

This policy applies to The Johns Hopkins Health System Corporation (JHHS) and the following affiliated entity: The Johns Hopkins Surgery Centers Series (JHSCS).

Purpose

It is the policy of Johns Hopkins Medicine to provide Financial Assistance based on indigence or high medical expenses for patients who meet specified financial criteria and request such assistance. The purpose of the following policy is to describe how applications for Financial Assistance can be made, the criteria for eligibility, and the steps for processing each application.

Ambulatory Surgery Centers that are part of the JHSCS will provide notice and information of the facility's charity care policy through methods designed to reach the service area's population. Notice will be posted at all patient registration sites and in the business office of the facility. Prior to a patient's arrival for surgery, facilities shall address any financial concerns of patients, and individual notice regarding the facility's Financial Assistance policy shall be provided to the patient.

Financial Assistance may be extended when a review of a patient's individual financial circumstances has been conducted and documented. Review for Medical Financial Hardship shall include a review of the patient's existing medical expenses and obligations (including any accounts placed in bad debt) and any projected medical expenses. Financial Assistance and Medical Financial Hardship Assistance may be offered to patients whose accounts are with a collection agency and will apply only to those accounts on which a judgment has not been granted, so long as other requirements are met.

A determination of Financial Assistance will be re-evaluated every six (6) months as necessary.

Definitions

Family Income	Patient's and/or responsible party's wages, salaries, earnings, tips, interest, dividends, corporate distributions, rental income, retirement/pension income, Social Security benefits and other income as defined by the Internal Revenue Service, for all members of Immediate Family residing in the household.
Supporting Documentation	Pay stubs; W-2s; 1099s; workers' compensation, Social Security or disability award letters; bank or brokerage statements; tax returns; life insurance policies; real estate assessments and credit bureau reports, Explanation of Benefits to support Medical Debt.

PROCEDURES

1. An evaluation for Financial Assistance can begin in a number of ways. For example:
 - A patient with a self-pay balance due notifies the self-pay collector or collection agency that he/she cannot afford to pay the bill and requests assistance.
 - A patient presents at a clinical area and states that he/she cannot afford to pay the medical expenses associated with his/her current or previous medical services.
 - A physician or other clinician refers a patient seeking care for a Financial Assistance evaluation.
2. JHSCS facilities will designate a person or persons who will be responsible for taking Financial Assistance applications. These staff can be Financial Counselors, Self-Pay Collection Specialists, Administrative staff, Customer Service, etc.
3. Designated staff will meet with patients who request Financial Assistance to determine if they meet preliminary criteria for assistance.
 - a. All Financial Assistance 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, (as defined by Medicaid regulations). To help applicants complete the process, the facility will provide a statement of conditional approval that will let them know what paperwork is required for a final determination of eligibility.

4. If the patient is a candidate for assistance, the Financial Representative/Counselor will provide the patient with the following instructions and documents:
 - a. Financial Assistance Application (Exhibit A). (Assistance will be provided to patients unable to complete the worksheet.)
 - b. Inform the patient that he/she must provide:
 - Evidence that all insurance benefits have been exhausted;
 - A copy of his/her most recent Federal Income Tax Return (if married and filing separately, then also a copy of spouse's tax return and a copy of any other person's tax return whose income is considered part of the family income as defined by Medicaid regulations).
 - A copy of the three (3) most recent pay stubs (if employed) or other evidence of income of any other person whose income is considered part of the family income as defined by Medicaid regulations.
 - A Medical Assistance Notice of Determination (if applicable).
 - Proof of disability income (if applicable).
 - c. If unemployed, reasonable proof of unemployment such as statement from the Office of Unemployment Insurance, a statement from current source of financial support, etc.
5. A patient can qualify for Financial Assistance either through lack of sufficient insurance or excessive Medical Debt. Medical Debt is defined as out of pocket expenses excluding copayments, coinsurance and deductibles, for medical costs billed by a Hopkins affiliate. Once a patient has submitted all the required information, the Financial Counselor will review and analyze the application for final determination of eligibility.
6. Facilities have the option to designate certain elective procedures for which no Financial Assistance options will be given.
7. Once a patient is approved for Financial Assistance, Financial Assistance coverage shall be effective for the month of determination and the following six (6) calendar months. If the patient is approved for a percentage allowance due to financial hardship it is recommended that the patient make a good-faith payment at the beginning of the Financial Assistance period. Upon a request from a patient who is uninsured and whose income level falls within the Medical Financial Hardship Income Grid set forth in Appendix B, the facility shall make a payment plan available to the patient. Any payment schedule developed through this policy will ordinarily not last longer than two years. In extraordinary circumstances and with the approval of the designated manager a payment schedule may be extended.
8. Patients who have health coverage and are at or below 200% of Federal Poverty Guidelines can ask for help with out of pocket expenses (co-payments and deductibles) for medical costs resulting from medically necessary care and shall be required to submit a Financial Assistance Application.
9. The JHSCS Financial Assistance Policy is consistent with the current policy for The Johns Hopkins Hospital (JHH), Johns Hopkins Bayview Medical Center, Inc. Acute Care Hospital and Special Programs (JHBMC), and the Chronic Specialty Hospital of the Johns Hopkins Bayview Care Center (JHBCC), with respect to the determination of financial assistance allowances. If a patient is determined eligible for financial assistance at JHH, JHBMC, or JHBCC and is at or below 200% of the Federal Poverty Line, he or she is deemed eligible for JHSCS Financial Assistance.

