I. Purpose
This policy provides financial assistance guidelines for the provision of free or discounted, eligible medical services to patients who demonstrate an inability to pay.

II. Scope
This policy applies to all patients who are residents of Louisiana or Mississippi and receive either professional or technical services at Ochsner Health System (Ochsner) that are medically necessary and who meet certain financial guidelines.

III. Definitions
A. Financial Assistance– Healthcare services that have been or will be provided but are never expected to result in cash. Financial assistance results from a provider’s policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

B. Uninsured– Patient has no form of third party assistance to assist with financial responsibility for medical services.

C. Underinsured– Patient has some form of third party assistance but still has out-of-pocket expenses that exceed his/her ability to pay.

D. Medically necessary– Services that are reasonable or necessary for the diagnosis or treatment of an illness or injury.

E. Federal Poverty Level (FPL)– The set minimum amount of gross income that a family needs for food, clothing, transportation, shelter and other necessities and varies by family size.

F. Family Income– Defined by the Census Bureau which includes (www.fhma.org):
   1. Earnings, unemployment compensation, worker’s compensation, Social Security, Supplemental Security Income, public assistance, veterans’ payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
   2. Noncash benefits (such as food stamps and housing subsidies) do not count;
   3. Determined on a pre-tax basis;
   4. Excludes capital gains or losses; and
   5. If a person lives with a family, includes the income of all family members (non-relatives, such as housemates, do not count).
Financial Assistance

G. **Gross charges**—Total charges at the organization’s full established rates for the provision of patient care services before deductions from revenue are applied.

H. **Emergency medical conditions**—Defined within the meaning of section 1867 of the Social Security Act (42.U.S.C. 1395dd).

I. **Self pay discount**—Discount applied to amounts due from patients for uninsured services.

IV. **Policy Statements**

A. Ochsner is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services, Ochsner strives to ensure that the financial capacity of people who need healthcare services does not prevent them from seeking or receiving care. Ochsner will provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

B. Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Ochsner’s procedures for obtaining financial assistance or other forms of payment, and to contribute to the costs of their care based on their individual ability to pay.

C. In order to manage its resources and to allow Ochsner to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors established the following Financial Assistance procedures for the provision of financial assistance.

V. **Procedures/Standards and Roles & Responsibilities**

A. Eligibility for Financial Assistance
   
   1. Financial assistance applies to patient liability only, including but not limited to, deductibles, co-payments, and co-insurances and is available to residents of Louisiana and Mississippi. The granting of financial assistance will be based on an individualized determination of financial need and will not take into account age, gender, race, social or immigration status, sexual orientation, or religious affiliation. Eligibility for financial assistance is determined by the patient’s family income, assets, and family size. Services eligible under this policy will be made available to the patient on a sliding scale in accordance with financial need as determined in reference to the Federal Poverty Guidelines (FPL) in effect at the time of the determination. The financial assistance discount is based on a sliding
scale of between two hundred and three hundred eighty percent (200 – 380%) of the FPL for the current year, as follows:

<table>
<thead>
<tr>
<th>FPL</th>
<th>Financial Assistance Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>.00 - 200.00%</td>
<td>100%</td>
</tr>
<tr>
<td>200.01 – 220.00%</td>
<td>90%</td>
</tr>
<tr>
<td>220.01 – 240.00%</td>
<td>80%</td>
</tr>
<tr>
<td>240.01 – 260.00%</td>
<td>70%</td>
</tr>
<tr>
<td>260.01 – 280.00%</td>
<td>60%</td>
</tr>
<tr>
<td>280.01 – 300.00%</td>
<td>50%</td>
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<tr>
<td>300.01 – 320.00%</td>
<td>40%</td>
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<tr>
<td>320.01 – 340.00%</td>
<td>30%</td>
</tr>
<tr>
<td>340.01 – 360.00%</td>
<td>20%</td>
</tr>
<tr>
<td>360.01 – 380.00%</td>
<td>10%</td>
</tr>
</tbody>
</table>

2. Patients whose family income exceeds 380% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of Ochsner.

3. Please note that modifications to previously administered discounts will be made if subsequent information indicates the information relied upon was inaccurate.

B. Services Available Under this Policy

1. Financial assistance refers to healthcare services provided by Ochsner without charge or at a discount to qualifying patients. Financial assistance is available for both professional and technical services. Services that are covered under this policy include:
   a. Emergency medical services provided in an emergency room setting;
   b. Services for a condition which, if not properly treated, would lead to an adverse change in the health status of an individual;
   c. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
   d. Medically necessary services, evaluated on a case-by-case basis.

C. Methods by Which Patients May Apply for Financial Assistance

1. Financial assistance requests can be made by contacting the Patient Account Customer Service department via telephone, email, fax, or written correspondence or by visiting the Patient Financial Services Department located
Financial Assistance

at Ochsner Medical Centers. Ochsner requires re-application or additional screening for financial assistance every 90 days.

2. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may:
   a. Include an application process, in which the patient or the patient’s guarantor is required to cooperate and supply personal, financial, and other information and documentation relevant to making a determination of financial need;
   b. Include the use of external publically available data sources that provide information on a patient’s or a patient’s guarantor’s ability to pay (such as credit scoring);
   c. Utilize a third party tool when there is insufficient information provided by the patient to fully evaluate information provided;
   d. Include reasonable efforts by Ochsner to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
   e. Take into account the patient’s available assets, and all other financial resources available to the patient; and
   f. Include a review of the patient’s outstanding accounts receivable for prior services rendered and the patient’s payment history.

3. The PFAP Application (“Attachment A”) is required to provide additional information to allow for a more in-depth review of borderline approvals, hardship cases, and large balances.

D. Amounts Charged to Patients

1. For patients who are uninsured, the financial assistance discount is applied to gross charges for the eligible services after first deducting the uninsured discount on technical charges. The uninsured discounts are facility specific and represent the average payor yield by reviewing Medicare and the majority of commercial actual and expected payments (including the patient portion) over a year period. In no event are gross charges billed to a patient approved for financial assistance, without a corresponding discount.

E. Presumptive Financial Assistance Eligibility

1. Separate from assessment of a formal application for financial assistance described in Section V. C. above, patients may also be presumed to be eligible for financial assistance based on evidence provided via use of a third party screening tool. Presumptive financial assistance is reviewed monthly for
uninsured accounts that are greater than or equal to 60 days old at the time the current month ends and before qualifying for bad debt placement.

2. In order to qualify for a full or partial adjustment under presumptive financial assistance, the patient must have a federal poverty level no higher than 380%. The federal poverty level is obtained from the third party screening tool and accounts that meet the standard criteria are adjusted to the percentage based on the sliding scale. Presumptive financial assistance adjustments are made on the remaining account balance after the self pay discount is applied on the technical gross charges.

3. Information obtained from the third party screening tool will help verify the patient’s financial status and may be utilized as the sole documentation source to make a financial assistance determination.

4. Patients with residual balances are considered for financial assistance if requested through Patient Financial services or Patient Accounts Customer Service; however, they are not considered through the presumptive financial assistance process.

F. Relationship to Collection Policies

1. Upon granting approval for 100% financial assistance, all collection efforts related to that amount will cease. Ochsner will not turn over any account approved for 100% financial assistance to a collection agency or report it to a credit agency. Normal collection efforts will be applied to balances remaining after application of all discounts (as outlined by the Billing and Collections policy).

2. Ochsner will not impose extraordinary collection efforts such as wage garnishment, liens on primary residences or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for financial assistance under this policy.

G. Communication of the Financial Assistance Program to Patients and Within the Community

1. Information about the Financial Assistance program can be found on patient billing statements, the Ochsner web site, or by visiting Patient Financial Services located at the Ochsner facilities.

2. Referral of patients for financial assistance may be made by any member of the Ochsner staff or medical staff, including, but not limited to, physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. Requests for financial assistance can be made by the patient, family member, close friend, or associate of the patient, in accordance with applicable privacy laws.
Financial Assistance

3. Requests for financial assistance will be responded to promptly in writing within 7 days of receipt of the request. If approved, the response will state the amount of financial assistance provided and remaining balance, if any.

H. Genitourinary Pathology Notifications To Urologists

1. Genitourinary Pathology services are provided to all patients regardless of ability to pay. On a monthly basis, the Pathology Department of Ochsner will send a letter to the Bureau of Primary Care and Rural Health and to all Urologists in Jefferson, Orleans, Plaquemines, St. Bernard and St. Charles Parishes (see Attachment B) notifying them of the availability of Ochsner's Genitourinary Pathology Services regardless of the patient's ability to pay.

I. In implementing this policy, Ochsner management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

J. Financial Assistance Allowances

1. Each hospital assesses the financial assistance allowance on a monthly basis as part of the monthly close process in accordance with GAAP.

K. Exceptions

1. For exceptions, “Hardship” documentation may be required to qualify for financial assistance. Exceptions include, are not limited to:
   a. Expensive medications
   b. Terminal illness
   c. Multiple hospitalizations

VI. Enforcement and Exceptions

A. Failure to comply with this policy may result in disciplinary action up to and including termination of employment for employees or termination of contract or service for third-party personnel, students or volunteers.

VII. Internal References

Billing and Collections policy

VIII. External References

This policy is modeled where appropriate after HFMA 501(c)(3) Hospital Charity Care Policy and Procedure
IX. Policy History
New Policy

X. Approved

Warner Thomas, President and Chief Executive Officer
Michael Hulefeld, Executive Vice President and System Chief Operating Officer
Scott Posecai, Executive Vice President and Chief Financial Officer

Reviewers
Board of Directors (September 29, 2014)