

ThedaCare, Inc.

Policy & Procedure

Policy Title:	Caring Hearts Financial Assistance Program	Policy Number:	243
Location(s):	All ThedaCare	Department(s):	All ThedaCare Entities, Affiliates & ThedaCare Employed Providers
Date Last Reviewed:	05/01/2021	Reviewing Body(s):	ThedaCare Finance Committee
Date Last Revised:	05/01/2021	Approving Body(s):	ThedaCare, Inc.

PURPOSE: In service to the mission of improving the health of the community, it is the policy of ThedaCare, Inc. (ThedaCare) to provide care for all persons regardless of his/her ability to pay for the services. Additionally, no patient shall be denied Medically Necessary care on the basis of race, creed, color, sex (gender), national origin, sexual orientation, disability or age.

SCOPE: Financial Assistance is available to Uninsured Patients and Underinsured Patients deemed eligible based on criteria outlined in this policy. This Policy is applicable to all ThedaCare entities and employed providers for all emergency and other Medically Necessary care.

DEFINITIONS:

Amounts Generally Billed (AGB) – The AGB is calculated based on payments received during the prior 12-month period from all commercial and Medicare payers divided by the gross charges for all services in ThedaCare’s fee schedule. This calculation will be made on a facility by facility basis for ThedaCare’s hospital organizations that have separate Medicare provider agreements. ThedaCare’s AGB cap will be the lowest payment percentage at any one of its facilities. Please see Attachment 2 for the current AGB percentages which will be updated at least annually.

Application Period – The period in which the Guarantor may request and complete the Caring Hearts application. The application period begins the day the first billing statement for the service was provided.

Applicant – Guarantor that submits a Caring Hearts application.

Approval Threshold – The amount which each ThedaCare employee can approve to be adjusted at the guarantor level.

Caring Hearts Financial Assistance Program (Caring Hearts) – The name of the financial assistance program administered by ThedaCare entities, affiliates and employed providers in compliance with IRS Code § 501(r)(4).

Caring Hearts Discount - A financial assistance discount in the amount of 60%, 80%, or 100%. This is determined

by comparing the most recent Federal Poverty Level with the Household Income, Household Size and assets. See Attachment 1 for the table that outlines the discount level as it relates to the Federal Poverty Level.

Covered Providers – Caring Hearts covers emergency and other Medically Necessary care provided by ThedaCare in a ThedaCare facility or location. Please see the document titled “List of Providers that are covered/not covered by Caring Hearts” on ThedaCare’s website for a listing.

(<https://thedacare.org/patients-and-visitors/billing-and-payment/payment-options/>). This document is updated quarterly.

Custodial Care - Non-skilled personal care, like help with activities of daily living like bathing, dressing, eating, getting in or out of a bed or chair, moving around, and using the bathroom. It may also include the kind of health-related care that most people do themselves, like using eye drops. In most cases, Medicare doesn't pay for custodial care. <https://www.medicare.gov/glossary/c>

Eligible Services – All emergent and Medically Necessary services are eligible for Financial Assistance except the services outlined in section B of this policy.

Emergency Medical Treatment and Active Labor Act (EMTALA) – EMTALA is found in Section 1867 of the Social Security Act (42 U.S.C. 1395 dd) and codifies the federal regulations to ensure public access to emergency services regardless of ability to pay. The ThedaCare EMTALA policies outline the procedures for identifying emergency services in the ThedaCare facility emergency rooms.

Extraordinary Collection Efforts – This is when a delinquent account balance is reported to a credit bureau which may incur a negative remark on the Guarantor’s credit record.

Family – A family is a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family. Definition provided by [US Census](#) .

Federal Poverty Level (FPL) – FPL is a measure of income based on family size. It is issued every year by the U.S. Department of Health and Human Services (HHS). Most recent published Federal poverty levels are used to determine your eligibility for the Caring Hearts program.

Financial Assistance – A discount provided to underinsured and uninsured Guarantors that meet specific eligibility criteria. The definition for each type of Financial Assistance Discount is described in Attachment 1.

