

| <b>COLUMBUS COMMUNITY HOSPITAL, INC.</b>  |  |                  |
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| <b>SUBJECT:</b><br>Community Care Program   | <b>SECTION:</b><br>Board of Directors  | <b>POLICY #:</b> |
| [ ] <b>NEW POLICY</b> [X] <b>REVISED POLICY</b> (Supersedes Policy Dated: 4/00, 11/01, 1/02, 12/02, 5/04, 5/05, 5/06, 5/07, 2/09, 12/11, 11/15, 9/30/16, 9/30/17) |  |                  |
| <b>AUTHORED BY:</b> John Russell<br><b>SIGNATURE:</b><br><b>TITLE:</b> President/CEO  | <b>APPROVED BY:</b> Bruce Zander<br><b>SIGNATURE:</b><br><b>TITLE:</b> Chair, Board of Directors |                  |
| <b>ISSUE DATE:</b> August 14, 2018  | <b>EFFECTIVE DATE:</b> September 30, 2018  |                  |

**PURPOSE:**

The mission of Columbus Community Hospital, Inc. (CCH) is “by building caring relationships with those we serve, we guide the journey to health and wellness”. CCH’s Community Care Program is intended to help individuals and families who would experience extreme hardship while meeting their full financial obligation to the hospital. The purpose of this policy is to define and establish guidelines for the Community Care Program. Hereafter, the policy encompasses financial obligations for care received at CCH and Prairie Ridge Health Clinic.

**POLICY:**

CCH is committed to providing community 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 and are within CCH’s established guidelines for eligibility. When eligible, either all or a portion of the patient’s debt with CCH is forgiven and recorded as Community Care. CCH strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. CCH will provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance. Further, per CCH’s Medical Screening, Stabilization and Transfer Plan policy, no delay in medical screening will occur in order to inquire about a method of payment and/or insurance status.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance - free and discounted (partial community) care
- Describes the method by which patients may apply for financial assistance
- Describes how an individual may qualify for presumptive financial assistance eligibility
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amounts generally billed (received by) the hospital for patients covered by Medicare and all private health insurers
- Describes how the hospital will widely publicize the policy within the community served by the hospital
- Describes the relationship of the Community Care Program to CCH Collection Principles
- Describes the charges for physician services eligible and ineligible for discount under the Community Care Program

Community Care is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with CCH's procedures for obtaining Community Care 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 CCH to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of Community Care.

#### **DEFINITIONS:**

Amounts Generally Billed (AGB): Amounts billed to those eligible for financial assistance will not exceed amounts generally billed to individuals who have insurance covering emergency or other medically necessary care. CCH uses the look-back method to determine the AGB percentage, which is calculated by multiplying the gross charges for any emergency or other medically necessary care it provides to those eligible for financial assistance by an AGB percentage of 47%. This AGB percentage is based on all allowable amounts by Medicare and private health insurers divided by the associated gross charges over the most recent twelve-month period ending June 30th.

Application Period: Timeframe in which to apply for Community Care beginning with the date care is provided and ending no earlier than two-hundred and forty (240) days after the date of the first post-discharge bill.

Community Care: Community Care results from CCH's policy to provide healthcare services free or at a discount up to 100% of the account(s) balance 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 Assets: Includes the following:

- Cash, savings, stocks, and other liquid assets;
- 50% of the net equity in the principal residence and 100% of the net equity of secondary residence(s), land and/or other rental properties;
- Motor vehicle(s) (\$5,000 allowance for the first vehicle);
- Real and personal property used in the production of income;

The assets will be based on fair market value at the time of review, as valued by outside sources, and will be net of any related outstanding debt.

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

- Includes all wages including overtime and shift or weekend differentials, 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; and
- If a person lives with a family, includes the income of all family members.

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

Underinsured: The patient has some 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).

Medical Indigence: Patients who, despite their income, have a low level of liquid assets such that payment of their medical bills would be seriously detrimental to their basic financial well-being and survival.

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

## **PROCEDURE:**

### Services Eligible Under This Policy

For purposes of this policy, "Community Care" or "financial assistance" refers to healthcare services provided by CCH without charge or at a discount to qualifying patients. The following healthcare services are eligible for Community Care:

- 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;
- Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
- Medically necessary services, evaluated on a case-by-case basis at CCH's discretion.

Services not following the above criteria are ineligible.

### Eligibility for Community Care

Eligibility for Community Care 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 Community Care 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.

All other funding sources must have been applied for, denied, and/or exhausted. Any account pending eligibility by another payer source will be ineligible until a denial has been received.

### Method by Which Patients May Apply for Community Care

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
  - Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
    - i. This application process includes filling out the Community Care Application form and submitting it, along with supporting documentation to:
      - Patient Financial Counselor
      - Columbus Community Hospital, Inc.
      - 1515 Park Avenue
      - Columbus, WI 53925-2402
      - Phone: 920-623-2200
      - Toll-free Phone: 800-549-7511
      - Email: [PFS@cch-inc.com](mailto:PFS@cch-inc.com)
      - Fax: 920-623-1508
    - ii. Applications may be obtained in person at the address listed above, by contacting a Patient Financial Counselor and requesting a mailed, emailed or faxed copy, or by visiting [www.columbuscommunityhospital.org/patient-billing/community-care](http://www.columbuscommunityhospital.org/patient-billing/community-care) and downloading the application. Applications will be provided upon any request free of charge.
    - iii. Supporting documentation includes copies of the two (2) most recent paystubs for all sources of family income, a copy of the most recent federal tax return, and the completed Community Care Application form, listing family members, assets, sources of income and expenses. Community Care will not be denied for failure to provide documentation not listed above.
  - 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;
  - Include reasonable efforts by CCH to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;

