

Patient Financial Services Policies and Procedures



Subject:	Department:	Policy #	Rev.
FINANCIAL ASSISTANCE POLICY	PATIENT FINANCIAL SERVICES	CHAR-01	1/30/09 7/23/09 11/10/09 1/5/10 1/1/11 3/1/11

BACKGROUND

- A. The Cleveland Clinic Foundation (CCF) is a tax-exempt charitable organization within the meaning of §501(c)(3) of the Internal Revenue Code and a charitable institution under Ohio law.
- B. CCF, its family health centers and its hospital affiliates in the Cleveland Clinic Health System (collectively CCHS) are committed to providing "Emergency" and "Medically Necessary" care on a non-profit basis to patients without regard to race, creed, or ability to pay.
- C. The principal beneficiaries of the Financial Assistance Policy (the Policy) are intended to be uninsured patients whose Annual Family Income does not exceed 100% of the Federal Poverty Income Guidelines published from time to time by the U.S. Department of Health and Human Services and in effect at the date of application for awards of financial assistance under this Policy (the FPG).
- D. In addition, financial assistance may also be available for patients with Annual Family Incomes up to 400% of the FPG, and in exceptional circumstances, assistance may be available for patients with Annual Family Incomes above 400% of FPG.

DEFINITIONS

"Annual Family Income" includes but is not limited to assets such as bank account balances, trusts and investments but excludes primary residence.

"Emergency Care" or "Emergency Treatment" shall mean the care or treatment for an Emergency Medical Condition, as defined by EMTALA.

"EMTALA" is the Emergency Medical Treatment and Active Labor Act (42 U.S.C. §1395dd).

"Family" shall mean the patient, patient's spouse (regardless of whether they live in the home) and all of the patient's children, natural or adoptive, under the age of eighteen who live at home. If the patient is under the age of eighteen, the "family" shall include the patient, the patient's natural or adoptive parent(s) (regardless of whether they live in the home), and the parent(s)' children, natural or adoptive under the age of eighteen who live in the home.

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“**FPG**” shall mean the Federal Poverty Income Guidelines that are published from time to time by the U.S. Department of Health and Human Services and in effect at the date of application for awards of financial assistance under this Policy.

“**HCAP**” is Ohio’s Hospital Care Assurance Program. HCAP is Ohio’s version of the federally required Disproportionate Share Hospital program. HCAP compensates hospitals that provide a disproportionate share of basic medically necessary hospital level services to qualified patients.

“**Healthy Start**” is Ohio’s Medicaid program available to pregnant women and children under the age of 19 who are in families with up to 200% of the FPG.

“**Medically Necessary Care**” shall mean medically necessary care are those services reasonable and necessary to diagnose and provide preventive, palliative, curative or restorative treatment for physical or mental conditions in accordance with professionally recognized standards of health care generally accepted at the time services are provided and shall be interpreted consistent with the definition of basic medically necessary hospital level services set forth in HCAP.

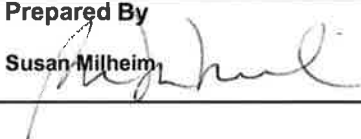
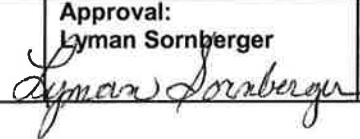
“**Policy**” shall mean this Financial Assistance Policy as in effect from time to time. This Policy does not govern CCHS’s provision of HCAP services. HCAP services are provided pursuant to law and CCHS policy # _____ regarding CCHS’s participation in HCAP.

“**Uninsured Patients**” are individuals (i) who do not have governmental or private health insurance or (ii) whose insurance benefits have been exhausted.

POLICY FOR EMERGENCY AND MEDICALLY NECESSARY CARE

Subject to all the terms and conditions hereinafter set forth, CCHS has adopted the Policy to be in effect at all CCHS facilities for both physician care and hospital facility care.