REFERENCE!

JHHS Finance Policies and Procedures Manual

Policy No. FIN017 - Signature Authority: Patient Financial Services

Policy No. FIN033 - Installment Payments

Charity Care and Bad Debts, AICPA Health Care Audit Guide
Federal Poverty Guidelines (Updated annually) in Federal Register

Standardized applications for Financial Assistance and Medical Financial Hardship have been developed. Copies are attached to this policy as Exhibits A and B.

RESPONSIBILITIES – Ambulatory Surgery Centers

Financial Counselor (Pre-Admission/Admission/In-House/Outpatient), Customer Service, Collector, Admissions Coordinator, any Finance representative designated to accept applications for Financial Assistance

Understand current criteria for Assistance qualifications.

Identify prospective patients; initiate application process when required. As necessary assist patient in completing application or program specific form.

Deliver completed application to Patient Accounting, Financial Representative

Patient Accounting/Financial Representative

Review and ensure completion of final application.

Deliver completed final application to appropriate management.

Document all transactions in all applicable patient accounts comments.

Identify retroactive candidates; initiate application process.

Review completed applications; determine patient eligibility; communicate final written determination to patient within 30 business days of receiving completed application. If patient is eligible for reduced cost care, apply the most favorable reduction in charges for which patient qualifies.

Advise ineligible patients of other alternatives available to them including installment payments, bank loans, or consideration under the Medical Financial Hardship program if they have not submitted the supplemental application, Exhibit B. [Refer to Appendix B - Medical Financial Hardship Assistance Guidelines.]

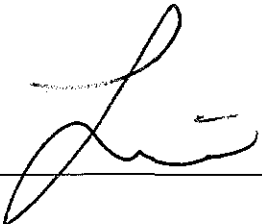
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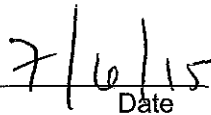
Finance for Ambulatory Surgery Centers

REVIEW CYCLE

Three (3) years

APPROVAL




_____ Date

APPENDIX A
FINANCIAL ASSISTANCE PROGRAM ELIGIBILITY GUIDELINES

1. Each patient requesting Financial Assistance must complete a Financial Assistance Application (Exhibit A). If a patient wishes to be considered for Medical Financial Hardship, s/he must submit the Medical Financial Hardship Application (Exhibit B).
2. A preliminary application stating family size and family income (as defined by Medicaid regulations) will be accepted and a determination of probable eligibility will be made within two business days of receipt.
3. Proof of income must be provided with the final application. Acceptable proofs include:
 - (a) Prior-year tax return;
 - (b) Current pay stubs;
 - (c) Letter from employer, or if unemployed documentation verifying unemployed status; and
 - (d) A credit bureau report obtained by the JHM affiliates and/or Patient Financial Services Department.
4. Patients will be eligible for Financial Assistance if their maximum family (husband and wife, same-sex married couples) income (as defined by Medicaid regulations) level does not exceed 200% of the Federal poverty guidelines that are currently in effect.
5. All financial resources must be used before Financial Assistance can be applied. This includes insurance, Medical Assistance, and all other entitlement programs for which the patient may qualify.
6. Financial Assistance is only applicable to Medically Necessary Care.
7. Each affiliate will determine final eligibility for Financial Assistance within two (2) business days of the day when the application was satisfactorily completed and submitted.
8. Documentation of the final eligibility determination will be made on all (open-balance) patient accounts. A determination notice will be sent to the patient.
9. A determination of eligibility for Financial Assistance based on the submission of a Financial Assistance Application will remain valid for a period of six (6) months based on the date of the determination letter.
10. A patient who is currently receiving Financial Assistance at a Johns Hopkins hospital and is at or below 200% of the Federal Poverty Level will not be required to reapply for Financial Assistance from the Johns Hopkins Surgery Centers Series and will be deemed eligible.
11. All determinations of eligibility for Financial Assistance shall be solely at the discretion of the Johns Hopkins Surgery Centers Series.
12. The Director of Patient Financial Services (or affiliate equivalent) may make exceptions according to individual circumstances.

FINANCIAL ASSISTANCE GRID

Family income at or below the amount indicated means the individual qualifies for Financial Assistance. This chart is intended as a guide; the Federal Poverty Guidelines published most recently in the Federal Register will be used to determine eligibility.

TABLE FOR DETERMINATION OF FINANCIAL ASSISTANCE ALLOWANCES	
Effective 1/1/15	
# of Persons in Family	200% FPL
1	\$23,540
2	\$31,860
3	\$40,180
4	\$48,500
5	\$56,820
6	\$65,140
7	\$73,460
8*	\$81,780

*For family units with more than eight (8) members, add \$8,320 for each additional member.