- Take into account the patient’s available assets, and all other financial resources available to the patient, as disclosed on the Community Care Application; and
  - Include a review of the patient’s outstanding accounts receivable for prior services rendered and the patient’s payment history.
2. It is preferred but not required that a request for community care and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the application period. The need for financial assistance shall be re-evaluated at each subsequent time of services, or at any time additional information relevant to the eligibility of the patient for Community Care becomes known. All outstanding accounts receivable not previously written to a collection agency will be deemed eligible for the Community Care application.
  3. CCH’s values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of community care. Requests for Community Care shall be processed promptly and CCH shall notify the patient or applicant in writing within 14 days of receipt of a completed application.

#### Presumptive Financial Assistance Eligibility

There are instances when a patient may appear eligible for Community Care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with Community Care assistance. In the event there is no evidence to support a patient’s eligibility for Community Care, CCH could use outside agencies in determining estimate income amounts for the basis of determining Community Care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance.

Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. Homeless or received care from a homeless or free clinic;
2. Patient is deceased with no known estate;
3. Accounts uncollectible due to discharge of debtor by bankruptcy;
4. All dates of service within 30-days prior to when a patient has been approved for Medical Assistance;
5. Out-of-state Medical Assistance coverage not contracted with CCH or are listed as no funds available.
6. Qualification for treatment under the Memorandum of Understanding between Columbia County Health and Human Services and CCH.

#### Eligibility Criteria and Amounts Charged to Patients

Patients registering as uninsured will automatically receive a discount to reduce the gross charges by the uninsured discount. Further, 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. Once a patient has been determined by CCH to be eligible for financial assistance, that patient shall not receive any future

bills based on undiscounted amounts generally billed. The basis for the amounts CCH will charge patients qualifying for financial assistance is as follows:

1. Patients whose family income and family assets are at or below 200% of the FPL are eligible to receive free care;
2. Patients whose family income and family assets are above 200% but not more than 400% of the FPL are eligible to receive services at amounts no greater than the amounts generally billed; and
3. Patients whose family income and family assets 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 CCH; however the discounted rates shall not be greater than the amounts generally billed to (received by the hospital for) patients covered by Medicare and all private health insurers.
4. The sliding scale used, and the discount percentages, is as follows:

| <b>Income as Percent of Federal Poverty Guidelines</b> | <b>Discount \$ 1 – 1000</b> | <b>Discount Amount Over \$ 1001 – 3500</b> | <b>Discount Amount Over \$ 3501 – 10,000</b> | <b>Discount Amount Over \$ 10,000+</b> |
|--|-----------------------------|--|--|--|
| 400% or greater  | 0%                          | 0%   | 0%   | 0%                                     |
| 351% - 400%  | 53%                         | 53%  | 65%  | 100%                                   |
| 301% - 350%  | 53%                         | 60%  | 80%  | 100%                                   |
| 251% - 300%  | 60%                         | 70%  | 90%  | 100%                                   |
| 201% - 250%  | 70%                         | 85%  | 95%  | 100%                                   |
| 200% or Less   | 100%                        | 100%                                       | 100%   | 100%                                   |

Communication of the Community Care Program to Patients and Within the Community

Notification about Community Care available from CCH, which shall include a contact phone number, shall be disseminated by CCH by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in the Patient Access areas, and at other public places as CCH may elect. CCH also shall publish and widely publicize a summary of this Community Care policy on the facility website, in brochures available in Patient Access areas sites, and at other places within the community served by the hospital as CCH may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by CCH. Referral of patients for Community Care may be made by any member of the CCH staff or medical staff, including physicians, nurses, financial counselors, social workers, and case managers.

Relationship to Collection Policies

CCH management has developed policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for Community Care, a patient’s good faith effort to apply for a governmental program or for Community Care from CCH, and a patient’s good faith effort to comply with his or her payment agreements with CCH. For patients who qualify for Community Care and who are

cooperating in good faith to resolve their discounted hospital bills, CCH may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. CCH will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for Community Care under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital;
2. Documentation that CCH has offered or has attempted to offer the patient the opportunity to apply for Community Care pursuant to this policy and that the patient has not complied with the hospital's application requirements;
3. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

#### Practitioners Included/Excluded from the Community Care Program

The physician and other practitioner professional services whose charges are eligible for discount under the Community Care Program are any and all professionals who have assigned their billing to Columbus Community Hospital, Inc., including, but not limited to:

- All practitioners employed at any Columbus Community Hospital/Prairie Ridge Health Clinic location, Columbia Anesthesia LLC, and Madison Emergency Physicians.

The physician services whose charges are ineligible for discount under the Community Care Program include, but are not limited to:

- Madison Radiologists, Wisconsin Pathology, and physicians employed by the following local practices: Dean Clinic, UW Health Clinic, Poser Clinic and Larson Clinic.

#### Regulatory Requirements

In implementing this policy, CCH shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

#### Administration of the Community Care Program

The Community Care Program will be carried out pursuant to the Community Care Administration policy.

#### **REFERENCES:**

Collection of Guarantor Financial Obligations  
Collection Principles  
Community Care Administration  
Medical Screening Stabilization and Transfer Plan  
Referrals to Collection Agency  
Uninsured Discount