

South Shore Hospital <i>Chicago, Illinois</i>		FINANCIAL ASSISTANCE POLICY		Page 1 of 19
Policies and Procedures		Subject		Number
January 2021 Date Issued	12/31/20 Date Approved	January 1, 2021 Date Effective		

Approvals

Rhonda Fairchild, Business Office Supervisor 12/31/20

STATEMENT OF POLICY

General Description of Policy and Purpose - It is the policy of South Shore Hospital (“SSH”) to provide quality medical health care to all persons regardless of race, creed, gender, national origin, handicap, age, ability to pay or other protected status. South Shore Hospital (“Hospital”) recognizes that not all individuals possess the ability or means to purchase essential medical services, and further, that our mission is to serve our community with respect to providing health care services and health care education. Therefore, in keeping with SSH’s commitment to serve all members of the community, free and/or discounted care (“Financial Assistance”) will be considered where the need and/or inability to pay are identified as set forth in this Financial Assistance Policy (“Policy”). This Policy standardizes the method by which SSH will determine whether a patient (“Patient”) or any Responsible Party (as hereinafter defined) qualifies for Financial Assistance.

Hospital Financial Policy - This Policy applies to all Emergency Treatment and Medically Necessary Care that Hospital provides at 8012 S. Crandon Avenue, Chicago, Il. (collectively, the “Hospital Facility”).

DEFINITIONS

Amounts Generally Billed (“AGB”) – The amounts generally billed by Hospital for Emergency Treatment and Medically Necessary Care to Patients who have health insurance is referred to in this Policy as AGB. AGB is calculated using the look-back method by multiplying the Gross Charges for Emergency Treatment or Medically Necessary Care by one or more percentages. For purposes of calculating AGB, these percentages are based on the claims allowed during a prior twelve (12)-month period by Medicare fee-for-service and all private health insurers that pay claims for such Emergency Treatment or Medically Necessary Care. Copies of the current percentages, together with an explanation of how these percentages were calculated, may be obtained for free by writing to South Shore Hospital, 8012 S. Crandon Avenue, Chicago, Illinois, 60617, ATTN: Director, Patient Financial Services.

Application Period – The Application Period is the period during which Hospital will accept and process an application for Financial Assistance under this Policy. The Application Period begins

on the date that care is provided to the individual in question, and it ends on the 360th day after Hospital provides the individual with the first Post-Discharge billing statement for the Emergency Treatment or Medically Necessary Care provided.

Elective Procedures – Procedures that do not qualify as Emergency Treatment or Medically Necessary Care are referred to in this Policy as Elective Procedures. Examples of Elective Procedures include, but are not limited to, services that are cosmetic or reproductive in nature. Financial Assistance is not available under this Policy for Elective Procedures.

Emergency Medical Condition – The term Emergency Medical Condition will be defined as set forth in EMTALA.

Emergency Treatment – Emergency Treatment means the care or treatment provided for an Emergency Medical Condition.

Extraordinary Collection Action – Subject to the exceptions described below, an action taken by Hospital against a Patient or any Responsible Party that involves (i) legal or judicial process; (ii) selling an individual's debt to a third party; (iii) reporting adverse information about the individual to a consumer credit agency or credit bureau; (iv) deferring or denying, or requiring a payment before providing, Medically Necessary Care because of a Patient's nonpayment of one or more bills for previously provided care under the Policy; and (v) such other actions as defined by Internal Revenue Service with respect to Section 501(r) of the Internal Revenue Code.

An **Extraordinary Collection Action** does not include (A) the sale of an individual's debt to a third party if, prior to the sale, Hospital has entered into a legally binding agreement with the purchaser of the debt pursuant to which (i) the purchaser is prohibited from engaging in any Extraordinary Collection Action to obtain payment; (ii) the purchaser is prohibited from charging interest on the debt in excess of the rate allowable under Section 501(r) of the Internal Revenue Code at the date the debt is sold; (iii) the debt is returnable to or recallable by Hospital upon a determination that the individual is eligible for Financial Assistance; and (iv) if the individual is determined to be eligible for Financial Assistance and the debt is not returned to or recalled by Hospital, the purchaser is required to adhere to procedures specified in the agreement that ensure that the individual does not pay, and has no obligation to pay, the purchaser and Hospital together more than he or she is personally responsible for paying as an individual eligible for Financial Assistance; (B) any lien that Hospital is entitled to assert under state law on the proceeds of a judgment, settlement, or compromise owed to an individual (or his or her representative) as a result of personal injuries for which care was provided; or (C) the filing of a claim in any bankruptcy proceeding.

