



<b>Title: Financial Assistance Application-Carroll Hospital Center, Carroll Home Care &amp; Carroll Hospice</b>	Effective Date: 02/07/2012
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## **I. Policy:**

It is the policy of the Carroll Hospital Center, Carroll Home Care, and Carroll Hospice (collectively "CHC") to adhere to our obligation to the communities we serve to provide medically necessary care to individuals who do not have the resources to pay for medical care and are not qualified for financial assistance from state, county or federal agencies, including those who are uninsured, underinsured, or determined to be medically indigent. Services will be provided without discrimination on the grounds of race, color, sex, national origin or creed. This policy applies to all services billed by these organizations.

Any patient seeking urgent or emergent care at CHC will be treated without regard to a patient's ability to pay for care. CHC will operate in accordance with all federal and state requirements for the provision of healthcare services, including screening and transfer requirements under the Federal Emergency Medical Treatment and Active Labor Act (EMTALA).

## **II. Purpose:**

This Financial Assistance policy describes the options for patients who qualify for financial assistance, either as a result of medical debt or medical hardship. This policy is designed to assist individuals who qualify for less than full coverage under federal Medical Assistance, and state or local programs, but whose patient balances exceed their own ability to pay. In addition, this policy outlines the guidelines to be used in completion of the financial assistance application process. The hospital will use a number of methods to communicate the policy such as signage, notices, and the hospital website.



**This policy may not be materially changed without the approval of the Board of Directors. Furthermore, this policy must be reviewed and re-approved at least every two (2) years.**

### **III. Definitions**

- A. Emergent care: Care that is provided to a patient with an emergent medical condition and must be delivered within one to two hours of presentation to the hospital in order to prevent harm to the patient. This includes:
1. A medical condition manifesting itself by acute symptoms of sufficient severity (e.g. severe pain, psychiatric disturbances and/or symptoms of substance abuse, etc.) such that the absence of immediate medical attention could reasonably be expected to result in one of the following:
    - a. Placing the health of the patient (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, or
    - b. Serious impairment to bodily functions, or
    - c. Serious dysfunction of any bodily organ or part
  2. With respect to a pregnant woman who is having contractions, that there is inadequate time to effect a safe transfer to another hospital before delivery, or that the transfer may pose a threat to the health or safety of the woman or her unborn child.
  3. Health care services that are provided in a hospital emergency facility after the sudden onset of a medical condition that manifests itself by symptoms of sufficient severity, including severe pain, in the absence of immediate medical attention could reasonably be expected by a prudent layperson, who possesses an average knowledge of health and medicine to result in:
    - a. Placing the patient health in serious jeopardy;
    - b. Serious impairment of bodily functions; or
    - c. Serious dysfunction of any bodily organ or part.
- B. Urgent Care: Care that must be delivered within a reasonable time in order to prevent harm to the patient. This includes care that is provided to a patient



with a medical condition that is not life/limb threatening or not likely to cause permanent harm, but requires prompt care and treatment, as defined by the Centers for Medicare and Medicaid Services (CMS) to occur within 12 hours to avoid:

1. Placing the health of the patient in serious jeopardy or to avoid serious impairment or dysfunction; or
  2. Likely onset of an illness or injury requiring emergent services, as defined in this document.
- C. Elective Care: Care that can be postponed without harm to the patient or that is not medically necessary. An appropriate nursing or physician representative will be contacted for consultation in determining the patient status.
- D. Medical necessity: any procedure reasonably determined to prevent, diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, cause suffering or pain, resulting in illness or infirmity, threatening to cause or aggravate a handicap, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.
- E. Household Income: All wages and salaries of immediate family members within the household before deductions. Unearned income such as social security, veteran's benefits, unemployment and workers compensation, trust payments, child support, alimony, public assistance, strike benefits, union funds, income from rent, interest and dividends or other regular support will also be included. Retirement benefits are excluded from household income.
- F. Immediate family:
1. If patient is a minor – mother, father, unmarried minor siblings, natural, step, or adopted, residing in the same household.
  2. If patient is an adult – spouse, natural, step or adopted unmarried minor children, or any guardianship living in the same household.
- G. Liquid Assets: Cash, checking/savings account balances, certificates of deposit, stocks, bonds, money market funds, rental properties etc. The availability of liquid assets plus annual income will be considered up to 375% of the current



poverty guidelines published in the Federal Register. The first \$10,000 of monetary assets is excluded.

