



**Policy Number AD337**

<b>Subject</b>	Carle HRHC Financial Assistance Program		
<b>Category / Section</b>	Administration / Finance		
<b>Owner</b>	Manager – Self Pay Receivables Management		
<b>Reviewer(s)</b>	Director - Patient Financial Services; VP - Revenue Cycle Operations		
<b>Effective Date</b>	01/01/16	<b>Review Frequency</b>	3 years
<b>Approval Date</b> <i>Dates that are marked with an asterisk(*) indicate revisions</i>	01/22/19*		

<b>Scope of Policy/Procedure (applies to entities/locations marked below)</b> (see template for detailed entity/location descriptions)			
This document applies to <u>all</u> entities/locations listed below			
<b>Hospitals</b>	<b>Ambulatory/Off-Campus locations</b>	<b>Other Carle Entities</b>	
All Carle Hospitals listed below:	All Carle ambulatory/off-campus locations listed below:	All other Carle entities listed below:	
Urbana (CFH)	CFH/CPG ambulatory locations (also includes Home Health, Therapy Services, Medical Supply, Danville Surgicenter, Specialty Pharmacy)	Arrow Ambulance, LLC	
X Hoopeston (CHRHC)	X CHRHC ambulatory locations (includes, CARMC, Cissna Park, Danv-Fairchild, Mattoon-Hurst, Milford, Rossville, Tuscola, Watseka)	Carle Retirement Centers (Windsor of Savoy & Windsor Court)	
	Champaign SurgiCenter, LLC	Health Alliance Medical Plans	
	Administration Building locations (includes Carle at the Fields)		
<b>Scope Exclusions – See non participation listing at Carle.org/FinancialAssistance</b>			
X Life Watch	X Quest Diagnostics	X	Christie Clinic LLC Providers
X Provena Providers	X All other third party providers		

**Attachments** N/A

**Purpose**

- A. To identify and assist those patients who are uninsured or underinsured and who are financially eligible to receive discounts for specified medical expenses through the Carle HRHC Financial Assistance Program. Carle will consider each patient’s ability to contribute to the cost of his or her care received and the financial ability of Carle to provide discounts for the care provided.
- B. All care rendered by an eligible Carle Foundation entity (Carle) may be considered through the Carle HRHC Financial Assistance Program. Eligible locations are:
  - 1. Carle Hoopeston Regional Health Center
    - a. Carle Hoopeston Community Memorial Hospital
    - b. Charlotte Ann Russell Medical Center
    - c. Carle Cissna Park
    - d. Carle Rossville
    - e. Carle Watseka
    - f. Carle Milford
    - g. Carle Danville on Fairchild
    - h. Carle Mattoon on Hurst
    - i. Carle Tuscola

**Definitions**

- A. **Family/Household Size** - includes those dependents listed on tax returns, divorce decree, or child support order. Defined by the IRS for tax filing purposes under section 36B (d) (1), “a taxpayer’s family consists of the individuals for whom the taxpayer claims a personal exemption deduction under section 151 for the taxable year. Taxpayers may

claim a personal exemption deduction for themselves, a spouse, and each of their dependents. Section 152 provides that a taxpayer's dependent may be a qualifying child or qualifying relative, including an unrelated individual who lives with the taxpayer. Family size is equal to the number of individuals in the taxpayer's family."

- B. **Underinsured** - a person without insurance benefits for services provided due to exclusions of coverage by the insurance provider. This does not apply to those circumventing insurance restriction or specification or out-of-network services.
- C. **Generally accepted standards of medical practice:**
  - 1. Standards that are based on credible scientific evidence published in peer-reviewed, medical literature generally recognized by the relevant medical community;
  - 2. Physician Specialty Society recommendations;
  - 3. The views of physicians practicing in the relevant clinical area; and
  - 4. Any other relevant factors.
- D. **Uninsured patient** - a person who is a patient and is not covered under a policy of health insurance and is not a beneficiary under a public or private health insurance, health benefit, or other health coverage program, including high deductible health insurance plans, workers compensation, accident liability insurance or other third party liability.
- E. **Experian Information Solutions, Inc. (Experian)** – is a third party vendor that uses proprietary data analytics to provide unique information related to patients for the purpose of financial assistance and recovery of patient debt.