Financial Documentation – ThedaCare will request financial documentation to determine eligibility for a Caring Hearts Discount. The documentation required is dependent upon your tax filing status and is clearly defined in the Caring Hearts application. Documentation requested may include but is not limited to: the most recent (60) sixty days payroll receipts, detailed checking and savings account statements, previous year tax return, stocks, Individual Retirement Account (IRA) statements, and written approval or denial from Medicaid. Exceptions may apply when a determination is appealed or to support life changing events.

Guarantor – The person legally responsible for payment of a bill.

Health Insurance Marketplace – Organizations that facilitate structured and competitive markets for purchasing health coverage. The Health Insurance Marketplace, or "Exchange," offers standardized health insurance plans

to individuals, families and small businesses.

Homeless – As defined by the United States Department of Housing and Urban Development (HUD) :

- (1) Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or a place not meant for human habitation immediately before entering that institution;
- (2) Individuals and families who will imminently lose their primary nighttime residence;
- (3) Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition; or
- (4) Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member.

<https://www.hud.gov/sites/documents/PIH2013-15HOMELESSQAS.PDF>

Household Income – Household Income is determined using the adjusted gross income and any Supplemental Security Income (SSI) filed in the previous year’s tax return. If you are not required to file a tax return, the Household Income is calculated from the two (2) most recent payroll receipts. Readily available assets which exclude primary residence, transportation, and retirement funds will be assessed when determining eligibility.

Household Size – An amount determined using the number of dependents filed in the previous year’s tax return. If you are not required to file a tax return, Household Size will be determined based on the Medicaid approval or denial letter. If you are not required to file a tax return or apply for Medicaid, the Household Size will be based on the application the US Census definition of “Family.”

Last Resort – ThedaCare will provide financial assistance as a Last Resort, after all other entitlement, relief programs, insurance benefits, and alternative sources of payment, including recovery through probate, are applied. Applicant may be required to produce additional documentation to substantiate previous payments.

Medicaid Spend Down - A Medicaid spend down is a financial strategy used when an individual's income is too high to qualify for Medicaid. To be accepted into the program, some of the individual's income must be spent down to ensure his or her income is low enough to qualify for Medicaid
(<https://www.dhs.wisconsin.gov/seniorcare/factsheets/p10086.htm>)

Medically Necessary - Care is provided in accordance with industry standard care guidelines and/or at ThedaCare’s discretion as such is (a) appropriate and consistent with the diagnosis at the time of treatment, (b) necessary to maintain and improve the patient’s condition, (c) provided in the most appropriate setting taking into consideration the nature and severity of the patient’s symptoms, and (d) not provided solely for the for the convenience of the patient or treating professional.

Non Covered Providers – ThedaCare has providers that have a private practice within the ThedaCare facility and are not covered in this policy. ThedaCare also contracts with independent providers to perform services. Please see the document titled “List of Providers that are covered/not covered by Caring Hearts” on ThedaCare’s website for a listing. (<https://thedacare.org/patients-and-visitors/billing-and-payment/payment-options/>). This document is updated quarterly.

Plain Language Summary – A summary outlining how and where a Guarantor can apply for the Caring Hearts program.

Presumptive Eligibility – There are times the Guarantor does not have the capacity to complete the Caring Hearts application or it can be presumed they qualify for the Caring Hearts program based on their qualification for other entitlement programs.

Self-Pay Balance – The portion of the patient’s bill that the Guarantor is legally responsible to pay after all applicable payments and discounts are applied.

Skilled nursing facility (SNF) care – Skilled nursing care and rehabilitation services provided on a daily basis, in a skilled nursing facility (SNF). Examples of SNF care include physical therapy or intravenous injections that can only be given by a registered nurse or doctor. (<https://www.medicare.gov/glossary/s>)

Underinsured Patient – A patient with third party coverage for whom it would be a financial hardship to pay the expected out of pocket expenses.

