PROMEDICA HEALTH SYSTEM
CORPORATE POLICY

Policy Title: Acute Care Uninsured/Underinsured Financial Assistance and Billing and Collection

Policy Number: CP02.03.06

Effective Date: May 1, 2005

Revised Date: Effective January 1, 2020

Applicable Hospitals: ProMedica Bay Park
ProMedica Bixby
ProMedica Coldwater Regional
ProMedica Defiance
ProMedica Flower - A division of ProMedica Toledo Hospital
ProMedica Fostoria
ProMedica Herrick
ProMedica Memorial
ProMedica Monroe Regional
ProMedica Toledo
ProMedica Toledo Children's
ProMedica Orthopaedic and Spine Hospital - A division of ProMedica Toledo Hospital

Purpose: This policy is applicable to all ProMedica wholly-owned-hospitals and memorializes policies regarding the provision of emergency medical services without discrimination and without regard to ability to pay; policies and processes for determining eligibility for financial assistance for Uninsured Patients (as defined below) receiving medically necessary inpatient or outpatient services billed through ProMedica wholly-owned hospitals, ambulance services and the amounts charged for such services.

The policy also memorializes the billing processes and internal and external collection practices that will be applied consistently for all such patients to assure that no extraordinary collection actions are taken until reasonable efforts have been made to determine whether a patient is eligible for financial assistance. The policy insures that uniform processes are in place to identify and correctly adjust balances for patients that qualify for financial assistance, will not defer or deny, or require payment before providing medically necessary care for those covered by this policy who have not paid previous bills and to ensure that appropriate notice is given in advance of any extraordinary collection efforts that are taken to collect unpaid balances that are owed.
Policy Regarding Emergency Medical Care

ProMedica hospitals will provide, without discrimination, care for emergency medical conditions to individuals regardless of whether they qualify for financial assistance under this policy. The hospitals will provide care for the emergency medical conditions that the hospital is required to provide under Subchapter G of Chapter IV of Title 42 of the Code of Federal Regulations (or any successor regulations).

ProMedica hospitals are prohibited from engaging in any actions that discourage individuals from seeking emergency medical care. No hospital will demand that emergency department patients pay before receiving treatment for emergency medical conditions, or will otherwise engage in debt collection activities in other areas of the hospital where such activities could interfere with the provision, without discrimination, of emergency medical care.

Scope:
The financial assistance policy stated below applies to all patients residing in the ProMedica defined service areas in Michigan and Ohio who seek medically necessary services and:

- Do not qualify for governmental assistance or health insurance through the health insurance marketplace/exchanges; and
- Do not have insurance; and seek medically necessary services; or
- Have insurance but are underinsured, defined to include persons who:
  (i) have a minimal flat fee per day benefit; (ii) have an insurance benefit at or above 50% coinsurance after the deductible is met; (iii) have a maximum benefit as defined by the patient's insurance policy that has been exhausted; or have insurance that does not cover the medically necessary services provided (such underinsured persons and persons without insurance are referred to as "Uninsured Patients"); or have insurance and whose income falls within the established income based on the criteria described within this policy; and
- Establish that they meet the financial assistance criteria defined in this policy.
- Proof of residency may be required to ensure eligibility guidelines are met.

The financial assistance policy stated below does NOT apply to:

- Patients seeking services that are not considered medically necessary
- Patients who reside outside of the ProMedica defined service areas in Michigan and Ohio, except Ohio residents who qualify for the Ohio Hospital Care Assurance Program ("HCAP" - reference policy).
- Patients that are out of network with ProMedica.
- Patients in referenced based or member sharing plans.
- Patients whose services that have been or may be paid for by a first or third party payer such as an automobile insurance company.
- Situations where the hospital has reason to believe that the information received is unreliable or incorrect.
- Ancillary services and providers identified on the addendum to this policy.

For purposes of this policy, "medically necessary services" are those that qualify as "basic, medically necessary hospital level services" under HCAP, (0.A.C 5101:3-2-07.17), which include all inpatient and outpatient services covered under the Medicaid program in Chapter 5101:3-2 of the Ohio Administrative Code.

