

LEE MEMORIAL HEALTH SYSTEM POLICY & PROCEDURE MANUAL

LMHS Financial Assistance Policy (FAP)		LOCATOR NUMBER																					
T Y P E	<input checked="" type="checkbox"/> System-wide - A formal statement of values, intents (policy), and expectations (procedure) that applies to every employee throughout the System.	CHAPTER: M05																					
	<input type="checkbox"/> Multidisciplinary - A formal statement of values, intents (policy), and expectations (procedure) that applies to more than one discipline and is usually of a clinical nature. Check below all areas to which this applies.	TAB: 00																					
	<input type="checkbox"/> Departmental - A formal statement of values, intents (policy), and expectations (procedure) exclusive to a particular department or group of people within a department at one or multiple locations that does not impact any other area.	POLICY #:																					
Disciplines / locations to which this multidisciplinary policy applies:																							
<table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> Health Information Management</td> <td><input type="checkbox"/> Pharmacy</td> <td><input type="checkbox"/> Acute Care Hospital Nursing</td> </tr> <tr> <td><input type="checkbox"/> Housekeeping</td> <td><input type="checkbox"/> Plant Operations</td> <td><input type="checkbox"/> Ambulatory Services</td> </tr> <tr> <td><input type="checkbox"/> Information Systems</td> <td><input type="checkbox"/> Radiology</td> <td><input type="checkbox"/> Home Health</td> </tr> <tr> <td><input type="checkbox"/> Laboratory</td> <td><input type="checkbox"/> Rehabilitation Services</td> <td><input type="checkbox"/> HPCC</td> </tr> <tr> <td><input type="checkbox"/> Legal Services</td> <td><input type="checkbox"/> Respiratory</td> <td><input type="checkbox"/> Physician Offices</td> </tr> <tr> <td><input type="checkbox"/> Nutrition</td> <td><input type="checkbox"/> Security</td> <td><input type="checkbox"/> Rehab Hospital</td> </tr> <tr> <td colspan="3"><input type="checkbox"/> Other _____</td> </tr> </table>			<input type="checkbox"/> Health Information Management	<input type="checkbox"/> Pharmacy	<input type="checkbox"/> Acute Care Hospital Nursing	<input type="checkbox"/> Housekeeping	<input type="checkbox"/> Plant Operations	<input type="checkbox"/> Ambulatory Services	<input type="checkbox"/> Information Systems	<input type="checkbox"/> Radiology	<input type="checkbox"/> Home Health	<input type="checkbox"/> Laboratory	<input type="checkbox"/> Rehabilitation Services	<input type="checkbox"/> HPCC	<input type="checkbox"/> Legal Services	<input type="checkbox"/> Respiratory	<input type="checkbox"/> Physician Offices	<input type="checkbox"/> Nutrition	<input type="checkbox"/> Security	<input type="checkbox"/> Rehab Hospital	<input type="checkbox"/> Other _____		
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Approved by:																							
Policy Administrator: Ben Spence, Chief Financial Officer		Date: 10/01/2015																					
As Needed:																							
Medical Director:		Date:																					
Board of Directors:		Date: 11/19/2015																					

PURPOSE:

To establish the criteria and process by which Lee Memorial Health System ("LMHS") offers financial assistance to eligible patients.

POLICY:

It is the policy of Lee Memorial Health System to treat the broadest number of patients residing within our primary service area while ensuring adequate funding to further LMHS's public mission. LMHS is committed to providing emergency medical care and medically necessary care at its hospitals to persons who have healthcare needs and are uninsured or otherwise unable to pay. LMHS will provide, without discrimination, emergency medical care and medically necessary care to individuals regardless of their eligibility for financial assistance or for government assistance.

The availability of financial assistance is not a substitute for personal responsibility. Patients are expected to cooperate with LMHS's procedures for obtaining financial assistance or other forms of support, and to contribute to the payment for their care based on their ability to pay.

To that end, LMHS offers this Financial Assistance Policy ("FAP") which:

- Includes eligibility criteria for financial assistance, whether it is for free or discounted care;
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under the FAP;
- Describes the method by which patients may apply for financial assistance;
- States that LMHS will widely publicize the policy within the community LMHS serves; and
- Limits the amounts that an LMHS hospital will charge for emergency medical care and medically necessary care provided to individuals eligible for financial assistance to the amount generally billed by the hospital for commercially-insured, Medicaid, and Medicare patients.

DEFINITIONS

"Emergency medical care" is defined as care to treat a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in: serious impairment to bodily function, or serious dysfunction of any bodily organ or part, or placing the health of the individual in serious jeopardy.