Uninsured Patient – A patient who has no insurance coverage.

PROCEDURE:

- A. Notification and Reasonable Efforts to Determine Financial Assistance Eligibility.** ThedaCare and/or contracted third parties collecting Self-Pay Balances on behalf of ThedaCare will notify customers that Financial Assistance is available using one or more of the following methods:
1. Hospital and emergency room admission departments will publicize the availability of and how to apply for Financial Assistance by posting a Plain Language Summary in a visible location in multiple languages.
 2. Hospital and emergency room admission department staff will offer a Plain Language Summary as part of the intake and/or discharge process.
 3. Patient billing statements shall communicate that Financial Assistance is available and how to apply.
 4. Guarantor shall receive written notification from ThedaCare, a third party collector or both prior to engaging in Extraordinary Collection Efforts. The notification shall inform the Guarantor of potential collection action and will include a Plain Language Summary to advise the Guarantor of the financial assistance option and how to apply.
 5. A ThedaCare representative will provide verbal communication of the financial assistance program if a hardship is identified when talking with Guarantor via phone.
 6. ThedaCare shall not pursue Extraordinary Collection Actions prior to 120 days after the first billing statement post- discharge unless financial assistance eligibility has been determined.
 7. The Plain Language Summary shall be posted on the ThedaCare web site and will be included in at least one post-discharge mailing.
- B. Eligible Services.** All emergent and Medically Necessary services are eligible for Financial Assistance. The following are examples of services that are generally denied:
1. Cosmetic services.
 2. Bariatric services.
 3. Fertility services.
 4. Services denied by insurance out of network are subject to denial from financial assistance.
 5. Services rendered by a Non Covered Provider.

6. Medicaid spenddown amounts as determined by State Medicaid.
 7. Non skilled Custodial room and board provided by Long Term Care Facilities. Exceptions may apply for Custodial Care that needs to be delivered by a Long Term Care facility. These exceptions will be evaluated on a case by case basis.
 8. Retail durable medical equipment or supplies which are priced for cash only.
 9. Insured services that opt out of billing the carrier. See attachment 1 for details.
- C. **Emergency Medical Services.** ThedaCare is committed to providing care for emergency medical conditions without discrimination regardless of ability to pay. Services provided in a ThedaCare Emergency Department will comply with the regulations included in each hospital's EMTALA policy and are eligible for Caring Hearts Financial Assistance.
- D. **AGB.** ThedaCare will cap the amounts it charges for any emergency or other Medically Necessary services it provides to a Caring Hearts-eligible individual to the then current AGB.
- E. **Last Resort.** Caring Hearts Financial Assistance shall be the Last Resort after all other relief, entitlement, insurance, health savings account, health reimbursement account, litigation, estate recovery through probate and third party payment options have been exhausted.
1. Assignment of any and all health and liability insurance benefits is required before Caring Hearts eligibility can be determined.
 2. Third party and insurance payments paid directly to the insured must be fully reimbursed to ThedaCare prior to consideration for Caring Hearts.
 3. All relief and entitlement programs the applicant qualifies for must be exhausted prior to the administration of the Caring Hearts discount. This includes but is not limited to a Medicaid spenddown amount as determined by the State of Wisconsin Department of Health and Human Services.
 4. With the exception of transference to a surviving spouse, estates shall be exempt from any Caring Hearts discounts.
- F. **Eligibility.** Financial Assistance will be extended to both Underinsured and Uninsured Patients that meet at least one of the following criteria:
1. All Uninsured Patients will automatically receive an uninsured discount which will be applied to the first billing statement.
 2. Uninsured and Underinsured Guarantors may complete the Caring Hearts application and provide Financial Documentation within the Application Period. If a Guarantor is eligible for a Caring Hearts discount, the discount will be extended in accordance with Attachment 1.
 3. Presumptive eligibility criteria are met in accordance with Section G.
- G. **Presumptive Eligibility.** In certain circumstances, ThedaCare may use information from other sources in determining whether a Guarantor is eligible for a Caring Hearts discount without completing an application. If a Guarantor qualifies for Presumptive Eligibility, a 100% Caring Hearts discount will be applied to the Self-Pay Balance due after all other payment sources are exhausted. Previous payments will not be refunded. These may include:
- a. Guarantor is deceased with no known estate in probate.
 - b. Guarantor is Homeless.
 - c. Guarantor declares bankruptcy through state or federal processes. The dates of service on or before the bankruptcy discharge date will be discounted.