APPENDIX B

MEDICAL FINANCIAL HARDSHIP ASSISTANCE GUIDELINES

Purpose

These guidelines are to provide a separate, supplemental determination of Financial Assistance due to Medical Hardship. This determination will be offered to all patients who apply for Financial Assistance.

Medical Financial Hardship Assistance is also available for patients who are not eligible for Financial Assistance under the primary section of this policy, but for whom:

- 1.) Medical Debt incurred over a twelve (12) month period exceeds 25% of the Family Income creating Medical Financial Hardship; and
- 2.) The patient meets the income standards for this level of Assistance.

For those patients who are eligible for reduced cost care under the Financial Assistance criteria and also qualify under the Medical Financial Hardship Assistance Guidelines, JHSCS shall apply the reduction in charges that is most favorable to the patient.

Medical Financial Hardship is defined as Medical Debt for medically necessary treatment incurred by a family over a twelve (12) month period that exceeds 25% of that family's income.

Medical Debt is defined as out of pocket expenses for medical costs for Medically Necessary Care billed by the Hopkins hospital to which the application is made, the out of pocket expenses mentioned above do not include co-payments, co-insurance and deductibles unless the patient is below 200% of Federal Poverty Guidelines.

The patient/guarantor can request that such a determination be made by submitting a Medical Financial Hardship Assistance Application (Exhibit B). The patient/guarantor must also submit financial documentation of family income for the twelve (12) calendar months preceding the application date and documentation evidencing Medical Debt of at least 25% of family income.

Once a patient is approved for Medical Hardship Financial Assistance, Medical Hardship Financial Assistance coverage shall be effective starting the month of the first qualifying service and the following twelve (12) calendar months. It shall cover those members of the patient's Immediate Family residing in the same household. The patient and the Immediate Family members shall remain eligible for reduced cost Medically Necessary Care when seeking subsequent care at the same facility for twelve (12) calendar months beginning on the date on which the reduced cost Medically Necessary Care was initially received. Coverage shall not apply to elective admissions or elective or cosmetic procedures. The patient or the patient's immediate family member residing in the same household must notify the facility of their eligibility for the reduced cost medically necessary care at registration or admission.

General Conditions for Medical Financial Hardship Assistance Application:

1. Patient's income is under 500% of the Federal Poverty Level.
2. Patient has exhausted all insurance coverage.
3. Patient account balances for patients who chose to register as voluntary self-pay shall not be counted toward Medical Debt for Medical Financial Hardship Assistance.
4. Patient/guarantor does not own Liquid Assets in excess of \$10,000 which would be available to satisfy their facility bills.
5. Patient is not eligible for any of the following:
 - Medical Assistance
 - Other forms of assistance available through JHM affiliates
6. Patient is not eligible for Financial Assistance or is eligible but the Medical Financial Hardship Program may be more favorable to the patient.
7. The facility has the right to request that the patient file updated supporting documentation.
8. The maximum time period allowed for paying the amount not covered by Financial Assistance is three (3) years.
9. If a federally qualified Medicaid patient required a treatment that is not approved by Medicaid but may be eligible for coverage by the Medical Financial Hardship Assistance program, the patient is still required to file a JHSCS Medical Financial Hardship Assistance Application but not to submit duplicate supporting documentation.

Factors for Consideration

The following factors will be considered in evaluating a Medical Financial Hardship Assistance Application:

- Medical Debt incurred over the twelve (12) months preceding the date of the Financial Hardship Assistance Application at the Hopkins treating facility where the application was made.
- Liquid Assets (leaving a residual of \$10,000).
- Family Income for the twelve (12) calendar months preceding the date of the Financial Hardship Assistance Application.
- Supporting Documentation.

Exception

The Director or designee of Patient Financial Services (or facility equivalent) may make exceptions according to individual circumstances.

Evaluation Method and Process

1. The Financial Counselor will review the Medical Financial Hardship Assistance Application and collateral documentation submitted by the patient/responsible party.
2. The Financial Counselor will then complete a Medical Financial Hardship Assistance Worksheet (found on the bottom of the application) to determine eligibility for special consideration under this program. The notification and approval process will use the same procedures described in the Financial Assistance Program section of this policy.

MEDICAL FINANCIAL HARDSHIP GRID

Upper Limits of Family Income for Allowance Range

TABLE FOR DETERMINATION OF FINANCIAL ASSISTANCE ALLOWANCES			
Effective 1/1/15			
# of Persons in Family	300% of FPL	400% of FPL	500% of FPL
1	\$35,310	\$47,080	\$58,850
2	\$47,790	\$63,720	\$79,650
3	\$60,270	\$80,360	\$100,450
4	\$72,750	\$97,000	\$121,250
5	\$85,230	\$113,640	\$142,050
6	\$97,710	\$130,280	\$162,850
7	\$110,190	\$146,920	\$183,650
8*	\$122,670	\$163,560	\$204,450

*For family units with more than 8 members, add \$12,480 for each additional person at 300% of FPL, \$16,640 at 400% at FPL; and \$20,300 at 500% of FPL.

This chart is intended as a guide; the Federal Poverty Guidelines published most recently in the Federal Register will be used to determine eligibility.