- H. Medical Debt: out of pocket expenses, excluding copayments, coinsurance and deductibles, for medical costs billed by a hospital as defined under Maryland Code, Title 10, Subtitle 37.10.26 – *Patient Rights and Obligations – Hospital Credit and Collection and Financial Assistance Policies*.
- I. Medical Hardship: means medical debt, incurred by a family over a 12 month period that exceeds 25% of family income.

#### **IV. Patient Education and Outreach:**

- A. CHC will clearly post signage in English and Spanish to advise patients of the availability of financial assistance. Staff members will communicate the contents of signs to people who do not appear able to read. Signage will be posted in conspicuous places throughout the hospital, including each registration area and the billing department, informing patients of their right to apply for financial assistance. Inquiries are directed to the financial counselor at (410) 871-6718.
- B. The CHC hospital website, inpatient summary bill, and patient information sheet shall include the following information:
  - 1. A description of CHC's financial assistance policy;
  - 2. A summary of the financial assistance and reduced-cost options;
  - 3. Contact information for the individual and/or office at the hospital that is available to assist the patient, the patient's family, or the patient's authorized representative in order to understand:
    - a. The patient's hospital bill;
    - b. The patient's rights and obligations with respect to the hospital bill;
    - c. How to apply for free and reduced-cost care;
    - d. How to apply for the Maryland Medical Assistance Program and any other programs that may help pay the bill



4. Contact information and options for applying for the Maryland Medical Assistance Program
  5. A description of the patient's rights and obligations regarding billing and collection practices under law.
  6. An explanation that all physician charges are not included in the hospital bill and is billed separately.
- C. The information sheet shall be provided to the patient, the patient's family, or the patient's authorized representative:
1. Before discharge;
  2. With the hospital bill; and
  3. Upon request.
- D. The hospital bill shall include a reference to the Financial Assistance Policy Patient Information Sheet.
- E. Patients who qualify for financial assistance shall be identified, either before services are provided or after an individual has received services to stabilize a medical condition. If it is difficult to determine a patient's eligibility for a financial assistance discount prior to the provision of services, such determination shall be made at a later point but shall not exceed a reasonable period after the provision of such services.

#### **V. General Eligibility Criteria:**

CHC will use the following general criteria to determine patient eligibility for Financial Assistance. All applications will be assessed using a consistent methodology.

- A. The methodology will consider income, family size, and available resources.
- B. CHC will utilize the *Carroll Hospital Center Service Area (Exhibit A)* to determine patient eligibility. All hospital services considered medically necessary for patients living in the primary or secondary service area of Carroll Hospital Center will be included in the program. All home care and hospice services



considered medically necessary for patients living in the service area of Carroll HomeCare/Hospice will be included in the program.

- C. CHC will utilize the *Income Scale for CHC Financial Assistance (Exhibit B)* which is based on the 2011 Federal Poverty Guidelines to determine financial assistance eligibility.
- D. CHC will utilize the *Maryland State Uniform Financial Assistance Application (Exhibit C)*.
- E. Non-United States citizens are not covered for financial assistance under this program
- F. Applicants who meet eligibility criteria for Federal Medicaid must apply and be determined ineligible prior to Financial Assistance consideration. The hospital will provide enrollment services for patients with bills exceeding \$1,500. Patients with medical expenses less than \$1,500 are strongly encouraged to file for Federal Medical Assistance.

