Title: Financial Assistance Policy	Effective Date: 05/30/2017
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This policy may not be materially changed without the approval of the Board of Directors.

THIS POLICY WAS APPROVED BY THE BOARD OF DIRECTORS AND ALL APPROVERS ON 2/7/2017.

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. Services will be provided without discrimination on the grounds of race, color, sex, national origin or creed.

Any patient seeking urgent, emergent care, or chronic 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). Financial Assistance is available to patients who qualify in accordance to this policy.

II. Purpose:

This policy describes the criteria to be used in determining patient eligibility and 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, an annual advertisement in the local newspaper and the hospital website.

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: A medical condition manifesting itself by acute symptoms of sufficient severity (e.g. severe pain, psychiatric disturbances and/or symptoms of substance abuse, the health of a pregnant woman and/or her unborn child etc.) such that the absence of immediate medical attention could seriously jeopardize the patient's health.

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.

C. Chronic Care: Care provide to patients in order to manage their disease and reduce their risk for hospitalization. These illnesses, characterized as ambulatory sensitive conditions, include conditions such as diabetes mellitus, CHF, COPD, angina, epilepsy, hypertension, and Asthma.

D. 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.

E. Medical Necessity: Any care that meets the definition of emergent, urgent, or chronic care.

F. Immediate family: A family unit is defined to include all individuals taken as exemptions on the income tax return for the individual completing the application, whether or not they were the individual filing the return or listed as a spouse or dependent. For homeless persons or in the event that a family member is not obtainable, the family unit size will be assumed to be one. If a tax return has not been filed, then income from all members living in the household will be considered.

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 in relation to the current poverty guidelines published in the Federal Register. The first $10,000 of monetary assets, and up to $150,000 in a primary residence 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*.

IV. Patient Education and Outreach:

A. Patients who qualify for financial assistance can be identified either before or after services are provided. A determination of probable eligibility will be made within two business days following a patient's completion of the financial assistance application.

B. 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.

C. The CHC hospital website, all patient bills, and patient information sheet shall include the following information:
   1. A description of CHC's financial assistance policy;
   2. 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 the Maryland Medical Assistance Program, CHC Financial Assistance, Maryland Healthcare Connect, and any other programs that may help pay the bill.
   3. A description of the patient's rights and obligations regarding billing and collection practices under law.
   4. An explanation that physician charges are not included in the hospital bill and are billed separately.

D. An information sheet explaining patient's rights and responsibilities shall be provided to the patient, the patient's family, or the patient's authorized representative before discharge, with the hospital bill, and upon request.

V. Eligibility Criteria:

A. Patients seeking emergent, urgent, or chronic care services shall qualify for financial assistance consideration. CHC will use a consistent methodology to determine eligibility to include: income, family size, and available resources.

B. CHC will utilize the *Carroll Hospital Center Service Area (Exhibit A)* to determine the scope of the financial assistance program. All hospital, home care, and hospice services considered medically necessary for patients living in the service area are included in the program.

C. CHC will utilize the *Income Scale for CHC Financial Assistance (Exhibit B)* which is based on the most current 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. All available financial resources shall be evaluated before determining financial assistance eligibility. This includes resources of other persons and entities who may have legal responsibility for the patient. These parties shall be referred to as guarantors for the purpose of this policy.

G. Applicants who meet eligibility criteria for Medicaid must apply and be determined ineligible prior to Financial Assistance consideration. Applicants that do not meet eligibility after the initial screening are waived from this requirement.

H. During open enrollment or the event of a major life change resulting in the loss of insurance coverage, the patient will be required to purchase coverage if eligible through the Maryland Health Connection. If it is determined that the patient cannot afford the insurance premium, the Hospital may pay the premium at the discretion of the Financial Assistance Committee.

I. Assessment forms shall identify 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. If anyone in the family unit owns a business, the gross receipts and net income from the business will be considered. Additionally, current information must be submitted for business income and expenses. If current income and expenses are not available, the previous year's tax return 1040 and Schedule C must be submitted. Examples of income sources are:

1. Income from wages
2. Retirement/Pension Benefits
3. Income from self-employment
4. Alimony
5. Child support
6. Military family-allotments
7. Public assistance
8. Pension
9. Social Security
10. Strike benefits
11. Unemployment compensation
12. Workers Compensation
13. Veterans Benefits
14. Other sources, such as income and dividends, interest or rental property

J. 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.

K. Patients/guarantors shall be informed in writing of financial assistance determinations along with a brief explanation. 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.

L. Financial assistance determinations shall remain in effect for future services provided for six months following approval.

M. 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. The Financial Assistance Committee may grant financial assistance outside of the terms of this policy in response to the specific needs of a patient as needed.