1. **Policy to Provide Care on a Nondiscriminatory Basis.** CCHS’s policy is to provide Emergency and Medically Necessary Care on a non-profit basis to patients without regard to race, creed, or ability to pay. Subject to the terms and conditions set forth below, Uninsured Patients who do not have the means to pay for services provided at CCHS facilities may request to be considered for awards of financial assistance under the Policy. The eligibility criteria for financial assistance and the procedures for applying for financial assistance set out in this Policy are intended to ensure that CCHS will have the financial resources necessary to meet its commitment to providing care to patients who are in the greatest financial need.
2. **Policy Relating to Emergency Medical Care.** Consistent with EMTALA, all applicable CCHS facilities will provide an appropriate medical screening to any individual, regardless of ability to pay, requesting treatment for a potential emergency medical condition. If, following an appropriate medical screening, CCHS personnel determine that the individual has an emergency

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medical condition, CCHS will provide services, within the capability of the CCHS facility, necessary to stabilize the individual's emergency medical condition, or will effect an appropriate transfer as defined by EMTALA (see CCHS's EMTALA Program Manual).

3. **Relationship to CCHS's HCAP Policy.** CCHS is a participant in HCAP. All HCAP services are governed by CCHS's HCAP Policy, and nothing in this Policy is intended or should be interpreted to limit an HCAP-eligible person's assistance under HCAP. HCAP covers only basic, medically necessary hospital level services, and in some cases, qualified HCAP recipients may eligible for financial assistance under this Policy for medically necessary services (not covered by HCAP) provided by CCHS employed physicians.
4. **Eligibility Criteria for Financial Assistance.**
 - (a) General – In general, Uninsured Patients whose Annual Family Income does not exceed 400% of the FPG, who meet the other criteria set forth in this Policy, and who apply for assistance as required in paragraph 5 below are eligible for financial assistance under this Policy.
 - (b) Specific Circumstances –
 - (i) Patients with insurance who are billed for residual amounts are not eligible for assistance under this Policy but may be eligible for assistance under HCAP.
 - (ii) Pregnant patients with insurance that does not provide maternity benefits are eligible for assistance under this Policy, provided that they agree to work with the Medicaid Eligibility vendors to determine if maternity benefits are available under another program, such as Healthy Start.
 - (iii) Patients who are organ donors will be considered under the organ recipient's application for financial assistance.
 - (iv) CCHS will attempt to collect per visit co-payments at point of service in compliance with the insurance benefit terms. Patients not eligible for financial assistance and not making per visit co-payments are subject to cancellation of non-emergent appointments.
 - (c) Geographic Requirements –
 - (i) At Ohio facilities, only patients who are residents of Ohio are eligible for financial assistance under this Policy. For others, financial assistance may be granted under special circumstances (i.e., if the service can be provided only by

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CCHS medical staff/technology, etc.), as determined by CCHS Ohio senior administrative and physician leadership.

- (ii) At Florida facilities, only patients who are residents of Broward or Palm Beach counties are eligible for financial assistance under this Policy. For others, financial assistance may be granted under special circumstances (i.e., if the service can be provided only by CCHS medical staff/technology, etc.), as determined by Cleveland Clinic Florida senior administrative and physician leadership. Additionally, within Broward and Palm Beach counties, location of primary residence within CCHS Florida's geographic boundaries and proximity to other providers will be considered as a component of the application review process.
- (iii) At Nevada facilities, only patients who are residents of Nevada and who reside within a 150-mile radius of CCF facilities in Nevada are eligible for financial assistance under this Policy. For others, financial assistance may be granted under special circumstances (i.e., if the service can be provided only by CCHS medical staff/technology, etc.), as determined by CCHS Nevada senior administrative and physician leadership.
- (iv) International patients applying for financial assistance under this Policy must first be approved by senior administrative and physician leadership in CCHS's Global Patient Services.
- (d) Exceptional Medical Circumstances –

A patient may qualify for CCHS financial assistance under exceptional circumstances. If the patient's Annual Family Income exceeds 400% of the FPG, and the patient supplies information to support exceptional medical circumstances (i.e. terminal illness, excessive medical bills and/or medications, etc.) they will be considered for assistance if 100% of the incurred charges are greater than 25% of their Annual Family Income. All requests for exceptional circumstance review must be directed to the Financial Assistance Team in Patient Financial Services.

