

Policy and/or Procedure:

Financial Assistance Policy for Calhoun-Liberty Hospital

Effective Date: December 1, 2018

PURPOSE:

Consistent with its mission to provide quality health care to all members of our community, Calhoun-Liberty Hospital strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

POLICY:

Calhoun-Liberty Hospital is committed to providing charity care to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation.

This policy applies to all emergency and other medically necessary care provided by the hospital facility. Calhoun-Liberty Hospital will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance – free and discounted (partial charity) care.
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy.
- Describes the method by which patients may apply for financial assistance.
- Describes how the hospital will widely publicize the policy within the community served by the hospital.
- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to the amount generally billed (received by) the hospital for commercially insured or Medicare patients.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Calhoun-Liberty Hospital's procedures for obtaining charity or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

In order to manage its resources responsibly and to allow Calhoun-Liberty Hospital to provide the appropriate level of assistance to those in need, the Board of Directors establishes the following guidelines for the provision of patient charity.

DEFINITIONS:

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

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

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.

Family or Household Income: Family or Household Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty levels:

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

Patient: person receiving services, guarantor signing for financial responsibility or the person supporting or acting on patient's behalf.

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

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.

Gross charges: The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

Medically necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

PROCEDURES:

- A. **Services Eligible under this Policy:** For purposes of this policy, “charity” or “financial assistance” refers to healthcare services provided by Calhoun-Liberty Hospital without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:
- Emergency medical services provided in an emergency room setting.
 - Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual.
 - Medically necessary services, which may be evaluated on a case-by-case basis at Calhoun-Liberty Hospital’s discretion.
- B. **Eligibility for Charity:** Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this policy. The granting of charity shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation. If a patient fails to cooperate or provide all requested documents Calhoun-Liberty Hospital has the right to deny charity/ financial assistance.

Eligibility is determined based on family income percentages of the current years Federal Poverty Guidelines as follows:

- a. Patients whose family income is in the range of 0-100% of the Annual FPG are eligible to receive a discount of 100%.
- b. Patients whose family income is in the range of 101%-150% of the Annual FPG are eligible to receive a discount of 90%.
- c. Patients whose family income is in the range of 151%-200% of the Annual FPG are eligible to receive a discount of 75%.
- d. Patients whose family income is in the range of 201%-250% of the Annual FPG are eligible to receive a discount of 55%.
- e. Patients whose family income is in the range 251%-300% of the Annual FPG are eligible to receive a discount of 30%.
- f. Patients whose family income is in the range of 300% and up of the Annual FPG are eligible are not eligible to receive a discount.

This sliding scale is also posted in **Appendix B**.

- C. Method by Which Patients May Apply for Charity Care:** Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may:
- a. Include an application process, in which the patient, the patient's guarantor or supporting person/persons are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need (such as but not limited to tax returns, bank statements, proof of assets etc.).
 - b. Include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as but not limited to tax and property records etc....)
 - c. Include reasonable efforts by Calhoun-Liberty Hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
 - d. Take into account the patient's available assets, and all other financial resources available to the patient;
 - e. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
 - f. Patients will be asked to certify all information provided is true. If any information is determined to be false or the patient fails to cooperate with any alternative source of payment all discounts afforded to the patient may be revoked, making the patient or patient's guarantor responsible for the full charges for services rendered.
 - g. At any point Calhoun-Liberty Hospital may ask for additional information to help determine eligibility.
- D. Eligibility Criteria and Amounts Charged to Patients:** 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, and posted in Appendix A.

Following a determination of financial-assistance eligibility, if there is determined to be an amount that the individual will be responsible for, the individual will not be charged more than the amounts generally billed (AGB) for emergency or other medically necessary care provided to individuals with insurance covering that care.

At Calhoun-Liberty Hospital the AGB is determined through the "Look-Back Method" which is calculated as follows:

1. The AGB is calculated by reviewing past claims that have been paid to the hospital facility for medically necessary care by Medicare fee-for-service together with all private health insurers paying claims to the hospital in a prior 12-month period. This amount can include co-insurance , copayments, deductibles, and any indicated patient responsibility.
2. Calhoun-Liberty hospital divides the sum of total payments made by those payers by the sum of total hospital charges for those claims to identify the "AGB percentage".
 - a. The AGB percentages are calculated at least annually by dividing the sum of certain claims paid to the hospital facility by the sum of the associated gross charges for those claims.

