23/08; 7/23/08; 2/25/09; 5/17/10; 10/20/10, 9/29/15, 1/24/22
Title: Financial Assistance Program	Executive Approval: Original Signed Board Approval: 10/27/10, 10/6/15,1/26/22
Distribution: All Departments	Page: 5 of 6

Office, Registration and on hospital website at : www.lcmhosp.org, using a language that is appropriate for patients who make up 5% or more of those patients served by LCMH Patient statements will contain contact information for billing inquiries, as well as how a patient may apply for financial assistance and that an itemized bill is available upon request.

VII. LCMH'S COMMITMENT TO PATIENTS

For patients who qualify for 100% Financial Assistance and complete waiver of charges, LCMH will seek no payment through administrative, third party or court proceedings. For patients receiving less than 100% Financial Assistance, LCMH will not place a lien, force the sale, or foreclosure of a primary residence to pay for an outstanding medical bill. LCMH will not pursue collection action where the patient is complying with a scheduled payment plan or has clearly demonstrated that he or she does not have sufficient income or assets to meet any part of their financial obligation; use body attachments to force the patient or responsible party to appear in court; or garnish wages. For at least 60 days after an uninsured patient's discharge, LCMH will not file a lawsuit to collect payment on that patient's bill.

VIII. DOCUMENTATION AND RECORDKEEPING

The Business Office will maintain all documentation of Financial Assistance on paper or digital image within the Hospital's Financial Assistance Program file. The Financial Assistance file will include a cumulative total of Financial Assistance cases, together with supportive documentation. Supportive documentation shall include, at a minimum, the following: (1) the number of applicants or patients presumptively eligible for free and reduced cost services; (2) the number of approved applicants; and (3) the total and average charges and costs of the amount of free and reduced cost care provided. The foregoing list will be revised from time to time to comply with any requirements set forth by the State Attorney General, as well as any applicable State law or regulation.

The Patient Financial Services Manager will review the status of the Financial Assistance program with the Chief Financial Officer on a regular basis. The Patient Financial Services Manager will be responsible for presenting this Policy to the Board of Directors at least annually.

Information about the amount of Financial Assistance provided will be described in a note to the Hospital's financial statements. The note will include this Policy and the dollar volume as it pertains to cost and/or percentage of total charges provided.

All information, documentation and other materials submitted by a patient or other guarantor shall be confidential. LCMH shall make no disclosure of such individual information,

Originating Department: Patient Financial Services	Effective Date: 4/25/07 Revision Dates: 4/23/08; 7/23/08; 2/25/09; 5/17/10; 10/20/10, 9/29/15, 1/24/22
Title: Financial Assistance Program	Executive Approval: Original Signed Board Approval: 10/27/10, 10/6/15,1/26/22
Distribution: All Departments	Page: 6 of 6

documentation or other materials unless as required or permitted by statute or regulation. LCMH may provide summaries of Financial Assistance Program applicants, charges discounted and other data as provided above.

Listing of Providers covered by Hospital Financial Assistance Policy:

- Emergency Room Core Physicians
- Emergency Room Local Physicians
- CRNA
- Pathologist
- Hospitalists
- General Surgery Clinic – General Surgeons
- General Surgery Hospital Providers
- Specialty Clinic Physicians

Listing of Providers covered by Clinic Financial Assistance Policy:

- LCMH Rural Health Clinic

Providers/Services NOT Covered:

- Local Physicians that are not in the LCMH Rural Health Clinic, including those physician's hospital visits and procedures
- Reading of Radiology Exams Clinical Radiologist
- Providers of Durable Medical Equipment, Orthotics, Prosthetics, and other home use devices
- Hospice Services
- Cosmetic Services, even if performed by covered providers listed above
- Cardiologist interpretations of outpatient pulmonary tests
- Surgeon fee when performed by a Consulting Clinic physician
- Consulting Clinic physician services (Neurologist, Ophthalmologist, Otolaryngologist, Cardiologist, Bariatrics, Oncologist, Audiologist, Podiatrist)