

Phoebe Putney Health System, Inc.

POLICY TITLE: Financial Assistance Program

ENTITY: PPHS

Approved by: PPHS Board of Directors

Effective Date: 3-31-2016

Review Period: 3 Years

Contact Information: Sr. VP, Revenue Cycle & Organizational Improvement **Review Date:** 3-1-2020

SCOPE: This Policy applies to Phoebe Putney Health System (PPHS) hospital facilities and Phoebe Physician Group (PPG) providers providing care within PPHS facilities.

PURPOSE: PPHS as a not-for-profit charitable corporation is committed to fulfilling its charitable mission of each hospital by providing high quality medical care to all patients in their service areas, regardless of their financial situation.

POLICY: PPHS hospitals and PPG physicians shall provide financial assistance according to the PPHS Financial Assistance Program (FAP) policy for persons who have healthcare needs and are uninsured or under-insured, ineligible for government program, and otherwise unable to pay for medically necessary care based on their individual financial situation. Based on financial need, either reduced payments or free care may be available. The Financial Assistance Program is administered by the Revenue Cycle of each PPHS hospital and PPG, with authority and approval from the PPHS Board of Directors

DEFINITIONS

Amounts Generally Billed (AGB) means the amounts generally billed for emergency or other medically necessary care to individuals who have insurance covering such care, determined in accordance with § 1.501(r)-5(b). AGB is determined by dividing the sum of claims allowed by health insurers during the previous fiscal year, by Medicare fee-for-service and all private health insurance, including payments and allowed amounts received from beneficiaries and insured patients, by the sum of the associated gross charges for those claims.

Applicant: Applicant may include the patient, the guarantor of a patient's financial account, or a designated patient's representative such as a legal guardian.

Assets: Assets include but are not limited to: bank accounts; investments including 401k and 403b accounts; real property; businesses whether or not incorporated; personal property including vehicles, boats, airplanes, and other such items. Assets shall be reported on the FAP application as a source of revenue.

Financial Assistance Program (FAP): PPHS program that provides financial assistance to persons who have emergent and/or medically necessary healthcare needs and are uninsured or under-insured, ineligible

for a government program, and otherwise unable to pay for such care based on their individual financial situation, and who meet the requirements contained within this Policy.

Federal Poverty Guidelines (FPG): Poverty guidelines issued by federal government at the beginning of each calendar year that are used to determine eligibility for poverty programs. The current FPG can be found on the U.S. Department of Health and Human Services website at www.hhs.gov.

Gross Charges, or the Chargemaster Rate, means a hospital facility's full, established price for medical care that the hospital facility consistently and uniformly charges patients before applying any contractual allowances, discounts, or deductions.

Gross Income: Income as defined by the Internal Revenue Service (IRS), which includes but is not limited to: income from wages, salaries, tips; interest and dividend income; unemployment compensation, individual income policy, alimony, all social security income, disability income, self-employment income, rental income, k-1 income, and other taxable income. For applicants who are financially dependent on another individual, that individual's income will become part of the gross income of the applicant. Examples of other sources of income that are not included in the definition of Gross Income are food stamps, student loan, and foster care disbursement.

Household: Number of people claimed on income tax filing, or individuals the Applicant is legally responsible for, and any person whose income is included in the applicant's gross income.

Limited Health Insurance: means benefits that are considered "excepted benefits" per 42 U.S.C. 300gg-91(c) that do not provide coverage for the plan of care to be approved for financial assistance under this policy, individual and group market coverage whose benefit package does not cover the applicant's plan of care, and individual and group market coverage where applicant's cost sharing responsibility exceeds his or her liquid assets in addition to 9.66% of his or her annual household income.

Medical Necessity: Any procedure reasonably determined to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.

PPHS Hospital Facilities: Phoebe Putney Memorial Hospital (PPMH), Phoebe Sumter Medical Center (PSMC), and Phoebe Worth Medical Center (PWMC).