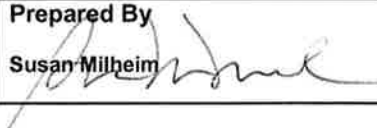
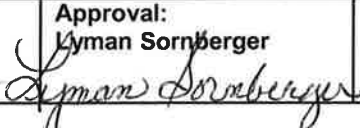
5. **Method of Applying for Financial Assistance.**

- (a) To be eligible for financial assistance under this Policy, individuals must apply for financial assistance and cooperate with CCHS in determining whether or not the individual is eligible for assistance under this Policy.

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- (b) For those patients who have the ability to pay (i.e., whose Annual Family Income exceeds 100% of the FPG) and do not qualify for 100% financial assistance, a 50% deposit for the uncovered balance is required prior to scheduling, as well as the development of a payment plan. Patients who provide a deposit for services and then qualify for 100% financial assistance will have previously unpaid services deducted from the deposit before issuing a refund.
- (c) Proof of income and financial documentation will be required based on the patient's Annual Family Income at the time of service. Annual Family Income determination should be based on the three-month period immediately preceding the date of service on the application.
- (d) CCHS employees will proceed through the following hierarchy in an effort to secure the best evidence available from the patient or guarantor (responsible party) at the time of their encounter:
 - (i) A completed Financial Assistance application inclusive of the patient or guarantor's signature and hard copy proof of income, such as pay stubs, bank statements, or a letter from the applicant's employer supporting the income thereon. If this information is unavailable, then,
 - (ii) A completed Financial Assistance Application inclusive of the patient or guarantor's signature and W2's from the most recent year supporting the income or a tax return. If this information is unavailable, then,
 - (iii) A completed Financial Assistance Application inclusive of the patient or guarantor's signature and verification of income and family size from Self Pay Compass. If this information is unavailable, then,
 - (iv) A completed Financial Assistance Application inclusive of the patient or guarantor's signature, unless there is a documented reason the patient or a person legally authorized to speak for the patient could not sign the form or provide proof of income documentation.
 - (v) If there is a discrepancy with the information that was provided from the patient, a hospital representative may request additional information to support the document.
- (e) The following steps will be followed to evaluate a patient's request for consideration under the Financial Assistance Policy.

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- (i) Financial Interview – The financial counselor will discuss with patients their individual financial position and obtain from them information regarding their finances. This information will be recorded on the Financial Assistance Application. Patients will be required to sign the Application. The financial counselor will determine the level of assistance based on the proof of income documents provided. The signed document and proof of income information will be forwarded to Patient Financial Services for evaluation and processing.
- (ii) Determination of Eligibility – On the front end, the financial counselors will review the Application and proof of income documents to make an assessment of eligibility under the CCHS Financial Assistance Policy. If the patient qualifies, then the financial counselor will work to get the patient's appointment scheduled and forward the information on to Patient Financial Services. If the application and income information are received in Patient Financial Services, then Patient Financial Services will complete the assessment. If the patient qualifies for financial assistance and services are provided, then the adjustment will be recorded in the patient accounting system as an adjustment for CCHS financial assistance. If the financial counselor is awaiting a response from Patient Financial Services about eligibility, Patient Financial Services will notify the financial counselor whether the patient can be scheduled for the appointment/procedure.
- (iii) Incomplete Applications – Admission/treatment, if deemed medically appropriate, will be deferred until the application process has been completed.
- (iv) Separate Procedures – Each inpatient admission and outpatient procedure represents a separate financial encounter and will be evaluated with new data to determine if a change has taken place. A new application will be required for each inpatient admission and every 90 days for outpatient services.
- (v) Estimates -- For those patients who qualify for less than 100% financial assistance, an estimate the amounts to be charged to the patient based on the sliding scale criteria set forth in paragraph 6 of this Policy will be developed.
- (vi) Patients Not Eligible – Patients who are able to pay for services and are therefore determined not to be eligible under the guidelines will be required to pay a deposit equal to 50% of the estimated patient responsibility for either the elective inpatient or outpatient services, prior to scheduling, and to make arrangements for a payment plan to pay for the remaining balance after services are provided.
- (vii) Requests for Information – If individuals request information regarding financial assistance by phone or e-mail, the financial counselor will mail financial

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assistance Application to the patient or direct them to the Cleveland Clinic web site for an on-line version.