- d. Guarantor is enrolled in Supplemental Nutrition Assistance Program/Food Stamps or Women, Infants, and Children (WIC) or equivalent program.
- e. Guarantor is enrolled in Medicaid.

H. **Caring Hearts Application Process.** A qualified ThedaCare representative will assist applicants through the Caring Hearts application process. ThedaCare may obtain verbal clarifications and applications. Applicants may request additional time to meet the requirements listed below by contacting a ThedaCare customer support representative. The general process is as follows:

1. The Guarantor will submit a Caring Hearts application along with supporting Financial Documentation within the Application Period.
2. The completed application along with all required Financial Documentation should be sent back to ThedaCare within 60 days from the date the application was mailed by ThedaCare.
3. Collection efforts will cease for 60 days or until eligibility is determined.
4. If the application and all supporting Financial Documentation are not received within 60 days from the date the application was mailed by ThedaCare, the application may be closed and collection efforts may continue unless arrangements are made with a ThedaCare Customer Support Representative.

I. **Caring Hearts Eligibility Determination.** Utilizing a standard formula and process, a qualified ThedaCare representative will perform a financial assessment to determine eligibility for a Caring Hearts discount. If eligible, the Caring Hearts discount will be applied to Eligible Services rendered during the Application Period and for 6 months from the date the application was approved. Although Financial Assistance is not intended to be retrospective, ThedaCare may, at its discretion, forgive all open Self-Pay Balances and bad debt to relieve financial burden for the Applicant. Please see Section J for additional information.

1. All Uninsured Applicants will be required to complete a screening to determine eligibility for Medicaid, Marketplace Insurance Coverage, or other entitlement programs. The Caring Hearts application may be closed if the screening process is not complete within 60 days of ThedaCare's request. All information needed to process the Caring Hearts application will be obtained during the screening process.
2. ThedaCare or its delegate will determine Household Income and Household Size based on the definitions outlined in this policy.
3. Caring Hearts discounts will be approved based on the most current published Federal Poverty Guidelines. See Discount Table in Attachment 1.
4. ThedaCare may request additional Financial Documentation to determine Caring Hearts eligibility in its sole discretion. Additional Financial Documentation is generally required when the Guarantor is self-employed in order to determine Household Income and Household Size if it is not provided by Medicaid or the Health Insurance Marketplace.
5. Written notification of ThedaCare's eligibility determination or request for additional documentation will be mailed to the Applicant.

J. **Refunds.** If Applicant is determined to be eligible for a Caring Hearts discount, ThedaCare will refund any amount the Applicant has paid toward covered services during the Application Period so long as amount exceeds \$5.00, were made in the last 240 days, and there are no prior debts owed. Health Savings Accounts and Health Reimbursement Accounts may not be refunded.

K. **Appeals and Dispute Resolution.** ThedaCare understands that life changing events or special circumstances may occur. As a result, Applicants may appeal an eligibility determination within thirty (30) days of a determination letter. The Applicant will be required to supply supporting Financial

Documentation demonstrating a change in circumstances.

- L. **Record Retention.** ThedaCare will scan and retain all financial assistance applications and Financial Documentation in accordance with its internal and external compliance requirements.
- M. **Regulatory Requirements.** ThedaCare will comply with all federal, state, and local laws, rules and regulations and reporting requirements that may apply to activities conducted pursuant to this Policy. This Policy will be updated annually. Information on the financial assistance ThedaCare provides pursuant to this Policy will be reported annually on the IRS Form 990, Schedule H.
- N. **Policy Availability and Publication.** Free copies of this Policy are available in the following ways:
 1. Online at <https://thedacare.org/patients-and-visitors/billing-and-payment/payment-options/> .
 2. Contacting the ThedaCare Customer Support Department at 1-800-236-4102.
 3. Mailing a request in writing to: ThedaCare Billing, PO Box 8003, Appleton, WI 54912.
 4. Requesting a copy of this Policy in person at a ThedaCare hospital.

