POLICY		
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POLICY STATEMENT: Hopedale Medical Foundation, d/b/a Hopedale Medical Complex (HMC), is committed to providing charity care without discrimination to all persons who we serve who are uninsured, underinsured, ineligible for a government program, or who are otherwise unable to pay, for medically necessary care based on their individual financial circumstances. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, HMC strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. HMC will provide, without discrimination, care of emergency medical and medically necessary conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance -- free and discounted (partial charity) care
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the hospital will widely publicize the policy within the community served by the hospital

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with HMC's procedures for obtaining charity 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 (or who are required by law to do so under the Affordable Care Act or other legislation) 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 responsibility and to allow HMC to provide the appropriate level of assistance to the greatest number of persons in need, the Foundation's Board of Directors has established the following guidelines for the provision of patient charity which may be amended from time-to-time.

DEFINITIONS: For the purpose of this policy, the terms below are defined as follows:

Charity Care: Medically Necessary Healthcare services that have been or will be provided but are never expected to result in cash in-flows. Charity care results from a provider's policy to provide healthcare services at no charge or at a discounted charge to individuals who meet the established criteria.

Patient: A person who receives medical services in HMC's hospital either in E.R., Observation, admitted as an "Inpatient," or receives outpatient services, including Wellness Center, Sleep Lab and satellite clinics. Also includes persons who are "residents" in either HMC's Nursing Home, Assisted Living, or Independent Living facilities.

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

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities. Underinsured does not include persons who have the financial ability to afford a high level of out-of-pocket expenses and, therefore, voluntarily choose a health plan with lower premiums, but which calls for high deductibles or co-pays (i.e. HSA with very high deductible).

Gross Charges: The total charges at the organization's full established rates for the provision of patient or resident care services before any deductions from revenue are applied.

Emergency medical conditions: As defined by Section 1867 of the Social Security Act (42 U.S.C. 1395dd) an emergency medical condition is a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result-

In-placing the health of the individual (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy

Serious impairment to bodily functions, or

Serious dysfunction of any bodily organ or part; or

With respect to a pregnant woman who is having contractions-

That there is inadequate time to effect safe transfer to another hospital before delivery or

That the transfer may pose a threat to the health and safety of the woman or unborn child.

Medically necessary: As defined by Medicare **Healthcare services or supplies that prevent, diagnose, or treat an illness, injury, condition, disease, or its symptoms and the meet the accepted standards of medicine. Amount**

Generally billed-The amount generally billed to insured patients for emergent or medically necessary care as described in Section (E) of the policy below.

Presumptive Eligibility-The process by which the hospital may use previous eligibility determinations and/or information from sources other than the individual to determine eligibility for financial assistance.

POLICY:

A. Services Eligible under this Policy. For purposes of this policy, “charity” or "financial assistance" refers to healthcare services provided by HMC without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:

1. Emergency medical services provided in an emergency room setting;
2. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and Medically necessary services.

Other Non-Healthcare Services eligible include:

4. Residential care services in skilled, long-term care, assisted and independent living, pharmaceutical, wellness and child care services.

B. Eligibility for Charity. Eligibility for charity 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, residence, or service based upon a determination of financial need in accordance with this Policy. The granting of charity 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.

C. Method by Which Patients May Apply for Charity 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;
- 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 (such as credit scoring);
- Include reasonable efforts to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
- And, may 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 charity 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 collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last

financial evaluation was completed more than six months prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

3. HMC's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and HMC shall notify the patient or applicant in writing within 45 days of receipt of a completed application. Quicker turn-around for decisions or eligibility is available when warranted by the situation (i.e. patient ready for immediate discharge from hospital, but who cannot return home.)

D. Presumptive Financial Assistance Eligibility. There are instances when a patient may appear eligible for charity 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 qualify the patient for charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, HMC may use outside agencies or software programs in determining estimated income amounts for the basis of determining charity care eligibility and potential discount amounts. If estimated income amounts are used, then charity will be granted to those patients whose income level is estimated to be at or below 100% of Federal Poverty Levels. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is generally a 100% write off of the account balance.

Presumptive eligibility may be determined on the basis of individual life circumstances that may include one or more of the following:

1. Homeless or received care from a homeless clinic);
2. Patient is deceased with no known estate
3. Mental incapacitation with no one to act on patient's behalf
4. Medicaid Eligibility, but not on date of service or for non-covered or unfunded services (e.g. Medicaid spend-down);
5. Recent personal bankruptcy
6. Incarceration in penal institution
7. Affiliation with a religious order or vow of poverty
8. Patients who receive grant assistance for medical services
9. Participation in Women, Infants and Children programs (WIC);
10. Supplemental Nutrition Assistance Program (SNAP);
11. IL Free Lunch and Breakfast Program;
12. IHDA's Rental Housing Support Program;
13. Low income Home Energy Assistance Program (LIHEAP)
14. Temporary Assistance for Needy Families (TANF)
15. Enrollment in an organized community based program providing access to medical care that accesses and documents limited low-income financial status as criterion for membership.
16. Loss of breadwinner in household or recent unemployment of said person.