#### **VI. Specific Procedure:**

The following specific criteria will be used to determine a patient's eligibility for Financial Assistance:

- A. All available financial resources shall be evaluated before determining financial assistance eligibility. CHC will consider financial resources not only of the patient, but also of other persons having legal responsibility to provide for the patient (e.g., the parent of a minor child or a patient's spouse). The patient/guarantor may be required to provide information and verification of ineligibility for benefits available from insurance (i.e., individual and/or group coverage), Medicare, Medicaid, workers compensation, third-party liability (e.g., automobile accidents or personal injuries) and other programs. Patients with health spending accounts (HSAs), formerly known as medical spending accounts (MSAs), are considered to have insurance. The amount that the patient has on deposit in the HSA must be spent before the patient is to be considered eligible for financial assistance.



**Note:** The term patient/guarantor sometimes is used subsequently in this document to refer collectively to the patient as well as any such other person(s) having legal responsibility for the patient.

- B. All information obtained from patients and family members shall be treated as confidential. Assurances about confidentiality of patient information shall be provided to patients in both written and verbal communications. Assessment forms shall provide documentation of all income sources on a monthly and annual basis (taking into consideration seasonal employment and temporary increases and/or decreases in income) for the patient/guarantor, including the following evidence of:
1. Income from wages
  2. Income from self-employment
  3. Alimony
  4. Child support
  5. Military family-allotments
  6. Public assistance
  7. Pension
  8. Social Security
  9. Strike benefits
  10. Unemployment compensation
  11. Workers Compensation
  12. Veterans Benefits
  13. Other sources, such as income and dividends, interest or rental property
- C. The patient/guarantor shall provide demographic information for the patient/guarantor. The patient/guarantor shall provide information about family members and/or dependents residing with the patient/guarantor, including the following information for all:
1. Name, address, phone number (both work and home)
  2. Age
  3. Relationship
- D. In evaluating the financial ability of a patient/guarantor to pay for health care services, questions may arise as to the patient/guarantor's legal responsibility



- for purported dependents. While legal responsibility for another person is a question of state law (and may be subject to Medicaid restrictions), the patient/guarantor's most recent-filed federal income tax form shall be relied upon to determine whether an individual should be considered a dependent. The patient/guarantor shall provide employment information for the patient/guarantor as well as any others for whom the guarantor is legally obligated in regard to the well-being of the patient. Such information shall identify the length of service with the current employer, contact information to verify employment and the individual's job title.
- E. Services provided by Hospital based physicians and billed by the Hospital are covered by this policy. Services provided by non-CHC employees or other independent contractors (e.g., private, physicians, physician practices, anesthesiologists, radiologists, pathologists, etc., depending on the circumstances) are not covered by this policy.
  - F. The patient/guarantor shall be informed that the financial assistance eligibility will apply to service rendered for 90 days after approval. Patient financial records shall be flagged to indicate future services shall be written off in accordance with the financial assistance determination.
  - G. Designated staff will meet with patients who request financial assistance to determine if they meet preliminary criteria for assistance.
    - 1. All hospital applications will be processed within two business days and a determination will be made as to probable eligibility. To facilitate this process, each applicant must provide information about family size and income.
    - 2. The hospital will provide a statement of conditional approval that will let applicants know what paperwork is required for a final determination.
  - H. Patients/guarantors shall be notified when CHC determines the amount of financial assistance related to services provided by CHC.
  - I. Patients/guarantors shall be informed in writing if financial assistance is denied, and a brief explanation shall be given for the determination provided. Patients/guarantors shall be informed of the mechanism for them to request a





reconsideration of the denial of free or reduced care. A copy of the letter shall be retained in the confidential central file, along with the patient/guarantor's application.

- J. Financial assistance eligibility decisions can be made at any time during the patient's interaction with the hospital or the hospital's billing agents as pertinent information becomes available.
- K. Emergency room patients with a healthcare credit score below 534 will qualify for financial assistance upon completion of a state Medical Assistance Primary Adult Care (PAC) application.
- L. Patients referred to Carroll Home Care or Carroll Hospice from Carroll Hospital Center will be automatically eligible based on qualifying for hospital financial assistance.