**Statement of Policy**

- A. Any patient or responsible party may apply for the Carle HRHC Financial Assistance Program, regardless of insurance coverage. Patients may apply for the Carle HRHC Financial Assistance Program at any time, including before care is received. If approved, the patient is eligible for 12 months from the date of approval.
- B. Certain identified patient populations are presumptively eligible for the Carle HRHC Financial Assistance Program. Further detailed information is contained within the [Presumptive Eligibility Policy - AD355](#).
- C. Carle desires that:
  - 1. All patients be aware of the Carle HRHC Financial Assistance Program and all other financial assistance available at Carle;
  - 2. For those patients who are eligible to be identified as early in the care, treatment and billing process as possible; and
  - 3. That the process is as simple as possible for the patient.
- D. An application for government assistance must be completed if the patient appears to meet the eligibility criteria for such assistance. When appropriate, Carle staff or designee will use a screening checklist to assist in determining if the patient would qualify for government assistance.
  - 1. Failure by a patient or responsible party to complete the government program application process and/or failure to cooperate during the application process will result in an automatic denial of financial assistance.
  - 2. If the patient applies for government assistance, documentation of the determination from the government program is required for reprocessing of the Carle HRHC Financial Assistance Program application.
  - 3. Patients who have a third party payment source that will reimburse more than the government program reimbursement will be excluded from the requirement of applying for government assistance.
- E. Patients who may be eligible for certain third party assistance programs must cooperate with program requirements to maintain eligibility within the Carle HRHC Financial Assistance Program.
- F. The Carle HRHC Financial Assistance Program discount amount is dependent on the applicant's household income and family size compared to the currently published Federal Poverty Level guidelines at the time of application.

CFAP Program Guidelines	Federal Poverty Level		
	≤ 200%	201 - 300%	≤ 400%
<b>Carle HRHC Financial Assistance Program</b>	100% Discount	50% Discount	Yearly expenses capped at 40% of gross annual income.
<b>Illinois Uninsured Hospital Patient Discount Program (Carle Hoopeson Community Memorial Hospital)</b>	Limits patient's Carle medical expenses to 25% of the household's gross annual income. See policy <a href="#">AD346</a> for additional information.		N/A

- 1. Consideration for the Carle HRHC Financial Assistance Program may occur through the following methods:
  - a. Presumptively through Financial Assistance Screening:
    - Carle will use Experian to identify those patients who may be presumptively eligible for Carle HRHC Financial Assistance Program at the 100% discount level.

b. Completing a financial assistance application and returning with required documentation. If a patient has questions regarding the application process, they can visit [Carle.org/FinancialAssistance](http://Carle.org/FinancialAssistance) or contact Carle at (888) 71-CARLE or (217) 902-5675.

- Applications are to be fully completed, signed, and returned with required documentation to:  
Carle HRHC Financial Assistance Program  
PO Box 4024  
Champaign, IL 61824-4012
- Income eligibility will be based on the most current published Federal Poverty Guidelines.
  - Prior year's Federal Tax Return showing all household members and their adjusted gross income.
  - If the guarantor/patient did not file taxes, proof of prior year's income may consist of:
    - \* W2 from all jobs held
    - \* Self-employment income and expenses
    - \* Unemployment compensation
    - \* 1099 forms for the following types of income:
      1. Social Security
      2. Social Security Disability
      3. Veteran's pension
      4. Veteran's disability
      5. Private disability
      6. Worker's compensation
      7. Retirement Income
    - \* Child support, alimony or other spousal support
    - \* Other miscellaneous income sources.
  - If none of the above documents can be supplied, a written statement describing current household size and financial situation.

2. Patients who receive a determination of either an approval or denial under the Carle HRHC Financial Assistance Program may reapply after six (6) months from the date of original application signature in the event there are substantial or unforeseen material changes in their financial situation. In the case of extraordinary circumstances, an application may be submitted prior to the six (6) month limitation.
3. Applicants may appeal the application determination by sending a written appeal to the Manager Self Pay Receivables Management. Further appeals may be directed to the Director Patient Financial Services, may be escalated to either the Senior Vice President Revenue Cycle Operations or the Chief Financial Officer and ultimately to the Community Care Review Committee..
4. Translated copies of all Carle HRHC Financial Assistance Program materials are available in Spanish at [Carle.org/FinancialAssistance](http://Carle.org/FinancialAssistance) or by request to Carle representatives at [FinancialAssistance@Carle.com](mailto:FinancialAssistance@Carle.com) or by phone at (888) 71-CARLE.

G. The Carle HRHC Financial Assistance Program discount will apply to the residual patient balances after all other payments from sources such as Medicare, insurance companies, third party legal settlements, and/or patient funds are received and posted.

1. Patients who purposefully circumvent insurance requirements (i.e. waiting periods, preauthorization, etc.) may be held responsible for the billable services and not receive any discounts on services.
2. Patients, who knowingly provide untrue information on the application for financial assistance, will be ineligible for financial assistance. Any financial assistance granted will be reversed, and the patient will be held responsible for the billable services.
3. Non-emergent, out-of-network care including out-of-state Medicaid that would be paid by the patient's insurance company elsewhere will not be eligible for the Carle HRHC Financial Assistance Program because the patients have the opportunity to have their healthcare needs met at a participating provider.
4. Emergent out-of-network care for those who qualify will be eligible under the Carle HRHC Financial Assistance Program policy guidelines after all other payment sources have been exhausted. Emergent out-of-state Medicaid patients are not required to complete the Carle HRHC Financial Assistance Program application process. They will be approved for a one time discount as eligible under the Carle HRHC Financial Assistance Program after proof of coverage is provided and all other payment sources have been exhausted.

H. Discount will apply to any patient responsible balance retroactively, including those that have been referred to a collection agency if court costs have not yet been incurred. However, an application for government assistance may be requested as stated in C1.