E. Eligibility Criteria and Amounts Charged to Patients. Services eligible under this Policy will be made available to the patient on a discounted level, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination, and by utilizing the 1 page Charity Worksheet (Attachment A). Once a patient has been determined by HMC to be eligible for financial assistance, that patient shall not receive any future bills

based on undiscounted gross charges for the following 6 months. Patients will need to re-apply every 6 months. The basis for the amounts HMC will charge patients qualifying for financial assistance is as follows:

1. Patients whose family income is at or below 200% of the FPL are eligible to receive free care;
2. Patients whose family income is above 200% but not more than 300% of the FPL are eligible to receive services at amounts no greater gross charges times HMC's cost to charge ratio;
3. Patients whose family income is above 300% but not more than 400% of the FPL are eligible to receive services at amounts no greater than gross charges times 135% of HMC's cost to charge ratio;
4. Patients, whose family income is above 400% but not more than 600% of the FPL, are uninsured and residents of the State of IL are eligible for the IL State Uninsured Hospital Patient Act and will only have to pay 135% of the hospital's cost to charge ratio of gross charges.
5. Patients whose family income exceeds 600% 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, at the discretion of HMC; however the discounted rates shall not be greater than the amounts generally billed to (received by the hospital for) commercially insured patients.

Once eligibility for financial assistance has been established, Hopedale Medical Complex will not charge patients who are eligible for financial assistance more than the amounts generally billed (AGB) to insured patients for emergency or medically necessary care.
To calculate AGB, Hopedale Medical Complex utilizes the "look back" method described in section 4(b)(2) of the IRS and Treasury's 501® final rule.
In this method, Hopedale Medical Complex uses data based on claims sent to Medicare fee for service and all private commercial insurers for emergency and medically necessary care over the past year to determine the percentages of gross charges that is typically allowed by these insurers.
The AGB percentage is then multiplied by gross charges for emergency and medically necessary care to determine the AGB. Hopedale Medical Complex recalculates the percentage each year. In 2016, the AGB percentage for inpatient and outpatient is 50%.

Once approved for financial assistance, a family shall never pay more than 25% of their income in a 12 month period of time.

F. Communication of the Charity Program to Patients and Within the Community. Notification about charity available from HMC, which shall include a contact number, shall be disseminated by HMC by various means, which will include, but are not limited to, the publication of notices in patient bills and communications, and by posting notices in the emergency room and in all Registration areas, and in the patient financial services office, and at other public places as HMC may elect. HMC also shall publish and widely publicize a summary of this charity care policy on facility website, in brochures available in patient access sites, satellite offices, and at other places within the community served by the hospital as HMC may elect. Referral of patients for charity may be made by any member of the HMC staff or medical staff, including physicians, nurses, financial counselor, case manager, or local clergy. A request for charity may be made by the patient or a family member, close friend, HMC employee, or associate of the patient, subject to applicable privacy laws.

A copy of this Financial Assistance Policy is available on our website www.hopedalemc.com or by requesting a copy either in person or via mail at Attn: Financial Assistance; P. O. Box 267, Hopedale IL 61747 or via telephone at 309-449-4377

G. Relationship to Collection Policies. HMC management shall develop policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment, including collections actions)) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from HMC, and a patient's good faith effort to comply with his or her payment agreements with HMC. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, HMC may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. HMC will not impose extraordinary collections actions such as wage garnishments; or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity 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 HMC has or has attempted to offer the patient the opportunity to apply for charity 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.

No extraordinary collections actions will begin prior to 120 days from the date of the first post discharge billing statement.

Prior to authorizing extraordinary collection actions, Hopedale Medical Complex will provide the patient a notice of intent to utilize extraordinary collections actions, financial assistance application and plain language summary of HMC's Financial Assistance Policy.

H. Charity for Nursing Home and Commons. All of this policy will be in effect for assessing the awarding of financial assistance for Nursing Home Assisted and Independent Living residents with the exception that these residents will be asked to complete a lengthier application to take into consideration all of the resident's assets and ability to pay for a longer period of time. Financial assistance awards for these facilities will be made on an individual, first come, first served basis and must be approved by the COO/President. Preference will be given to residents who become indigent while residing at the facility. No resident of the Nursing Home or Commons shall be discharged from the facility due to lack of funds to pay their respective charges.

I. Financial Assistance Approval Process will be approved as follows:

$0.00 to $1000.00-Vice President of Revenue Cycle

$1001.00 and greater-COO/President

The approval limits will be considered on all open accounts as an aggregate when the patient has multiple qualifying accounts.

1. Eligible Providers

In addition to care delivered by Hopedale Medical Complex, emergency and medically necessary care delivered by the employed providers listed below is also covered under this financial assistance policy:

Dr. Robert K Seidl

John J Williamson, PA

Emergency Physicians Staffing Solutions (Emergency Room Physicians).

2. Care provided by any of the non-employed providers listed below at Hopedale Medical Complex will **NOT** be covered under this policy since they are not employed by Hopedale Medical Complex in their capacity as a treating physician. As such, bills received by Hopedale Medical Complex patients for care provided by any of the following providers will **NOT** be eligible for the discounts described in this financial assistance policy, but the patients will be referred back to their respective physician to inquire as to whether discounts are available from that physician.

Dr. Alfred Rossi

Dr. Matthew Rossi

Dr. Phillip Rossi

Dr. Lawrence J Rossi, Jr.

Dr. Trent Proehl

Dr. Rebecca Proehl

Tri County Anesthesia

Clinical Radiologists

Dr. Tahir Ilahi

Dr. John Richier

Central Illinois Pathology Group

Dr. Ellen Pratt

Dr. Thomas Szymke

All other physicians/persons not listed in Section 1.

J. Regulatory Requirements. In implementing this Policy, HMC management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.