## **VII. Medical Hardship**

- A. Maryland law requires identifying whether a patient has incurred a medical hardship. A hardship means medical debt, incurred by a family over a 12 month period that exceeds 25% of family income. Medical debt is defined as out of pocket expenses, excluding copayments, co-insurance, and deductibles, for medical costs billed by CHC.
- B. Services provided by the Hospital are covered for medical hardship. Services provided by Hospital based physicians and billed by the Hospital are also covered by this policy. Services provided by non-CHC employees or other independent contractors (e.g., private, physicians, physician practices, anesthesiologists, radiologists, pathologists, etc., depending on the circumstances) are not covered.
- C. For patients who have been deemed to have incurred a medical hardship, the hospital will provide reduced cost medically necessary care to patients with family income below 500% of the Federal Poverty Level.



- D. If a patient has received reduced cost medically necessary care due to a medical hardship, the patient or any immediate family member of the patient living in the same household shall remain eligible for reduced cost medically necessary care when seeking subsequent care at the same hospital during the 12 month period beginning on the date on which the reduced cost medically necessary care was initially received. It is the responsibility of the patient to inform the hospital of their existing eligibility under a medical hardship for 12 months.
- E. In cases where a patient's amount of reduced cost care may be calculated using more than one of the above, the amount which best favors the patient shall be used.

#### **VIII. Medical Indigency**

The decision about a patient's medical indigency is fundamentally determined by CHC without giving exclusive consideration to a patient's income level when a patient has significant and/or catastrophic medical bills. Medically indigent patients do not have appropriate insurance coverage that applies to services related to neonatal care, open-heart surgery, cancer, long and/or intensive care, etc., within the context of medical necessity. Such patients may have a reasonable level of income but a low level of liquid assets and the payment of their medical bills would be seriously detrimental to their basic financial well-being and survival.

CHC Financial Assistance Committee will make a subjective decision about a patient/guarantor's medically indigent status by reviewing formal documentation for any circumstance in which a patient is considered eligible for financial assistance on the basis of medical indigency.

CHC will obtain and/or develop documentation to support the medical indigency of the patient. The following are examples of documentation that shall be reviewed:

1. Copies of all patient/guarantor medical bills;
2. Information related to patient/guarantor drug costs;
3. Multiple instances of high dollar patient/guarantor co-pays, deductibles, etc.
4. Other evidence of high-dollar amounts related to the healthcare costs.



5. No material applicable insurance;
6. No material usable liquid asset;
7. Significant and/or catastrophic medical bills.

In most cases, the patient shall be expected to pay some amount of the medical bill but CHC Financial Assistance Committee will not determine the amount for which the patient shall be responsible based solely on the income level of the patient.

#### **IX. Presumptive Financial Assistance Eligibility**

Some patients are presumed to be eligible for financial assistance discounts on the basis of individual life circumstances (e.g., homelessness, patients who have no income, patients who have qualified for other financial assistance programs, etc.). CHC will grant 100% financial assistance discounts to patients determined to have presumptive financial assistance eligibility. CHC will internally document any and all recommendations to provide presumptive financial assistance discounts from patients and other sources such as physicians, community or religious groups, internal or external social services or financial counseling personnel.

1. To determine whether a qualifying event under presumptive eligibility applies, the patient/guarantor shall provide a copy of the applicable documentation that is dated within 30 days from the date of service.
2. For instances in which a patient is not able to complete an application for financial assistance, CHC will grant a 100% financial assistance discount without a formal request, based on presumptive circumstances, approved by the appropriate member of leadership.
3. Individuals shall not be required to complete additional forms or provide additional information if they already have qualified for programs that, by their nature, are operated to benefit individuals without sufficient resources to pay for treatment. Rather, services provided to such individuals shall be considered financial assistance and shall be considered as qualifying such patients on the basis of presumptive eligibility. The following are examples of patient situations that reasonably assist in the determination of presumptive eligibility:
  - a. Patient has received care from and/or has participated in Women's, Infants and Children's (WIC) programs.