PPG Physicians: Emergency Room Physicians, Anesthesiologists, Radiologists, Hospitalists, Critical Care Physicians, Oncology, Neurosurgery, Cardiovascular Surgery, and other specialists as listed on <https://www.phoebehealth.com/media/file/PrintablePhysicianDirectory.pdf>. Community physicians and independent specialists who are not PPG physicians will not be subject to the Phoebe FAP.

PROCEDURE

1. Urgent or Emergency Care

Any patient seeking urgent or emergent care [within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd)] at a PPHS Hospital Facility shall be treated without discrimination and without regard to a patient's ability to pay for care. PPHS Hospital Facilities shall operate in accordance with all federal and state requirements for the provision of urgent or emergent health care services, including screening, treatment and transfer requirements under the federal Emergency Medical Treatment and Active Labor Act (EMTALA). This policy prohibits any action that would discourage individuals from seeking emergency medical care (EMC) including but not limited to demanding pay before treatment for emergency medical conditions or by permitting debt collection activities that interfere with the provision, without discrimination, of EMC.

2. Financial Assistance

PPHS Hospital Facilities will extend free or discounted care to eligible individuals for all other medically necessary services. The FAP applies to medically necessary services that are not elective in nature.

A. Who may apply for financial assistance?

Patients, or the person legally responsible for their bill, may request financial assistance in regards to their obligation at any time before or during the billing process. Patients, or the person legally responsible for their bill, may meet guidelines for full or partial assistance.

B. Who is eligible for financial assistance?

You will be eligible for financial assistance if you:

- Have limited or no health insurance
- Are not a member of any healthcare sharing ministry
- Are not eligible for a Federal or State health care program that would cover the specific services, or a specified episode or plan of care, for which you are making this application
- Have limited household income, within 400% of Federal Poverty Guidelines, as listed on Exhibit 1
- Have medical bills in excess of 25% of household income
- You are a legal resident of a county within the PPHS service area
- Were transferred to a PPHS hospital for a higher level of service from outside of the PPHS service area
- You have less than \$175,000 in assets (not applicable for National Health Service Corps-eligible sites)

The PPHS service area encompasses the following counties (see map in Exhibit 3):

- **PPMH and PSMC:** Baker, Calhoun, Dooly, Dougherty, Lee, Macon, Marion, Mitchell, Randolph, Schley, Stewart, Sumter, Terrell, Webster, and Worth
- **PWMC:** Dougherty and Worth
- Georgia residents who are existing patients of PPG physicians will be deemed to have met the residency requirement regardless of which county in Georgia they currently reside.

Management reserves the right to evaluate special circumstances and extend financial assistance outside of the above listed criteria.

You are not eligible for financial assistance if you:

- Refuse to apply for a State or Federal health care program.
- Refuse to apply for an individual or a group market health plan when legally entitled to do so
- Not a legal resident of a county within the PPHS service area
- Not a US resident (not applicable for National Health Service Corps-eligible sites)
- Your plan of care is covered under liability or worker's compensation with no proof of denial of coverage
- Your plan of care is covered under liability still in litigation or where the payment went to the subscriber

C. What services are eligible for financial assistance?

Financial assistance is available for eligible patients who require:

- Emergency medical services
- Other non-elective and medically necessary services

Financial assistance is not available for the following:

- Elective plastic surgery
- Services that are not medically necessary
- Services covered by State or Federal agencies such as, but not limited to, Cancer State Aid, Disability Adjudication

D. When do you have to apply for financial assistance?

- For non-emergent services, patients who expect to need assistance must apply for a financial assistance determination prior to obtaining care.
- Patients may also request financial assistance at any time during pre-registration, registration, inpatient stay, or throughout the course of the billing and collections cycle by requesting and completing an application for financial assistance.
- The time limit to apply for financial assistance is twelve (12) months from the time the patient became responsible for the account balance, unless the patient initiated a payment plan. There is no time limit to apply for the FAP when the patient was participating in a payment plan but has a change in financial circumstances.
- Phoebe uses prior FAP eligibility determinations approved within six (6) months of the medically necessary services, unless originally deemed eligible only for those dates of service as a clinical exception or a result of a transfer from outside of the PPHS service area.