Federal Poverty Guidelines ("FPG") – Federal Poverty Guidelines or FPG means those guidelines that the U.S. Department of Health and Human Services issues each year in the Federal Register. The effective date of the annual update to FPG for purposes of this Policy will be the first day of the month following the publication of FPG in the Federal Register.

Financial Assistance – Health care services provided free or at a reduced rate for individuals who meet certain criteria.

- a. Financial assistance is that portion of patient care services provided by a hospital for which a third-party payor is not responsible, and a patient has the inability to pay. Any portion of costs that a patient is unable to pay can count as financial assistance.
- b. Financial assistance includes the portion of total charges for patients with coverage from a third-party payor that does not have a contractual relationship with the Hospital.
- c. Financial assistance does not include bad debt, contractual adjustments, or unreimbursed costs (payment shortfalls). Financial assistance may include unpaid coinsurance, deductibles, and non-covered services if the patient meets the hospital's financial assistance eligibility criteria.
- d. Denial of payment by Medicaid for any reason for medically necessary services provided and any lack of payment for medically necessary non-covered services provided to a Medicaid patient shall be considered financial assistance.

Gross Charges – The full, established price for Emergency Treatment, Medically Necessary Care or Elective Procedures, as the case may be, that the Hospital uniformly charges all Patients before applying any contractual allowances, discounts or deductions.

Household Gross Income – All wages, salaries, compensation and other pay, including, without limitation, Social Security benefits, pension payments, unemployment compensation, workers' compensation payments, veterans benefits, rents, alimony, child support, survivors' benefits and income from estates or trusts, earned by or attributable to the members of the Immediate Family on an annual basis. Household Gross Income will be rounded to the nearest dollar when applied to the scale for determining whether an individual is an Eligible Patient.

Immediate Family – Immediate Family consists of the Patient, his or her spouse and his or her children (natural or adoptive) who are under the age of eighteen (18) and living at home or who are claimed by the Patient as a dependent for federal tax purposes. If the Patient is under the age of eighteen (18), the Immediate Family shall include the Patient, his or her natural or adoptive parents (regardless of whether they live in the home with the Patient) and the parents' children (natural or adoptive) who are under the age of eighteen (18) and living in the home with the Patient or who are claimed by the parent(s) as dependents for federal tax purposes. If a Patient is at least eighteen (18) years old but is claimed by another as a dependent for federal tax purposes, the Immediate Family shall include the individual claiming the Patient as a dependent, his or her spouse and all of his or her children (natural or adoptive) who are under the age of eighteen (18) and living at home or who are claimed by the individual as a dependent for federal tax purposes.

Medically Necessary Care – Medically Necessary Care means those health care services that satisfy the definition of "medically necessary services" for purposes of the Illinois Medicaid program.

Notification Period – The Notification Period refers to the period during which Hospital will notify individuals about the availability of Financial Assistance under this Policy. The Notification Period begins on the first date care is provided and ends on the 120th day after Hospital provides the individual with the first Post-Discharge billing statement for such care.

Post-Discharge – Post-Discharge means the period of time after medical care (whether inpatient or outpatient) has been provided and the individual has left the Hospital Facility.

Responsible Party – A Responsible Party as used in this Policy is the Patient if the Patient is at least eighteen (18) years old and is not claimed by another person as a dependent for federal tax purposes. If the Patient is under the age of eighteen (18), the Responsible Party shall be the Patient’s parents (natural or adoptive) or legal guardians, unless someone else claims the Patient as a dependent for Federal tax purposes. If the Patient is claimed as a dependent by another person for Federal tax purposes, the Responsible Party shall be the person claiming the Patient as a dependent.

Self-Pay Discount – All self-pay (uninsured) patients are automatically eligible to receive a self-pay discount without submitting Financial Assistance Application. This includes insured patients who were determined uninsured for the entire hospital stay. Self-Pay patients are charged the lesser of AGB or 25% of cost as the self-pay discount.

PURPOSE

To identify circumstances when SSH may provide care without charge or at a discount commensurate with the ability to pay, for a Patient whose financial status makes it impractical or impossible to pay for medically necessary services.

APPLICATIONS FOR FINANCIAL ASSISTANCE

- I. Illinois Residency Required.** Any person seeking Financial Assistance under this Policy must be an Illinois resident.