1. Carle will not file collection suit liens on a primary residence.

2. Carle will not authorize body attachments for purposes of medical debt collection.
- I. Carle will utilize the Centers for Medicare and Medicaid Services coverage guidelines when determining services that qualify for the Carle HRHC Financial Assistance Program.
  1. Coverage will apply to health care services that a physician, exercising prudent clinical judgment, would provide to a patient for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms;
  2. In accordance with the generally accepted standards of medical practice;
  3. Clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the patient's illness, injury or disease; and
  4. Not primarily for the convenience of the patient, family or physician and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that patient's illness, injury or disease.
- J. Carle Financial Assistance Program will not cover cosmetic, elective or non-medical retail services.
- K. Amounts Generally Billed (AGB) to Carle Financial Assistance Program participants will be determined by Medicare fee-for-service together with all private health insurers, during a prior 12-month period.
  1. AGB determined through calculations of sum of all payments plus the sum of all bad debt and charity care adjustments divided by the sum of all charges in the time frame.
  2. Time frame included in method is for October 1 through September 30 of the prior calendar year.
- L. Patients who have been approved for the Carle HRHC Financial Assistance Program may re-apply annually from the date of original application approval. Carle Foundation will attempt to notify patients by mail 90 days before the current termination date of eligibility in the Carle HRHC Financial Assistance Program.

### **Procedure**

- A. Patients with financial concerns should be identified by Carle personnel as soon as possible in the registration, care, treatment or billing process.
  1. A referral to Social Services, other pertinent staff or directly to a government program should be completed in order to obtain a determination of eligibility for Public Assistance.
    - a. Patients who fail to cooperate with the government program during the application process will automatically be denied for the Carle HRHC Financial Assistance Program.
    - b. If the patient does not meet the eligibility criteria for a government program or if they have a spend-down, they may be eligible for a Carle HRHC Financial Assistance Program discount.
  2. Patients are encouraged to apply for the Carle HRHC Financial Assistance Program within 60 days after discharge or provision of service. The application for the Carle HRHC Financial Assistance Program will be available on the Carle website [Carle.org/FinancialAssistance](http://Carle.org/FinancialAssistance), in all registration areas, the Patient Financial Services offices, Cashier areas and Social Services.
  3. Upon receipt of the Carle HRHC Financial Assistance Program application by Self Pay Receivables Management staff, EPIC Prelude and Resolute systems will be noted:
    - a. All collection activity will be held until the application processing is completed.
    - b. Application and supporting documentation will be scanned into OnBase and the paper copies destroyed.
    - c. Applicant will be notified of any missing documentation.
    - d. If the missing documentation is not returned within 30 days, a notification letter will be mailed to the applicant that indicates billing will commence.
  4. The completed application should include:
    - a. A fully filled in application with verification of the number of family/household members;
    - b. Signature of the applicant; and
    - c. Prior year's tax return or other income verification for all wage earners in the family/household.
      - Parents' income will be used to determine financial eligibility for students who are over age 18 but still claimed as dependents for their parents' income tax purposes.
- B. When the application has been processed and the determination is made, a record of each application and associated documentation will be maintained by fiscal year.
  1. Applications received prior to April 23, 2013 are maintained in paper form and warehoused.
  2. Applications received on or after April 23, 2013 are maintained electronically within OnBase.
- C. All efforts will be made to send written determination to the applicant within 30 working days of receipt of the completed application. If the application is approved, the patient's account will be adjusted as soon as possible thereafter to reflect the discount.
- D. Patients who qualify for a partial discount of the balance will be required to pay the remainder due, as with other private pay accounts. Balances billed to a Carle HRHC Financial Assistance Program participant will not exceed amounts generally billed to other patients. See the [Payment Policy - AD335](#) and [Self-Pay Billing and Collections – AD336](#).

- E. When Carle Foundation receives an application for the Financial Assistance Program that indicates treatment at any applicable Carle Foundation facility, the application, verification and determination will be applied to all other applicable Carle businesses.
- F. Information related to the Carle HRHC Financial Assistance Program will be regularly reported to the Director Patient Financial Services, the Vice President Revenue Cycle Operations and the Senior Vice President, Chief Revenue Cycle Officer including:
  - 1. Adjustments
  - 2. Number of paper applications received
  - 3. Approvals
  - 4. Denials
  - 5. Backlogs
  - 6. Quality assurance measures

#### **Other Related Links**

[Carle Financial Assistance Program – AD300](#)

[Payment Policy – AD 335](#)

[Plain Language Summary – X0873](#)

[Non-Participating Provider List – X0271](#)

#### **References**

- 210 ILCS 88/27 – Fair Patient Billing Act (Illinois Public Act 96-965)
- 210 ILCS 89 – Hospital Uninsured Patient Discount Act
- [79 FR 78953 – Federal Register, Department of the Treasury \(IRS 501r Rules and Regulations\)](#)

#### **Electronic Approval on File**

Dennis Hesch

Executive Vice President/Chief Financial Officer