- b. Patient is homeless and/or has received care from a homeless clinic.
- c. Patient family is eligible for and is receiving food stamps.
- d. Patient's family is eligible for and is participating in subsidized school lunch programs.
- e. Patient qualifies for other state or local assistance programs that are unfounded or the patient's eligibility has been dismissed due to a technicality (i.e., Medicaid spend-down).
- f. Family or friends of a patient have provided information establishing the patient's inability to pay.
- g. The patient's street address and documentation evidencing status in an affordable or subsidized housing development.
- h. Patient/guarantor's wages are insufficient for garnishment, as defined by state law,
- i. Patient is deceased, with no known estate.

## **X. Appeals**

Patient/guarantors shall be informed of their right to appeal any decision regarding their eligibility for financial assistance. An appeal letter, including any additional information that may be applicable, will be reviewed by the Senior Vice President of Finance. After review, a final decision along with the criteria used to reach the decision will be mailed to the patient.

## **XI. Refunds**

Beginning October 1, 2010, Carroll Hospital Center shall provide a refund of amounts exceeding \$25.00 collected from a patient or guarantor of a patient who, within a 2 year period after the date of service, was found to be eligible for free care on the date of service.

If a patient is enrolled in a means-tested government health care plan that requires the patient to pay out-of-pocket for hospital services, all overpayments will be refunded.



**XII. Reference Documents**

2. *Carroll Hospital Center Service Area* – Exhibit A
3. *Income Scale for CHC Financial Assistance* (Based on Federal Poverty Guidelines (updated annually) in Federal Register) – Exhibit B
4. *Maryland State Uniform Financial Assistance Application* – Exhibit C
5. *Patient Transfers Policy*

**Exhibit A**



Carroll Hospital Center  
Service Area

**Primary**

Finksburg (21048)  
Hampstead (21074)  
Manchester (21102)  
Keymar (21757)  
Taneytown (21787)  
Mount Airy (21771)  
New Windsor (21776)  
Union Bridge (21791)  
Westminster (21157)  
Westminster (21158)  
Woodbine (21797)  
Upperco (21155)  
Sykesville (21784)

**Secondary**

Reisterstown (21136)  
Littlestown (17334)  
Gettysburg (17325)  
Hanover (17331)

Carroll Home Care and Carroll Hospice

**Primary**

Carroll County  
Baltimore County  
Frederick County  
Howard County

**Exhibit B**

**Income Scale for CHC Financial Assistance  
Based on 2011\* Federal Poverty Guidelines (A)**



Financial Assistance %		100%	75%	50%	25%
Family Size	FPG Income	Income Multiple			
		300%	350%	400%	450%
1	\$10,830	\$32,490	\$35,198	\$37,905	\$40,613
2	\$14,570	\$43,710	\$47,353	\$50,995	\$54,638
3	\$18,310	\$54,930	\$59,508	\$64,085	\$68,663
4	\$22,050	\$66,150	\$71,663	\$77,175	\$82,688
5	\$25,790	\$77,370	\$83,818	\$90,265	\$96,713
6	\$29,530	\$88,590	\$95,973	\$103,355	\$110,738
7	\$33,270	\$99,810	\$108,128	\$116,445	\$124,763
8	\$37,010	\$111,030	\$120,283	\$129,535	\$138,788

(A) SOURCE: Federal Register, Doc. 2010-19129 Filed 7-30-10; 4:15 pm; Billing Code 4151- 05-P  
 (\*Rates are unchanged from 2010)