"Gross charges" are defined as the total charges at the treating hospital's full established rates for the provision of patient care services before deductions from revenue are applied.

"Medically necessary care" is defined as medical care meeting the following conditions: (a) necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain; (b) individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and not in excess of the patient's needs; (c) consistent with generally accepted professional medical standards as determined by the Medicaid program, and not experimental or investigational; (d) reflective of the level of service that can be safely furnished, and for which no equally effective and more conservative or less costly treatment is available statewide; and (e) furnished in a manner not primarily intended for the convenience of the patient, the patient's caretaker, or the provider. This definition of "medically necessary care" is the same definition provided in Florida Administrative Code Rule 59G-1.010 governing Florida's Medicaid program.

The following services will not be considered as “medically necessary care” for purposes of this FAP without a physician certification that the services are medically necessary care as defined above:

- Cosmetic Services;
- Bariatric-related Services;
- Elective Services;
- Services that are not received at a LMHS hospital facility; and
- Services deemed non-covered by Medicare, whether or not a patient is covered by Medicare.

“Primary service area” is defined as Lee, Charlotte, Collier, Glades, and Hendry Counties in Florida.

“Uninsured” is defined as a patient having no level of insurance or third-party assistance to assist with meeting his/her payment obligations.

SCOPE

The FAP applies to emergency medical care and medically necessary care provided by LMHS in a hospital setting, and includes services provided by Lee Physician Group physicians to hospital inpatients or hospital emergency room patients. The FAP does not apply to care provided by LMHS outside of the hospital setting, such as office visits to physicians of Lee Physician Group. Treating physicians not employed by LMHS may or may not offer financial assistance discounts.

A complete provider list identifying physicians that are and are not covered by the FAP may be found at <http://www.leememorial.org/businessoffice/financial-assistance.asp>. You may request a paper copy of the physician list by calling the Central Business Office at 1-800-809-9906. This list is updated at least quarterly.

Patients are eligible for financial assistance under the FAP only if they satisfy an applicable income threshold and:

- Are uninsured;
- Reside in the primary service area of LMHS;
- Supply LMHS with necessary information about household finances; and
- Receive services at a LMHS hospital facility (The Rehabilitation Hospital, Cape Coral Hospital; Golisano Children’s Hospital; Gulf Coast Medical Center; HealthPark Medical Center; and Lee Memorial Hospital).

Financial assistance is not typically available for:

- Insurance copayments;
- Insurance deductibles;
- People who fail to comply with reasonable insurance requirements such as obtaining authorizations or referrals;
- People who opt out of insurance coverage; and
- People who reside outside of LMHS’s primary service area.

Regardless of a patient’s eligibility under this FAP, LMHS will provide, without discrimination, care for emergency medical conditions (within the meaning of section 1867 of the Social Security Act). LMHS will not engage in actions that discourage individuals from seeking emergency medical care. An award of financial assistance does not extinguish Lee Memorial

Health System's right to secure payment from other sources, such as insurance, liability settlements, and judgments. In addition, ***LMHS retains discretion to provide financial assistance to patients who reside outside of its primary service area.***

METHOD FOR APPLYING

Each patient has the opportunity to apply for financial assistance at all times throughout his or her relationship with LMHS:

- Before treatment;
- Throughout treatment; and
- Up to the resolution of his/her account.

Patients are requested to complete the LMHS Financial Assistance Application ("FAA") and submit the requested information. Patients are requested to return the FAA and information within 15 days of their registration at the hospital. The FAA is available on the internet at <http://www.leememorial.org/businessoffice/financial-assistance.asp>.

A completed FAA with signed attestation will be accepted as sufficient documentation of reported income unless LMHS, in its sole discretion, requests supporting documentation. LMHS may request any of the following supporting documentation for the patient or the patient's household:

- Pay stubs;
- Income tax return;
- Written verification of wage from employer;
- W-2 withholding form;
- Written verification from a governmental agency attesting to a patient's income status;
- Statement of support from friend when income reported is \$0;
- Credit report; and
- Documents demonstrating the patient's residency in the LMHS primary service area.

Failure to provide supporting documentation does not preclude LMHS from providing financial assistance.

Patients who are identified as self-employed must provide both personal and business income tax records for the 12 months prior to the date of service as part of their application for financial assistance.

LMHS may seek to verify income, including by checking an individual's credit history.