6. **Basis for Calculating Amounts Charged to Patients.** The basis for calculating amounts charged to patients eligible for awards of financial assistance under this Policy will be as set forth in this paragraph.
- (a) Patients eligible for awards of financial assistance under the Policy will receive assistance according to the following sliding scale:

Annual Family Income	Amount of Discount
<251% FPG	100%
251-300% FPG	75%
301-350% FPG	50%
351-400% FPG	35%

- (b) Notwithstanding the sliding scale described above, where there is an award of financial assistance that does not cover 100% of the CCHS charges for the service, the amounts charged to patients eligible under the Policy for discounted care under the Policy will not be more than the amount CCHS generally bills patients having insurance for such care under Medicare. As used herein, the “amount generally billed” has the meaning set forth in IRC §501(r)(5) and any future regulations or other guidance issued by the Treasury Department or the Internal Revenue Service defining that term.
7. **Actions under Billing and Collection Policy in the Event of Non-Payment.** The actions CCHS may take with regard to non-payment by a patient who is able to pay for services, including collections action and reporting to credit agencies, are set forth in two separate policies, the CCHS Bad Debt Policy, effective 11-30-10, and the CCHS Collection Agency – Bad Debt Close and Returns Policy, effective 11-30-10.
8. **Determination of Eligibility for Financial Assistance Prior to Collection Action.** Notwithstanding any other provision of any other policy at CCHS regarding billing and collection matters, including the policies referred to in paragraph 6, above, CCHS will not engage in extraordinary collection actions before it makes reasonable efforts to determine whether an individual who has an unpaid invoice amount from CCHS is eligible for financial assistance under this Policy. As used in this Policy, (i) “extraordinary collection actions” include

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lawsuits, liens on residences, arrests, body attachments, or other similar collection processes, and will include such other actions as may be set forth in future guidance from the United States Department of Treasury or the Internal Revenue Service; and (ii) “reasonable efforts” includes notification to the patient by CCHS of the Policy upon admission and in written and oral communications with the patient regarding the patient’s bill, including invoices, telephone calls, and such other communications as may be set forth in future guidance from the United States Department of Treasury or the Internal Revenue Service.

9. **Measures to Publicize CCHS’s Financial Assistance Policy.**

CCHS is committed to publicizing this Policy widely within the communities served by CCHS facilities. To that end, CCHS will take the following steps to ensure that members of the communities to be served by its facilities are aware of the Policy and have access to the Policy.

- (a) CCHS will make a copy of its current Policy available to the community by posting a plain English summary of the Policy on its webpage along with a downloadable copy of the Policy with instructions for downloading a copy of the Policy. There is no fee for downloading a copy of the Policy.
- (b) CCHS will post a plain English summary of the Policy in locations throughout its facilities where the summary will be available to patients and their families, including summaries of the Policy to be provided with any invoices covering amounts charged for services.
- (c) Financial counselors will make a plain English summary of the Policy available to all uninsured patients and will provide any person who requests it a copy of the Policy.
- (d) CCHS will include a plain English summary of the Policy in any community benefit reporting done to the community at large along with a description of how to obtain a copy of the Policy.
- (e) CCHS will make information regarding its Policy available to appropriate governmental agencies and nonprofit organizations dealing with public health in CCHS’s service areas.
- (f) CCHS will run periodic public service announcement regarding the Policy through selected and appropriate media within the communities served by CCHS facilities.

10. **Effective Date.** This Policy is effective on 03-01-2011.

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