**Income Scale for CHC Medical Hardship Assistance  
 Based on 2011 Federal Poverty Guidelines**

Financial Assistance %		75%	50%	25%	15%
Family Size	FPG Income	Income Multiple			
		350%	400%	450%	500%
1	\$10,830	\$37,905	\$43,320	\$48,735	\$54,150
2	\$14,570	\$50,995	\$58,280	\$65,565	\$72,850
3	\$18,310	\$64,085	\$73,240	\$82,395	\$91,550
4	\$22,050	\$77,175	\$88,200	\$99,225	\$110,250
5	\$25,790	\$90,265	\$103,160	\$116,055	\$128,950
6	\$29,530	\$103,355	\$118,120	\$132,885	\$147,650
7	\$33,270	\$116,445	\$133,080	\$149,715	\$166,350
8	\$37,010	\$129,535	\$148,040	\$166,545	\$185,050



**Maryland State Uniform Financial Assistance Application**

***Information about You***

Name \_\_\_\_\_

First

Middle

Last

Social Security Number \_\_\_\_-\_\_\_\_-\_\_\_\_

Marital Status: Single Married Separated

US Citizen: Yes No

Permanent Resident: Yes No

Home Address \_\_\_\_\_

Phone \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City

State

Zip code

Country \_\_\_\_\_

Employer Name \_\_\_\_\_

Phone \_\_\_\_\_

Work Address \_\_\_\_\_

City

State

Zip code

Household members:





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Name	Age	Relationship
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Name	Age	Relationship
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Name	Age	Relationship
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Name	Age	Relationship
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Name	Age	Relationship
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Name	Age	Relationship
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Name	Age	Relationship
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Name	Age	Relationship
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Have you applied for Medical Assistance      Yes      No

If yes, what was the date you applied? \_\_\_\_\_

If yes, what was the determination? \_\_\_\_\_

Do you receive any type of state or county assistance? Yes      No

***I. Family Income***

List the amount of your monthly income from all sources. You may be required to supply proof of income, assets, and expenses. If you have no income, please provide a letter of support from the person providing your housing and meals.

	Monthly Amount
Employment	_____
Social security benefits	_____
Public assistance benefits, i.e.: food stamps	_____
Disability benefits	_____
Unemployment benefits	_____
Veteran's benefits	_____
Alimony	_____
Rental property income	_____
Strike benefits	_____
Military allotment	_____
Farm or self-employment	_____



Other income source \_\_\_\_\_  
**Total** \_\_\_\_\_

**II. Liquid Assets** Current Balance

Checking account \_\_\_\_\_

Savings account \_\_\_\_\_

Stocks, bonds, CD, or money market \_\_\_\_\_

Other accounts \_\_\_\_\_

-\$10,000 exclusion \_\_\_\_\_

**Total** \_\_\_\_\_

**III. Other Assets**

If you own any of the following items, please list the type and approximate value.

Home	Loan Balance _____	Approximate value _____
Automobile	Make _____ Year _____	Approximate value _____
Additional vehicle	Make _____ Year _____	Approximate value _____
Additional vehicle	Make _____ Year _____	Approximate value _____
Other property		Approximate value _____
		<b>Total</b> _____

**IV. Monthly Expenses** Amount

Rent or Mortgage \_\_\_\_\_



Car payment(s) \_\_\_\_\_  
Credit card(s) \_\_\_\_\_  
Car insurance \_\_\_\_\_  
Health insurance \_\_\_\_\_  
Other medical expenses \_\_\_\_\_  
Other expenses \_\_\_\_\_  
**Total** \_\_\_\_\_

Do you have any other unpaid medical bills? Yes No

For what service? \_\_\_\_\_

If you have arranged a payment plan, what is the monthly payment? \_\_\_\_\_

Do you have medical debt that has been incurred by your family over a 12-month period that exceeds 25% of your family income? \_\_\_\_\_

If you request that the hospital extend additional financial assistance, the hospital may request additional information in order to make a supplemental determination. By signing this form, you certify that the



information provided is true and agree to notify the hospital of any changes to the information provided within ten days of the change.

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Applicant signature

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Date

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Relationship to Patient