E. How does an eligible person apply for financial assistance?

1. *Download or request the FAP Application*

The FAP application, along with a complete list of any required documentation that you may be required to submit, is available in English and Spanish at <http://www.phoebehealth.com>. To request an application for financial assistance, a copy of the detailed financial assistance policy, or if you have any questions about the process please contact the Financial Counseling team.

Note: PPHS may use a propensity-to-pay or presumptive charity scores to determine a patient's financial status and a patient's ability to pay for bills already incurred. These scores are obtained by using a data analytics model that helps us identify patients that qualify for financial assistance but may not have specifically requested it.

2. *Complete the FAP Application.*

Complete the FAP application and submit it, along with the documentation listed in the FAP application, directly to the Financial Counseling team or by mailing it to the PPHS Facility of application. Financial Assistance will not be denied based solely upon an incomplete application initially submitted. A PPHS representative will contact patients or financial guarantors via mail to notify of additional documentation requirements. Patients will have fourteen (14) business days to return additional information.

3. *The Financial Counseling team will review your application and notify you of their decision*

PPHS will review all FAP applications in a timely fashion. PPHS employees may require an interview with the applicant. If an interview is required, the FAP application may be completed at that time if all required documents have been provided. Once a completed application is reviewed, a decision will be made and the patient/applicant will be notified in writing of the decision. Patients who do not qualify for financial assistance will be billed in accordance with PPHS policy as a means of making arrangements for payments or obtaining payment in full.

4. *You may appeal the decision*

Applicants who receive a letter of denial may appeal the denial. The appeal must be made within thirty (30) days of the date of the letter of denial.

F. What financial assistance is available?

- **Level 1 Status:** Household incomes at or below 125% of the FPG are eligible for free care as provided in the FAP.
- **Level 2 Status:** Household incomes between 126% and 400% of FPG qualify for discounted charges for care (see Exhibit 1).

- Additionally, PPHS hospitals and physicians provide financial assistance to indigent patients for services needed that a physician deems necessary for post-discharge care, in accordance with PPHS policies and procedures
- Medically necessary healthcare services within 12 months of a favorable FAP eligibility determination will be discounted at the previously verified FAP level.

3. Billing and Collection

PPHS makes reasonable efforts to ensure that patients are billed for their services accurately and timely. PPHS will attempt to work with all patients to establish suitable payment arrangements if full payment cannot be made at the time of service or upon delivery of the first patient statement. PPHS will make every effort to work with patients who owe large balances, yet do not qualify for financial assistance, to arrange mutually acceptable payment terms.

PPHS maintains a separate billing and collections policy which describes in detail the actions PPHS hospital facilities and PPG may take in the event of non-payment. Copies of the PPHS Billing and Collections Policy are available to members of the community for no charge at <http://www.phoebeputney.com> and also upon request to the Financial Counseling Department.

4. Communication of the Financial Assistance Program

PPHS shall take the following measures to widely publicize its FAP:

- Notice of the PPHS FAP is posted in areas where patients may present for registration prior to receiving medical services at any of the PPHS hospital facilities, or where any patients/patient representatives may make inquiries regarding their hospital bills. Information is available in English and Spanish.
- All patients of PPHS hospitals will be offered a plain language summary of the FAP and upon request, receive a FAP Application prior to being discharged from a PPHS hospital.
- The FAP Policy, FAP Application, and a plain language summary are available on the PPHS website in English and Spanish at <http://www.phoebeputney.com>. A plain language summary is also in the PPHS Patient Handbook, in the “Guide to Understanding Your Hospital Bill”, and is referenced in patient statements and letters.
- The FAP Policy, FAP Application, and plain language summary are available without charge upon request and by mail. In-person requests may be made to any registration area of any PPHS hospital, the Financial Counseling Department, and the Patient Accounting Department. Written requests can be submitted to addresses set forth in Exhibit 2 to this Policy.
- The FAP plain language summary will also be made available at community health centers,
- Financial Counselors are available to discuss the Financial Assistance Program and to accept and assist with applications. Hours of operations are set forth in Exhibit 2 to this Policy.