Provider List: A list of providers (Provider/Physician List) that provide emergency or medically necessary services at ProMedica Health System's licensed hospital facilities is maintained in an addendum attached to this policy and updated from time to time. The list can be accessed along with the policy as provided below.

Procedure: Statements of Charges

- Each hospital maintains a schedule of gross standard charges ("gross charges") for all services and procedures. These are contained in the hospital charge master systems.

- The schedule of gross charges is reviewed and updated annually (see Policy Number CP 02.03.17).

- Charges for all patient services, regardless of whether the patient is insured or uninsured, and regardless of third party payer, are initially calculated in accordance with the hospital's schedule of gross charges, and an initial statement calculated on the basis of gross charges may be issued to all payers, including Uninsured Patients who have not yet submitted a completed financial assistance application as of the time the statement of charges is issued.

- If an Uninsured Patient has submitted a completed financial assistance application before billing, the billing statement will be held for a reasonable period of time until eligibility is determined. Following a determination of eligibility, a patient will not be charged more than the amounts generally billed ("AGB") for emergency or other medically necessary services. When eligibility is confirmed, notification will be submitted to the patient that informs the patient of the reduced amount (if any) that the patient is expected to pay.

- Any billing statements issued to Uninsured Patients for gross charges will inform them of the availability of financial assistance that may provide free or discounted care and the opportunity and process to apply for financial assistance, and that charges to Uninsured Patients who establish eligibility for financial assistance will be reduced in accordance with the policies stated below. Any letters or statements for gross charges will state that individuals with income at or below the federal poverty guidelines are eligible for
medically necessary services the federal poverty guidelines for individuals and families of various sizes at the time the bill is sent and describe the procedure for determining the individual's income. Notification will be provided if the individual is found to qualify. A patient who subsequently establishes eligibility under this policy will receive a new statement with the reduced charges (if any).

- No patient who establishes eligibility for financial assistance under this policy will be required to pay gross charges.

Financial Assistance

The following financial assistance is available:

- **HCAP**: Uninsured Patients and patients with insurance who are residents of Ohio qualify for free care for medically necessary services received at an Ohio hospital if their gross family income is at or below 100% of the Federal Poverty Level. Gross family income is determined by the income for the 12 months previous to the date of service, or 3 months prior to the date of service multiplied by 4, verified by available income documentation as described below. Exceptions for financial assistance (Non-HCAP accounts) adjustments may be considered by revenue cycle management.

- **Uninsured Patients** (including underinsured patients as defined above) who do not qualify for HCAP are eligible for financial assistance as described below for medically necessary services (i.e., excluding out of network and such elective, not medically necessary services as infertility services, cosmetic surgery, etc.).

- Financial assistance adjustments are offered on the following sliding scale basis:
  - At or below 200% of the Federal Poverty Level at the date of service: 100% discount (i.e., free care).
  - 201-400% of the Federal Poverty Level at the date of service: a percentage discount from gross charges, determined and published annually, which results in a rate of payment that is no more than the AGB to individuals who have insurance covering such care.
  - Patients 400-600% of the Federal Poverty Level at the date of service may also be eligible for a discount based upon income level, the size of the bill, and other exceptional circumstances and are outside the scope of this policy.

Amount Generally Billed (AGB)

- The AGB will be determined by the look-back method for each licensed ProMedica hospital separately based on full-allowed amounts paid to the
hospital by Medicare and private insurers and the individuals they insure, over a specified 12-month period, divided by the gross charges for those claims.

- The AGB for all ProMedica hospitals for the 12-month period ending November 1, 2019 is at or above 23% of gross charges. Therefore, the amount charged to persons establishing that their gross family income, as defined by the HCAP, is between 201% and 400% of the annually adjusted Federal Poverty Levels, will be determined by multiplying the gross charges for the medically necessary services provided by 23%. In the event that the AGB for any hospital is determined at the annual review to be below 23%, the percentage rate of payment will be adjusted within 120 days of such annual determination of the AGB.

- The public can obtain a copy of the AGB percentages for each licensed hospital facility free of charge by contacting customer service at 844-373-0871.