- b. Multiple AGB percentages may be calculated for separate categories of care (for example, in-patient verses out-patient care; care provided by different departments, or for separate items or services).
 - c. See **Appendix C** for calculation of AGB percentage.
 - d. Copies of current AGB percentage and an explanation of how the percentage is calculated can be obtained by contacting Calhoun-Liberty Hospital as indicated in Appendix F (Plain Language Summary of Financial Assistance).
3. If Calhoun-Liberty Hospital determines that a patient qualifies for free care but may be eligible for another alternative pay source/coverage, the patient may be asked to fully cooperate in the process and resolution of that alternative pay source/coverage. If the patient is not cooperative in the financial process and the resolution of the alternative pay source/coverage, Calhoun-Liberty Hospital will determine if there will be any additional financial reduction on the account and also the specific amount of that reduction.

E. Federal Poverty Guideline (FPG) Scale and Financial Assistance Eligibility Chart :

- a. See **Appendix A** for Federal Poverty Income Guidelines for the current year and the Financial Assistance Eligibility Chart for discount percentages as they relate to the FPG.
- b. The board of directors does not require approval for updating the Federal Poverty Guidelines referenced and used within this policy as they are updated yearly.

F. Communication of the Charity Program to Patients and Within the Community:

- 1. Notification about charity available from Calhoun-Liberty Hospital, which shall include a contact number, shall be disseminated by Calhoun-Liberty Hospital by various means, which may include, but are not limited to:
 - a. Posting notices at Emergency and Outpatient admitting and registration areas, the business office, and at other public places as Calhoun-Liberty Hospital may elect;
 - b. Making paper copies of the Financial Assistance Policy and Application available at time of patient admission and/or discharge; and
 - c. Notification statement and contact information printed on patient statements.
- 2. Calhoun-Liberty Hospital shall also publish a summary of this charity care policy on the facility website and any other means of marketing or public communication that Calhoun-Liberty Hospital may elect.
- 3. Referral of patients for charity may be made by any member of the Calhoun-Liberty Hospital staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

- G. Providers or Services Covered and Not Covered by Financial Assistance Policy:** Certain providers and services provided at Calhoun-Liberty Hospital are not covered under Calhoun-Liberty Hospital's Financial Assistance Policy.
- a. See **Appendix D** for Providers that are covered under Calhoun-Liberty Hospital's Financial Assistance Program.
 - b. See **Appendix E** for Providers that are not covered under Calhoun-Liberty Hospital's Financial Assistance Program.
 - c. The board of directors does not require approval for updating Covered and Non-Covered Provider listings referenced and used within this policy as they are updated when changes occur.
- H. Plain Language Summary of the Financial Assistance Policy:**
- a. See **Appendix F** for a Plain Language Summary that notifies individuals that the hospital facility offers financial assistance and lists necessary information and requirements.
- I. Action in the Even of None Payment**
- a. Actions taken in the event of none payments are described in a separate Billing and Collection Policy.
 - b. A free copy of this policy can be obtained by contacting Calhoun-Liberty Hospital—see contact information on website and /or in **Appendix F**.
 - c. The hospital will not impose or initiate extraordinary collection efforts or actions against patients without first making reasonable collection efforts to see if patient is eligible for Financial Assistance.

Appendix A

Federal Poverty Income Guidelines and Financial Assistance Eligibility Chart

**2018 Federal Poverty Guidelines (Annual)
48 Contiguous States and D.C.**

Persons in Household	100%	133%	138%	150%	200%	250%	300%
1	\$12,140	\$16,146	\$16,753	\$18,210	\$24,280	\$30,350	\$36,420
2	\$16,460	\$21,892	\$22,715	\$24,690	\$32,920	\$41,150	\$49,380
3	\$20,780	\$27,637	\$28,676	\$31,170	\$41,560	\$51,950	\$62,340
4	\$25,100	\$33,383	\$34,638	\$37,650	\$50,200	\$62,750	\$75,300
5	\$29,420	\$39,129	\$40,600	\$44,130	\$58,840	\$73,550	\$88,260
6	\$33,740	\$44,874	\$46,561	\$50,610	\$67,480	\$84,350	\$101,220
7	\$38,060	\$50,620	\$52,523	\$57,090	\$76,120	\$95,150	\$114,180
8	\$42,380	\$56,365	\$58,484	\$63,570	\$84,760	\$105,950	\$127,140
Add \$4,320 for each person over 8							

Appendix B

Financial Assistance Discount Sliding Scale

This sliding fee scale is based on financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the application and determination.

Financial Assistance Discount Sliding Scale	
Federal Poverty Guidelines Range	Discount Percentage
0 - 100 %	100%
101% - 150%	90%
151% - 200%	75%
201% - 250%	55%
251% - 300%	30%
300% and up	Not Eligible

Appendix C

Amounts Generally Billed (AGB) Calculation Percentage

The AGB is calculated by reviewing past claims that have been paid to the hospital facility for medically necessary care by Medicare fee-for-service together with all private health insurers paying claims to the hospital in a prior 12-month period. This amount can include co-insurance, copayments, deductibles, and any indicated patient responsibility.