- II. Presumptive Eligibility.** A patient may be screened and considered presumptively eligible for Financial Assistance based on the following provided and verified information:
 - a. Homelessness
 - b. Deceased with no estate
 - c. Mental incapacitation with no representation
 - d. Medicaid eligible but not on service date or for non-covered service
 - e. Enrollment in the following programs:
 - Women, Infants, and Children Nutrition Program (WIC)
 - Supplemental Nutrition Assistance Program (SNAP)
 - Illinois Free Lunch and Breakfast Program
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low-income financial status as criteria
 - Receipt of grant assistance for medical services

A Patient who satisfies the Presumptive Eligibility criteria set forth above shall receive a complete write off of any charges for Medically Necessary Care or Emergency Treatment provided by Hospital pursuant to this Policy.

III. Statement of Cooperation. Each Patient will be contingent upon approval of the appropriate Hospital representatives as indicated in this Policy and on the cooperation of the Patient during the Financial Assistance process. Hospital reserves the right to extend Financial Assistance on a case by case basis where the Patient may not be able to comply with the Financial Assistance process.

IV. Procedures for Applying for Financial Assistance (Application Process).

- a. **General Application Process.** An individual who believes that he or she may qualify for Financial Assistance or has requested that Financial Assistance be provided must submit an application for Financial Assistance during the Application Period. An award of Financial Assistance pursuant to this Policy shall be valid for one hundred eighty (180) days. Thereafter, individuals will be required to submit a new application for Financial Assistance. This Policy, a plain language summary of this Policy and an application may be obtained for free online at www.southshorehospital.com; by calling 773-356-5000; in person with a Financial Counselor at South Shore Hospital, 8012 S. Crandon Avenue, Chicago, IL; or by mail at South Shore Hospital, 8012 S. Crandon Avenue, Chicago, Illinois, 60617, ATTN: Director Patient Financial Services.
- b. **Scope of Information Requested.** Hospital may deny Financial Assistance based on the failure to provide information or documentation unless that information or documentation is described in this Policy or the Financial Assistance application form.
- c. If Hospital does not receive notification of insurance from the Patient and if the Patient does not qualify for any federal or state assistance program or does not demonstrate one or more of the criteria listed in the Presumptive Eligibility section of this Policy or the Patient is underinsured, Hospital will begin the process of determining financial need.
 - (1) The Registration Staff, Financial Counselor, or Collection Staff may obtain additional appropriate financial and demographic information necessary to assist in the determination of eligibility. The information will include a signed and completed Financial Assistance application form.
 - (2) **SCOPE OF INFORMATION:** Financial/demographic information may include the following:
 - A. Household Gross Income including wages, payments from unemployment and pension plans,
 - B. Liquid assets,

- C. Liabilities and Expenses (liabilities and expenses are not required and *may* be considered in extenuating circumstances affecting indigency),
 - D. Family size, including all dependent children aged 18 and under residing in the home, and
 - E. Credit report.
- (3) The following documentation may be required as proof of income:
- A. A copy of the Patient's and, if applicable, patient's spouse's, patient's parents, two (2) recent paycheck stubs,
 - B. A copy of the Patient's and, if applicable, Patient's spouse's, patient's parents most recent Federal Income Tax filing and corresponding Form W-2,
 - C. A copy of Patient's award letter from Social Security.
 - D. A copy of Patient's award letter from Unemployment Compensation.
 - E. Proof of enrollment if Patient is a full-time student, and
 - F. A statement and signature of person(s) assisting Patient with living conditions.
- (4) Upon completion of the Financial Assistance application form, Hospital will have the Patient assessed for governmental programs, liability or worker's compensation. If it is determined that the Patient will qualify for assistance through the state, Hospital may utilize external resources, at its own expense, to complete the proper monetary assistance (non-grant) or MANG application.
- (5) Upon authorization by the Patient, the appropriate Financial Counselor or Collector will run a credit report on the Patient and attach it to the signed, completed financial assistance application and forward to the Collection Manager for review.
- (6) If the Patient is determined to be ineligible for assistance through the state and after reimbursement of any insurance, if applicable, the Patient's Financial Assistance application form will be evaluated based on the appropriate sliding scale guidelines. These sliding scale guidelines are as follows:
- Uninsured/Underinsured Services in the Hospital Facility (Exhibit A);

Copies of these guidelines are attached to this Policy and are available for review in the Business Office. Financial Assistance for Patients who are underinsured will be limited to the amount of any co-pay, deductible or coinsurance, and in some circumstances, Financial Assistance may be

denied based on applicable regulatory requirements and/or the contractual arrangement with the patient's insurer. The Director of Revenue Cycle Operations will annotate the approval form with any additional pertinent data which was utilized to make final determination. The maximum amount that may be collected for Emergency Treatment or Medically Necessary Care provided in the Hospital Facility in a 12-month period from an uninsured patient with Household Gross Income of less than or equal to 600% of the Federal Poverty Guidelines for Medically Necessary Care or Emergency Treatment is 25% of that patient's Household Gross Income (any remaining balance may be collected in future years subject to the 25% cap). Notwithstanding the foregoing, no Patient who qualifies for Financial Assistance and received Emergency Treatment and/or Medically Necessary Care in the Hospital Facility shall be charged more than the *Amounts Generally Billed*.