Method for Applying for Financial Assistance & Presumptive Eligibility

If it is determined that a patient may qualify for HCAP, a Financial Assistance application (available in English or Spanish) may be required to determine eligibility for free or discounted care. Financial Assistance is means tested and an application is required unless ProMedica utilizes a presumptive approach. Mechanisms to determine presumptive eligibility are based on a flexible evaluation platform that utilizes multiple demographic, behavioral and financial variables to perform a comprehensive financial review and determine financial assistance and discount eligibility in lieu of patient-provided data. Several data sources are used including historical data, census data and credit reporting data. Results are delivered in a timely, efficient manner, enabling the hospital to extend appropriate discounts and maintain documentation for auditing. There is no credit report impact. Using such technology allows qualification of as many patients as possible for financial assistance based on other evidence. If a patient is not eligible for 100% financial assistance based on a presumptive eligibility determination, a letter is sent explaining how the determination was made and instructing them to complete a financial assistance application with income verification if it is believed they qualify for a higher discount.

The financial assistance application form requires the following basic information:

- Name of Patient (and Guarantor if applicable)
- Address
- Phone number
- Date of birth
- Last 4 digits of Social Security number
- Number of family members (including patient's spouse and all of patients; natural or adoptive children under the age of 18 who live in the home; and for minors, both parents whether or not they live in the home)
- Gross family income information for the 12 months before the date of service and monthly gross income information for the 3 month before the date of service
Documentation may be required to verify gross family income and may include:

- Pay stubs
- Unemployment information
- Social Security award letters
- Self-employment records
- Disability or Workers Compensation
- Alimony
- Child Support
- Pensions
- Income Tax returns

A financial assistance application form will be accepted for services until three (3) years from the date of service. Eligibility will be determined by using gross individual or family income, as defined by HCAP, for the twelve (12) months before the date of service, or by multiplying by four (4) the person or family gross income for the three (3) month before the date of service or available check stubs.

Assistance completing the financial assistance application can be obtained from a Patient Financial Advocate, located at each hospital, or by calling Customer Service at 844-373-0871.

A copy of the financial assistance policy, financial assistance application form, and plain language summary in English or Spanish can be obtained free of charge as follows:

- At Hospital Registration
- From a Hospital Patient Financial Advocate
- Hospital Emergency Room
- At www.promedica.org, Patient Resources, Billing and Insurance, Financial Assistance
- By contacting Customer Service at 844-373-0871
- By writing to: CBO, Attention Financial Assistance, 300 North Summit Street, Toledo, OH 43604 MSC-J38968

Patient Communication

The financial assistance available under this policy, the eligibility criteria, and the method for applying for financial assistance will be communicated to persons in the ProMedica defined service area through the ProMedica website, and by distributing information to organizations in the ProMedica defined service area that address the health needs of the community's low-income populations. Individuals will be informed how the financial assistance policy may be obtained in writing without charge.

The policy will be communicated to Uninsured Patients by the following methods:

- During the pre-registration process, a Patient Financial Advocate ("PFA") will inform the Uninsured Patient of available financial assistance, the method of
applying and will provide the Uninsured Patient with the financial assistance application.

- All registration locations, emergency rooms, and related waiting rooms frequented by patients will have signage compliant with HCAP requirements & 501(r), informing Uninsured Patients of the opportunity to apply for financial assistance and literature describing the financial assistance policy, the eligibility criteria and the method to apply.

- Upon admission to the hospital or emergency room, patients may be asked to provide insurance information. If a patient does not have insurance, a plain language summary will be provided upon registration. However, emergency medical services are provided without regard to the existence of insurance, and without regard to eligibility for financial assistance under this policy. In no event will any person seeking emergency medical services be asked to make any payment before receiving treatment. In addition, care will not be deferred or denied for those covered under this policy who have unpaid previous balances.

- Patients who have insurance may be informed of their charges prior to discharge, and may be asked to pay their expected financial responsibility at that time. In no event, however, will payment be required at that time. And in no event will a patient be informed that immediate payment is a condition of ongoing or future medically necessary services.

- At the time of registration at the hospital or the emergency room, Uninsured Patients will be informed that financial assistance is available and will be given literature explaining the eligibility criteria and the method for applying, and will be offered a financial assistance application.