Calhoun-Liberty hospital divides the sum of total payments made by those payers by the sum of total hospital charges for those claims to identify the “AGB percentage”.

The AGB was calculated based on statistics from Calhoun-Liberty Hospital Inpatient, Emergency Room, and Outpatient Accounts, for Fiscal Year 2017, with results as indicated below.

Total Charges: \$28,050,904.62

Total Payments: \$7,210,457.16

AGB Percentage: 26%

Appendix D

Providers Covered by Calhoun-Liberty Hospital's Financial Assistance Policy

The providers listed below are covered under Calhoun-Liberty Hospital's Financial Assistance Policy for:

- Emergency medical services provided in an emergency room setting.
- Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual.
- Medically necessary services, which may be evaluated on a case-by-case basis at Calhoun-Liberty Hospital's discretion.

Covered Providers:

Garrett Chumney, MD

Misbah Farooqi , MD

Mary Watson, MD

Joel Quinones, MD

Carol Sutton , MD

Mary Sue McClellan , ARNP

Megan Mc Curdy , ARNP

Ronald Watson , ARNP

Stanley Whittaker , ARNP

Cindy Porter, ARNP

Laura Ford , ARNP

Teresa Edenfield, ARNP

Appendix E

Providers or Services Not Covered by Calhoun-Liberty Hospital's Financial Assistance Policy

Certain providers and services provided at Calhoun-Liberty Hospital are not covered under Calhoun-Liberty Hospital's Financial Assistance Policy. Patients should contact these providers for further information as needed.

For Inpatient, Observation, or Swingbed Provider Services (not billed by Calhoun-Liberty Hospital):

Dr. Iqbal A. Faruqui, MD
Medical Center of Blountstown
20454 NE Finley Ave
Blountstown, FL 32424
Phone: (850) 674-2221

Dr. Misbah I. Farooqi, MD
Medical Center of Blountstown
20454 NE Finley Ave
Blountstown, FL 32424
Phone: (850) 674-2221

For Radiology Readings:

Coastal Radiology Associates, LLC
722 Newman Road
PO Box 12065
New Bern, NC 28561
Phone: 252-633-5057
Fax: 252-633-0084
Billing department: 888-477-2676

For Echocardiogram Readings:

Richard M. Christopher, MD
Internal Medicine Associates
4318 5th Ave
Marianna, FL 32446
Phone: 850-526-5300
Fax: 850-526-5001

Appendix F

Plain Language Summary of Financial Assistance

Plain Language Summary of Financial Assistance

Calhoun-Liberty Hospital is dedicated to serving our communities healthcare needs.

As a not-for-profit hospital we provide emergent and other medically necessary care services, regardless of financial status or the patient's ability to pay. This document is only a summary. Please refer to the Financial Assistance Policy for complete details.

Eligibility Requirements and Assistance Offered Under the Financial Assistance Policy:

Patients who qualify for assistance are eligible for income/asset-based, sliding scale discounts for emergency and other medically necessary care. Eligibility is determined based on family income percentages of the current years Federal Poverty Guidelines, as they relate to the chart below.

Eligibility is determined based on family income percentages of the current years Federal Poverty Guidelines (FPG) as indicated below.

- a. Families with 0-100% of the Annual FPG are eligible to receive a discount of 100%.
- b. Families with 101%-150% of the Annual FPG are eligible to receive a discount of 90%.
- c. Families with 151%-200% of the Annual FPG are eligible to receive a discount of 75%.
- d. Families with 201%-250% of the Annual FPG are eligible to receive a discount of 55%.
- e. Families with 251%-300% of the Annual FPG are eligible to receive a discount of 30%.
- f. Families with 300% and up of the Annual FPG are eligible are not eligible to receive a discount.

A patient who qualifies for assistance under the Financial Assistance Policy will not be charged more for emergency or medically necessary care than amounts generally billed to patients having insurance covering such care.

How to Obtain the Financial Assistance Policy and Financial Assistance Application:

The Financial Assistance Application and Policy can be obtained free of charge by:

- Inquiring at ER or Outpatient Registration
- Calling 850-237-3025
- Visiting our Business Office which is open Monday through Friday from 8:00am to 4:30pm CST
- Visiting our website at <https://www.calhounlibertyhospital.com>

How to Apply for Financial Assistance:

To apply for financial assistance, please submit a complete Financial Assistance Application with the required supporting documents to the address or fax below.

Physical/Mailing Address:

Calhoun-Liberty Hospital
Attention: Financial Counselor
20370 NE Burns Avenue
Blountstown, FL 32424

Fax:

850-237-3011

For more information regarding our Financial Assistance Policy and assistance with the application process you may call 850-237-3025 or visit our Business Office, which is located directly across the street from the hospital and open Monday through Friday from 8:00am to 4:30pm CST.