O. Approval Threshold.

Staff	\$0	\$4,999.99
Supervisor	\$5,000	\$24,999.99
Manager	\$25,000	\$49,999.99
Director	\$50,000	\$74,999.99
VP	\$75,000	\$99,999.99
CFO	\$100,000+	

ATTACHMENT 1: 2021 Financial Assistance Discount Definitions and Table

Uninsured Discount. All Uninsured Patients will automatically receive an Uninsured Discount, which is calculated annually. The 2021 Uninsured Discount is 44% for all uninsured services. The Uninsured Discount is based on the average payment during the prior 12-month period of the top three commercial payers (which may change from year to year). Uninsured Patients are also eligible to apply for a Caring Hearts discount.

In order to comply with privacy provisions of HITECH, ThedaCare will honor patient requests to opt out of billing the insurance carrier. These patients may receive an uninsured discount but will be obligated to pay up front the equivalent amount ThedaCare would have been reimbursed had a bill been filed with the insurance carrier. This includes the payment for all out of pocket expenses including deductible, copays, and co-insurance.

Caring Hearts Discounts. The following discounts will be applied to Eligible Services:

Free care:

Income is at or below 200% FPL, eligible for a 100% discount.

Discounted Care:

Income is above 200% FPL but equal to or less than 300% FPL = 80% discount.

Income is above 300% FPL but equal to or less than 400% FPL = 60% discount.

2021 Health and Human Services Poverty Guideline		Caring Hearts Approved Discount Percent		
		100%	80%	60%
		Percent of Poverty Guideline		
Family Size	Income	200%	300%	400%
1	\$12,880	25,760	38,640	51,520
2	\$17,420	34,840	52,260	69,680
3	\$21,960	43,920	65,880	87,840
4	\$26,500	53,000	79,500	106,000
5	\$31,040	62,080	93,120	124,160
6	\$35,580	71,160	106,740	142,320
7	\$40,120	80,240	120,360	160,480
8	\$44,660	89,320	133,980	178,640
Each Additional	\$4,480			

*Financial assistance may be considered on a case by case basis when ThedaCare is supplied with additional documentation to support the hardship the medical condition has caused for the patient and family.

Catastrophic Care:

Patients who do not qualify for the Caring Hearts discounted care will be eligible for a discount after they have paid the equivalent of 25% of their Annual Household Income for a period of six months.

ATTACHMENT 2: 2021 AGB CALCULATION

The AGB cap for Eligible Services is calculated based on gross charges in ThedaCare’s fee schedule for each hospital listed below. Physician/professional charges will be discounted using the hospital AGB discount within closest proximity to the servicing location. This means an Applicant that qualifies for a Caring Hearts discount will not pay more than the % of gross charges listed below.

The AGB is calculated based on payments received during the prior 12-month period from all commercial and Medicare payers divided by the gross charges for all services in ThedaCare’s fee schedule. This calculation will be made on a facility by facility basis for ThedaCare’s hospital organizations that have separate Medicare provider agreements. ThedaCare’s AGB cap will be the lowest payment percentage at any one of its facilities.

Hospital Location	AGB Discount Amount %
ThedaCare Regional Medical Center- Appleton	54.90%
ThedaCare Regional Medical Center- Neenah	51.40%
ThedaCare Medical Center- Wild Rose	50.10%
ThedaCare Medical Center- Waupaca	51.20%
ThedaCare Medical Center- Shawano	54.20%
ThedaCare Medical Center- New London	51.20%
ThedaCare Medical Center- Berlin	56.90%