- PFA's located on hospital campus will provide oral and written information about financial assistance, eligibility criteria, and the method for applying to any Uninsured Patient upon request and in connection with any discussion of payment responsibility with an Uninsured Patient.

- Information about financial assistance and the means to learn the eligibility criteria and the method for applying will be included on all billing statements. Patients without insurance will receive at least three billing statements that contain information about financial assistance before any extraordinary collection actions (as defined below) are undertaken.

- In any conversations with an Uninsured Patient, Revenue Cycle staff or vendors handling customer service calls will also provide information about financial assistance, eligibility criteria, and the method for applying to Uninsured Patients. Written literature explaining the available assistance, eligibility criteria and method to apply, and applicable forms, will be provided to Uninsured Patients upon request.

Post-Service Internal Processing and Collection Activity

- Patients without insurance receive a minimum of three (3) billing statements
or letters, with each generally sent thirty (30) to forty-five (45) days apart. Phone calls may also be placed for outstanding balances. Frequency and number of calls follows established protocols based on the dollar amount of the outstanding balance. All patient statements will inform Uninsured Patients that financial assistance is available for medically necessary services, and will provide the eligibility criteria and the method to apply, or will provide information on how the patient may obtain such information. This information will also be communicated during all verbal contacts with the patient/guarantor regarding payment, and written information and an application form will be provided on request.

- If an Uninsured Patient has failed to submit a financial assistance application, the patient will receive a billing statement and notice including plain language summary, that informs the patient of the collection activities that the Hospital may take if the individual does not submit a financial assistance application or pay the amount owed by a deadline specified in the notice, which date will be no sooner than 120 days from the date of the first post-discharge billing statement, and thirty (30) days from the date of the notice.

- When a financial assistance application has been submitted, whether complete or incomplete, all billing and collection activity will be suspended until the application has been processed and the patient has received notice of approval or denial.

- To process a financial assistance application, the Revenue Cycle staff will determine patient eligibility and calculate the adjustment based on the guidelines outlined in this policy. An adjustment will be prepared and approved per department policy.

- Uninsured Patients are notified in writing whether or not they qualify for any financial assistance adjustment for which they have submitted an application, the calculation of the adjustment, and of any remaining balance owed. The adjustment is then applied to the patient's account.

- If the adjustment is less than 100% of the amount billed as gross charges, the notice will inform the patient how he may obtain information regarding how the Hospital determined the AGB for the care provided.

- If any collection actions have been taken before the eligibility determination is made, the Hospital will take all reasonably available efforts to reverse such actions.

- A determination of eligibility for financial assistance under this policy will be effective for outpatient services for 90 days from the initial service date. Eligibility for inpatient hospital services must be determined separately for each admission, unless the patient is readmitted within 45 days of discharge for the same underlying condition.

- If a financial assistance application is submitted that is not accepted because it is considered incomplete, the applicant will be provided a written notice that
specifies the additional information or documentation that is required to complete the application.

- If the patient fails to provide the requested information, or is otherwise determined not to qualify for a discount under the financial assistance policy, the patient will be so notified in writing, including the basis for the determination, and will be informed of the amount owed for the services provided. The notice will inform the applicant of the collection actions that the Hospital may take if the individual does not provide the information required to complete the application and determine eligibility, or pay the amount due, by a date certain, which date shall be the later of: (a) a date thirty (30) days after the date of the notice; or (b) (i) for persons who have not submitted a financial assistance application, a date 120 days after the date of the first post-discharge billing statement; or (ii) for persons who have submitted an application for financial assistance, a date 240 days after the date of the first post-discharge billing statement for the services. The notice will also advise the patient that failure to respond or make payment may result in the following actions: (i) referral to a collection agency; (ii) reporting the debt to a credit reporting agency; and/or (iii) filing a civil lawsuit to obtain a civil judgment. If a civil judgment is granted, the judgment may be collected by garnishing your wages or attaching your bank account or other personal property, to the extent permitted by law.

- In addition to the financial assistance opportunities outlined in this policy, lump sum settlements or payment plans may be offered to Uninsured Patients on an exception basis for cases with unusually high dollar account balances or other special circumstances demonstrating an inability to pay.