Consideration will be given to all applications. Reasonable efforts will be made to determine assistance eligibility based on incomplete applications. Eligibility determinations may be based on information obtained from the credit report or on previously-submitted financial information, diagnosis, and historical payments. Patients who are known to have exhausted Medicaid benefits and/or to be homeless will be presumed eligible for financial assistance. This presumption may be based upon information obtained through Florida's Agency for Health Care Administration (e.g., through the Agency's web portal or Medicaid Management Information System) or through LMHS's billing software.

Approval for financial assistance may take up to 30 days.

Patients who qualify for financial assistance will remain eligible for a period of up to 120 days. After 120 days, updated financial documentation is required to determine further eligibility.

Estimates and financial assistance counseling will be available upon request before or after receiving services.

Individuals in need of assistance with the application process may contact the Central Business Office at 1-800-809-9906.

FINANCIAL ASSISTANCE AVAILABLE AND ELIGIBILITY CRITERIA

If a patient’s income is below 400 percent of the federal poverty guidelines, the patient can receive some form of financial assistance. LMHS retains discretion to provide financial assistance even to patients who fall outside of these standard income guidelines.

Patient’s Income	Amount of Financial Assistance
At or below 200 percent of the federal poverty guidelines	The patient is eligible for 100 percent financial assistance and the hospital fees and Lee Physician Group fees related to the hospital care for LMHS are completely waived.
Between 201 and 400 percent of the federal poverty guidelines	The patient is eligible for an 80 percent reduction in gross charges from LMHS hospitals and Lee Physician Group fees related to the hospital care, in other words, the patient pays 20 percent of the gross charges.
Patient’s responsibility for hospital charges exceeds 25 percent of the household income but does not exceed four times the federal poverty level for a family of four.	The patient is eligible for 100 percent financial assistance and the hospital fees and Lee Physician Group fees related to the hospital care for LMHS are completely waived.

BASIS FOR CALCULATING AMOUNTS GENERALLY BILLED

When a patient qualifies for financial assistance of less than 100 percent of gross charges as set forth above, the fees for which the patient is responsible will not exceed the amounts generally billed to individuals who have insurance covering such care (“AGB”).

Lee Memorial Health System uses the “look-back” method to calculate the AGB for its hospital facilities. The AGB is the maximum amount we will collect from a patient who is eligible for financial assistance under the Financial Assistance Policy. The AGB percentage is based on all claims allowed by Medicare, Medicaid and private health insurers over a 12- month period, divided by the associated gross charges for those claims. The calculation for LMHS’s AGB may be found at <http://www.leememorial.org/businessoffice/financial-assistance.asp>.

COLLECTION ACTIONS

Granting financial assistance is always preferable to taking action to collect past-due patient balances. LMHS will take reasonable steps to determine a patient's eligibility under the FAP. These steps include discussing the FAP at registration, making application materials available in hospital registration areas and on the internet, and offering financial counseling. But patients must be active participants in the application process and submit requested documentation in support of their applications.

If patients do not apply for financial assistance and do not pay their balance, the account will be sent to a collection agency. Patients will be sent a letter, in addition to their final statement, informing them their account is being sent to a collection agency. Patients have five business days to respond to the letter before collection action is initiated.

Credit bureau reporting will not take place until 120 days after the first post-discharge statement to the patient and the patient will be given 30 days' notice prior to credit bureau reporting.

LMHS may pursue legal action against patients who do not qualify for financial assistance and have sufficient assets to cover balances unpaid for longer than 120 days. Legal action will not be taken until approved by LMHS internal legal counsel and the patient will be given 30 days' notice prior to legal action being taken. Legal action may include referral to collection agencies, civil lawsuits, garnishments on wages, liens on assets, claims in bankruptcy and estate proceedings, and reporting to credit agencies. Under limited circumstances, and where permitted by law, LMHS may deny (or require payment before providing) non-emergent care for an individual who has not paid one or more bills for prior care from LMHS.

LMHS's Central Business Office (for hospital accounts) and Lee Professional Billing (for accounts for physician services), in consultation with the Legal Services Department, have final authority to determine whether LMHS has made reasonable efforts to determine FAP eligibility before engaging in collection actions.

PUBLICATION OF THE FAP

This FAP, along with the FAA and a plain language summary of the FAP, will be widely publicized within the community LMHS serves, in full compliance with U.S. Department of Treasury Regulations. LMHS will also make these same materials and required notifications available in Spanish, Haitian-Creole, German, and the primary language of any other group with a population exceeding the lesser of 1000 individuals or five percent (5%) of the community served by LMHS.

Persons with questions about the Financial Assistance Policy can telephone a financial counselor at 1-800-809-9906. Information regarding the Financial Assistance Policy is also available at <http://www.leememorial.org/businessoffice/financial-assistance.asp>.