REFERENCES:

Federal Poverty Guidelines
 Patient Protection and Affordable Care Act, Public Law 111-148 (124 Stat. 119 (2010))
 Internal Revenue Service Regulations s. 1.501(r)-1 through s. 1.501(r)-7

REVISION HISTORY

| Revision Number | Description of Changes | Approvals | Date |
|------------------------|---|---------------------------------------|-------------|
| N/A | Initial Release of Policy for PPHS Policy Management System (Compliance 360 Program). This policy replaces all previous versions. | Phoebe Putney Health System | 3-31-2016 |
| 1 | FPL increase to 400% and elimination of catastrophic qualification, Exhibit 1 updated with 2018 AGB and FPL, healthcare ministry co-operative exclusion | Phoebe Health System Board | 3-8-2018 |
| | | Phoebe Worth Medical Center Board | 4-26-2018 |
| | | Phoebe Sumter Medical Center Board | 5-1-2018 |
| | | Phoebe Putney Memorial Hospital Board | 5-2-2018 |
| 2 | Refinement of terms and additional AGB detail | Sr. VP Revenue | 10-23-2018 |
| 3 | Exhibit 1 updated with 2019 AGB and FPL | Sr. VP Revenue | 3-1-2019 |
| | | Phoebe Putney Memorial Hospital Board | 3-6-2019 |
| | | Phoebe Putney Health System board | 3-7-2019 |
| | | Phoebe Sumter Hospital Board | 3-5-2019 |
| | | Phoebe Worth Hospital Board | 5-2-2019 |
| 4 | Exhibit 1 updated with 2020 AGB and FPL3/1/2020 | Sr. VP Revenue | 2-24-2020 |
| | | Phoebe Putney Memorial Hospital Board | |
| | | Phoebe Putney Health System board | |
| | | Phoebe Sumter Hospital Board | |
| | | Phoebe Worth Hospital Board | |

EXHIBIT 1

Patients who are eligible individuals will not be charged more for emergency or other medically necessary care than the AGB for individuals who have insurance coverage. The minimum percentage discount to be applied to FAP eligible individuals shall be calculated on an annual basis, and in the event the percentage discount changes for any year, Exhibit 1 shall be amended. Financial Assistance Guidelines shall be adjusted annually, in accordance with updated AGB from the previous fiscal year and current year Federal Poverty Level (FPL) guidelines.

The hospital Amount Generally Billed (AGB) and corresponding discount off gross charges are, as follows, effective 3/1/2020:

- Phoebe Putney Memorial Hospital (PPMH) – AGB = 38%, after 62% discount off gross charges
- Phoebe Sumter Medical Center (PSMC) – AGB = 36%, after 64% discount off gross charges
- Phoebe Worth Medical Center (PWMC) – AGB = 43%, after 57% discount off gross charges