- The patient account analyst will fully document all activity in the account notes in the appropriate patient accounting system.

- Individuals are responsible for providing a correct mailing address at the time of service or upon moving. If an account does not have a valid address, the determination of "reasonable effort" will have been made.

**Actions that May Be Taken in the Event of Non-Payment**

- After a determination that all required notices specified above have been provided within the required time frames, any financial assistance application has been properly evaluated including presumptive eligibility results and notice of the determination has been given, and any notices required above have been given, accounts with unpaid balances after approved discounts may be referred to an external collection agency ("Agency").

- External collection agencies are required by contract to operate in accordance with all state and federal law, and under the following protocols:

  1. The Agency will send a disclosure notice to the patient stating the unpaid balance owed and providing thirty (30) days' notice to dispute the claim. The disclosure notice to Uninsured Patients will include
notification of the availability of financial assistance, the eligibility
criteria, and the method to apply.

2. The Agency must make at least one attempt to reach the patient by
telephone if a number is obtainable.

3. Ninety (90) days after the date of the written disclosure letter, the
unpaid balance may be reported to one or more credit reporting
agencies unless the patient has made contact with the Agency and has
either: a) paid in full; b) submitted an application for HCAP or
financial assistance; c) provided evidence that the liability was
covered by insurance or was other third party liability or the patient
was enrolled in Care Net at the date of service.

4. Throughout the collection process, the Agency will inform
Uninsured Patients of the availability of financial assistance, the
eligibility criteria, and the method to apply, and will submit the
application for processing for Uninsured Patients who submit the
required documentation pertaining to the date of service. Payment
terms may also be offered when the debtor documents an inability to
immediately pay the unpaid balance.

5. If a debt is reported to a credit reporting agency, but the debtor later
establishes eligibility for HCAP or 100% write-off under this policy,
the Agency will return the account back to the hospital, advise the
credit reporting agency that the debt is not owed and should be
removed from the report. If the debtor establishes eligibility for a
financial assistance adjustment, the adjusted balance will be reported
to the credit reporting agency.

6. Additionally, if a debt is reported to a credit reporting agency, but is
later compromised and paid prior to judgment, the Agency will report
to the credit reporting agency that the debt is resolved.

7. After the above requirements have been satisfied, patients with
aggregate ProMedica accounts in excess of $250, who fail to make
appropriate payment agreements, or fail to comply with payment
agreements, may be referred to legal counsel for suit or probate
claim.

8. If no acceptable payment arrangements are made on the account
within thirty (30) days, the Agency may request to authorize filing
suit or a probate claim if the debtor has aggregate unpaid ProMedica
accounts in excess of $250, and the Agency has reason to believe that:

- Debtor has substantial employment, and
- Debtor's income exceeds 200% of FPL for family size; and
- Debtor's employment appears stable or secure (i.e., for low income employment, employment in the same job for one year); or
- Debtor has intangible assets (e.g. bank account, certificate of deposit, stocks) sufficient to satisfy the debt; or
- In the event of an estate, the estate appears to have sufficient assets to satisfy the claim.

9. The Central Billing Office may authorize suit if, after review of the file, it is satisfied that all internal procedures specified above were followed, except that ProMedica Legal Department approval is required to authorize a suit if: a) the date of service is more than three years prior; b) the debtor has any active legal claim(s) against ProMedica Health System; or c) the primary purpose of the suit is to obtain a lien on real estate tangible personal property.

10. If approved for suit, the Agency retains counsel to file suit to obtain a judgment for the unpaid standard charges, court costs and post judgment interest, as permitted by law.

11. If judgment is obtained, wages may be garnished to satisfy the judgment as permitted by law.

12. No judgment liens will be filed on personal residences of the patient or guarantor except in connection with a claim against an estate, and only with approval of the ProMedica Legal Department.

13. Upon satisfaction of a judgment, the attorney will file a notice of satisfaction of judgment and release any existing liens.

14. If the Agency receives notice that an existing lien in favor of ProMedica is being marshaled under a third-party foreclosure action, the Agency will consult with the ProMedica Legal Department before responding.