- (7) **Actions in the Event of Nonpayment.** Patients with outstanding account balances will be processed in accordance with the billing and collection policies of Hospital. Interested individuals may obtain a free copy of the Hospital billing and collection policy from the Patient Accounts Department at 773-356-5217. Collection activity is conducted within the applicable federal and Illinois laws and regulations governing Patient collections. In no event shall Hospital engage in Extraordinary Collection Actions before it has used Reasonable Efforts, as defined by Hospital's Policies and Procedures Manual, to determine whether an individual is eligible for Financial Assistance under this Policy. Collection agencies are not at liberty to sue, issue a wage garnishment or body attachment against any Patient. Hospital liens are filed only in the instance of a verifiable auto insurance claim.
- (8) Once the final determination has been made, the Director of Patient Financial Services will take the following action:

If Financial Assistance is approved:

1. The Financial Assistance Approval form shall be signed and dated. In the event the account(s) total \$50,000.00 or more, the signature of the Vice President of Finance will also be required prior to final processing of the adjustment to the account.
2. The Collection Manager will apply the appropriate adjustment against the Patient account, thereby reducing the balance to the determined discounted amount.
3. The Collection Manager will produce the appropriate "Gift of Care" letter during the account adjustment process. If the

patient has a balance after the financial assistance adjustment, the patient will be notified by the “Gift of Care” letter. A Financial Assistance Representative may contact the patient by phone in order to arrange a mutually agreeable payment plan for the remaining balance, when applicable.

If Financial Assistance is denied:

1. The application is annotated with the pertinent data utilized to make the final determination by Patient Financial Services.
2. The denied application is returned to the self-pay collector by the Collection Manager. The financial counselor will contact the Patient to explain the outcome of the financial assistance review and to arrange for a mutually agreeable payment plan. All payment plans are interest free.

EMTALA OBLIGATIONS

EMTALA Obligation - Hospital will provide, without exception, Emergency Treatment to all Patients seeking such care, regardless of ability to pay or to qualify for Financial Assistance and in accordance with the requirements of EMTALA. In recognition of its obligations under EMTALA, Hospital will not undertake any action that would discourage an individual from seeking Emergency Treatment, such as demanding that emergency department Patients pay before receiving Emergency Treatment or by permitting debt collection activities in the emergency department or any other area of the Hospital Facility that could interfere with the provision, without discrimination, of Emergency Treatment.

EXHIBIT A

South Shore Hospital Uninsured/Underinsured Discount Grid for Financial Assistance Patients

Family Size	1	2	3	4	5	6	7	8	9	10
	\$12,140	\$16,460	\$20,780	\$25,100	\$29,420	\$33,740	\$38,060	\$42,380	\$46,700	\$51,020
Percentage										
100%	\$24,280	\$32,920	\$41,560	\$50,200	\$58,840	\$67,480	\$76,120	\$84,760	\$93,400	\$102,040
	200%	200%	200%	200%	200%	200%	200%	200%	200%	200%
95%	\$36,420	\$49,380	\$62,340	\$75,300	\$88,260	\$101,220	\$114,180	\$127,140	\$140,100	\$153,060
	300%	300%	300%	300%	300%	300%	300%	300%	300%	300%
90%	\$48,560	\$65,840	\$83,120	\$100,400	\$117,680	\$134,960	\$152,240	\$169,520	\$186,800	\$204,080
	400%	400%	400%	400%	400%	400%	400%	400%	400%	400%
85%	\$60,700	\$82,300	\$103,900	\$125,500	\$147,100	\$168,700	\$190,300	\$211,900	\$233,500	\$255,100
	500%	500%	500%	500%	500%	500%	500%	500%	500%	500%
80%	\$72,840	\$98,760	\$124,680	\$150,600	\$176,520	\$202,440	\$228,360	\$254,280	\$280,200	\$306,120
	600%	600%	600%	600%	600%	600%	600%	600%	600%	600%