AGB =
Maximum
Amount
Due under
FAP

AGB and Financial Assistance Discounts Off of Gross Charges

| 2020 FPL | 100% | 125% | 140% | 150% | 160% | 170% | 180% | 190% | 200% | 225% | 250% | 275% | 300% | 325% | 350% | 375% | 400% |
|-------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| PPMH | | | | | | | | | | | | | | | | | |
| Discount | 100% | 100% | 95% | 92% | 90% | 88% | 85% | 82% | 80% | 78% | 75% | 72% | 70% | 68% | 65% | 64% | 62% |
| AGB Pt Pmt | 0% | 0% | 5% | 8% | 10% | 12% | 15% | 18% | 20% | 22% | 25% | 28% | 30% | 32% | 35% | 36% | 38% |
| PSMC | | | | | | | | | | | | | | | | | |
| Discount | 100% | 100% | 95% | 92% | 90% | 88% | 85% | 82% | 80% | 78% | 75% | 74% | 72% | 70% | 68% | 65% | 64% |
| AGB Pt Pmt | 0% | 0% | 5% | 8% | 10% | 12% | 15% | 18% | 20% | 22% | 25% | 26% | 28% | 30% | 32% | 35% | 36% |
| PWMC | | | | | | | | | | | | | | | | | |
| Discount | 100% | 100% | 96% | 93% | 90% | 88% | 86% | 83% | 80% | 76% | 73% | 70% | 66% | 63% | 60% | 58% | 57% |
| AGB Pt Pmt | 0% | 0% | 4% | 7% | 10% | 12% | 14% | 17% | 20% | 24% | 27% | 30% | 34% | 36% | 40% | 42% | 43% |

EXHIBIT 2

ALL FINANCIAL ASSISTANCE INFORMATION MAY BE OBTAINED FREE OF CHARGE, UPON REQUEST, AT THE LOCATIONS BELOW OR AT WWW.PHOEBEHEALTH.COM

| Mailing Address | Hours of Operation |
|--|--|
| <p>Phoebe Financial Counseling Dept Phoebe Putney Memorial Hospital 417 Third Avenue P.O. Box 3770 Albany, GA 31706-3770 229-312-4220 or 866-514-0015 229-312-4225 (fax)</p> | <p>By telephone at 229-312-4220 or 866-514-0015 from 8:30AM-4:30PM, Monday-Friday</p> <p>Walk-in hours from 8:00AM-5:00PM, Monday-Friday</p> <p>Scheduled appointments from 9:00AM-4:00PM, Monday-Friday</p> <p>Floor visits are available upon request from a patient or responsible party, or any staff member within the organization</p> |
| <p>Phoebe Financial Counseling Dept. Phoebe Sumter Medical Center 126 Highway 280 West P.O. Box 527 Americus, GA 31719 229-931-1292 229-931-1186 (fax)</p> | <p>By telephone at 229-931-1292 from 8:30AM-4:30PM, Monday-Friday</p> <p>Walk-in hours from 9:00AM-12:00PM, Monday-Friday</p> <p>Scheduled appointments from 1:00PM-4:00PM, Monday-Friday</p> <p>Floor visits are available upon request from a patient or responsible party, or any staff member within the organization</p> |
| <p>Phoebe Worth Medical Center 807 S Isabella Street P.O. Box 545 Sylvester, GA 31791 229-776-6961 229-776-7062 (fax)</p> | <p>By telephone at 229-776-6961 from 8:30AM-4:30PM, Monday-Friday</p> <p>Walk-in hours from 9:00AM-12:00PM, Monday-Friday</p> <p>Scheduled appointments from 1:00PM-4:00PM, Monday-Friday</p> <p>Floor visits are available upon request from a patient or responsible party, or any staff member within the organization</p> |
| <p>Phoebe Financial Counseling Dept. Phoebe Physicians Group, Inc. 500 3rd Ave. Ste. 101 P.O. Box 3109 Albany, GA 31706-3770 229-312-5815 (fax)</p> | <p>By telephone at 229-312-5841, 229-312-5842 or 877-844-1943 from 8:30AM-4:30PM, Monday-Friday</p> |

EXHIBIT 3

- **PPMH and PSMC:** Baker, Calhoun, Dooly, Dougherty, Lee, Macon, Marion, Mitchell, Randolph, Schley, Stewart, Sumter, Terrell, Webster, and Worth
- **PWMC:** Dougherty and Worth
- Georgia residents who are existing patients of PPG physicians will be deemed to have met the residency requirement regardless of which county in Georgia they currently reside.