**Approvals**

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<tr>
<th>Vice President Revenue Cycle</th>
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ProMedica Health System

Addendum to Policy CP 02.03.06 – Provider/Physician List

Updated: 1/1/2020

The Acute Care Uninsured/Underinsured Financial Assistance and Billing and Collection Policy applies to, and covers, all emergency and medically necessary care provided by ProMedica Health System’s licensed hospital facilities referenced in this policy but is not binding upon other providers (e.g. physicians) of medical services.

Below is a list by hospital facility of the providers, including separately incorporated entities not licensed as hospitals and independent, non-employed physicians/providers that deliver emergency or other medically necessary care in a ProMedica hospital facility that are not covered under this policy. Copies of this listing are available online at www.promedica.org or upon request in the emergency department and hospital registration areas or by calling 844-373-0871.

ProMedica Bay Park Hospital

Emergency Physicians of Northwest Ohio, LLC
Northwest Ohio Neonatal Associates, Inc.
Aurora Diagnostics, LLC
Toledo Radiological Associates, Inc.

ProMedica Bixby & Herrick Hospitals

Harbor
4M Monroe Medical Management, PLLC
Bixby Anesthesia Associates, PC (Non-Par with PHO)
Aurora Diagnostics, LLC
Huron Valley Radiology P.C. (Non-Par with PHO)
Sound Inpatient Physicians – Michigan, PLLC

ProMedica Coldwater Regional Hospital

Aurora Diagnostics, LLC
Toledo Radiological Associates, Inc.
NorthStar Anesthesia of Michigan II, PC
EPMG of Michigan, PC
Bronson Battle Creek Hospital
ProMedica Defiance Hospital

Omni Health Services
Aurora Diagnostics, LLC
Defiance Radiologist Associates, Inc.
DECA Health, Inc.
Toledo Pain Services, PLLC
ProMedica Central Physicians, LLC (for Anesthesia and Hematology/Oncology Services)

ProMedica Flower Hospital

Emergency Physicians of Northwest Ohio-Flower, LLC
Aurora Diagnostics, LLC
ProMedica Physician Group, Inc. (for Hospitalist Services)
Northwest Ohio Neonatal Associates, Inc.
ProMedica Central Physicians, LLC (for Anesthesia Services)
Toledo Radiological Associates, Inc.

ProMedica Fostoria Community Hospital

DECA Health, Inc.
Toledo Pain Services, PLLC
Toledo Radiological Associates, Inc.
Emergency Physicians of Northwest Ohio-Fostoria, LLC
Aurora Diagnostics, LLC
ProMedica Central Physicians, LLC (for Hematology/Oncology Services)
Memorial Professional Services, Ltd. (for Hospitalist Services)

ProMedica Memorial Hospital

Omni Health Services
Aurora Diagnostics, LLC
DECA Health, Inc.
Toledo Pain Services, PLLC
University of Toledo Physicians, LLC
Toledo Radiological Associates, Inc.
Memorial Professional Services, Ltd. (for Hospitalist Services)

ProMedica Monroe Regional Hospital

Ambulatory Anesthesia Associates, PC
4M Monroe Medical Management, PLLC
Critical Care Medicine Partners, P.C.
Drs. Harris, Birkhill, Wang, Songe & Associates
Aurora Diagnostics, LLC
ProMedica Monroe Physicians, PLLC (for Hospitalist Services)
EPNO – Monroe, PLLC (beginning 8/1/2019)
University of Toledo Physicians, LLC

ProMedica Toledo Hospital/Toledo Children’s Hospital

Comprehensive Behavioral Health Services, LLC
Emergency Physicians of Northwest Ohio-Toledo, LLC
University of Toledo Physicians, LLC
Northwest Ohio Neonatal Associates, Inc.
Aurora Diagnostics, LLC
Toledo Radiological Associates, Inc.
ProMedica Central Physicians, LLC (for Anesthesia, Cardiothoracic, Pediatric Hospitalist and Maternal/Fetal Services)
ProMedica Physician Group, Inc. (for Adult Hospitalist Services)

In addition, ProMedica Physician Group Inc. and its Subsidiaries ("PPG") are NOT covered by this policy, regardless of the location where services are provided. Instead, PPG maintains its own financial assistance policy separate and apart from this policy.