N. Emergency room patients with a healthcare credit score below 534 will qualify for financial assistance for that visit only.

O. Patients referred to Carroll Home Care or Carroll Hospice from Carroll Hospital Center will be automatically eligible based on qualifying for hospital financial assistance. In addition, hospital-based physician charges billed under the Carroll Hospital Center will also be eligible. (Reference Exhibit D)

VI. Medical Financial Hardship

Maryland law requires identifying whether a patient has incurred a medical financial hardship. A financial 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. Services provided by the Hospital as well as those provided by hospital based physicians and billed by CHC are included in this policy and in consideration for medical financial hardship. Other hospitals' fees and professional fees (i.e. other physician charges) that are not provided by the CHC are not included in this policy (Reference Exhibit D). For patients who have been deemed to have incurred a financial hardship, the hospital will provide reduced cost medically necessary care to patients with family income below 500% of the Federal Poverty Level.

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

VII. 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, lack of income, qualification for applicable federal or state programs, etc.). CHC will grant 100% financial assistance to US citizens 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.

Individuals shall be asked to provide proof of qualification or participation in programs that, by their nature, are operated to benefit individuals with limited financial resources. Patients receiving the following services shall be considered eligible for presumptive financial assistance.

a. Patient has received care from and/or has participated in Women's, Infants and Children's (WIC) programs.
b. Patient is homeless.
c. Patient's family is eligible for and is receiving Maryland food stamps.
d. Patient's family is eligible for and is participating in subsidized school lunch programs.
e. The patient's home address and documentation evidencing status in an affordable or subsidized housing development.
f. Patient/guarantor's wages are insufficient for garnishment, as defined by state law.
g. Patient is deceased, with no known estate.

VIII. 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 Assistant Vice President of Revenue Cycle. After review, a final decision along with the criteria used to reach the decision will be mailed to the patient.

IX. Late Discovery of Eligibility

CHC 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.

X. Reference Documents

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

CARROLL HOSPITAL CENTER

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)

Carroll Home Care and Carroll Hospice

Primary

Carroll County
Baltimore County
Frederick County
Howard County

CARROLL HOSPITAL CENTER

Exhibit B

Income Scale for Carroll Hospital Financial Assistance
Based on 2017 Federal Guidelines (A)

Financial Assistance %		100%	75%	50%	25%
Persons in Family/Household	**Income**	**Income Multiple**			
		300%	**325%**	**350%**	**375%**
1	$12,060	$36,180	$39,195	$42,210	$45,225
2	$16,240	$48,720	$52,780	$56,840	$60,900
3	$20,420	$61,260	$66,365	$71,470	$76,575
4	$24,600	$73,800	$79,950	$86,100	$92,250
5	$28,780	$86,340	$93,535	$100,730	$107,925
6	$32,960	$98,880	$107,120	$115,360	$123,600
7	$37,140	$111,420	$120,705	$129,990	$139,275
8	$41,320	$123,960	$134,290	$144,620	$154,950
For families/households with more than 8 persons, add $4,180 for each additional person.					

(A) SOURCE: Federal Register, Document # 2017-02076 Pgs. 8831-8832

Exhibit B

Income Scale for Carroll Hospital Medical Hardship Assistance
Based on 2017 Federal Guidelines

Financial Assistance %		100%	75%	50%	25%
Persons in Family/Household	**Income**	**Income Multiple**			
		350%	**400%**	**450%**	**500%**
1	$12,060	$42,210	$48,240	$54,270	$60,300
2	$16,240	$56,840	$64,960	$73,080	$81,200
3	$20,420	$71,470	$81,680	$91,890	$102,100
4	$24,600	$86,100	$98,400	$110,700	$123,000
5	$28,780	$100,730	$115,120	$129,510	$143,900
6	$32,960	$115,360	$131,840	$148,320	$164,800
7	$37,140	$129,990	$148,560	$167,130	$185,700
8	$41,320	$144,620	$165,280	$185,940	$206,600
For families/households with more than 8 persons, add $4,180 for each additional person.					

CARROLL HOSPITAL CENTER

Exhibit C

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: _____

_____

_____ Country: _____

City State Zip code

Employer Name: _____ Phone: _____

Work Address: _____

_____ Country: _____

City State Zip code

CARROLL HOSPITAL CENTER

Household members:

Name	Age	Relationship

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

CARROLL HOSPITAL CENTER

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	_____
Retirement/Pension Benefits	_____
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	_____

CARROLL HOSPITAL CENTER

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 _____
		Total _____

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? _____

CARROLL HOSPITAL CENTER

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.

_____ _____

Applicant signature Date

_____

Relationship to Patient