Dates Previously Reviewed/Revised: 9/2012, 6/2019, 6/2020, 1/2021, 9/2022 **Newly Reviewed By:** F&I 6/2024, PRC-A 7/2024 **Approver:** CFO	**Owner:** VP, Revenue Cycle

LH-ADM1.1.91 - Patient Financial Services – Hospital Financial Assistance, Billing & Collection

Scope: This Luminis Health policy applies to hospital services provided at Luminis Health Anne Arundel Medical Center (LHAAMC), Luminis Health Doctors Community Medical Center (LHDCMC), J. Kent McNew Medical Center (MMC), and Pathways (collectively hospitals) only. This policy does not cover other providers, including all physicians who deliver emergency and medically necessary care at LHAAMC, LHDCMC, MMC, and Pathways.

Purpose: To promote access to all for medically necessary services regardless of an individual's ability to pay, to provide a method of documenting uncompensated care and to ensure fair treatment of all applicants and applications.

Luminis Health will not withhold financial assistance or deny a patient's application for financial assistance on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, gender identity, genetic information, or on the basis of disability. In addition, Luminis Health will not use a patient's citizenship or immigration status as an eligibility requirement for financial assistance.

- To assure the hospital communicates patient responsibility amounts in a fair and consistent manner.
- To provide opportunity to resolve questions regarding charges or insurance benefits paid.
- To assure the hospital meets the requirements of Maryland standards for hospital billing and collection practices.
- To provide opportunity to resolve questions regarding charges or insurance benefits paid.
- To define the hospital's decision-making process for referral for collection or legal action.
- To assure the hospital meets the requirements of Maryland standards for hospital billing and collection practices.

Definitions: None

Policy Statements & Procedures:

Financial Assistance:

- A patient's payment for reduced-cost care shall not exceed the amount generally billed (AGB) as determined by the Health Services Cost Review Commission's (HSCRC) approved rates.

- Patients may apply for Financial Assistance by the methods listed below.

    - By calling LHAAMC at 443-481-1401 or DCMC at 443-481-6445
    - Patients may apply in person Mondays and Wednesdays at the Financial Advocacy Office which is located in the Ambulatory Care Pavilion on the first floor of LHAAMC's main campus between 8:30 and 4:00 p.m.
    - The Financial Advocacy Office will mail a free copy of Luminis Health's financial assistance policy and financial assistance application to any patient who requests those documents
    - Patients may apply on the internet at: https://www.luminishealth.org/financial-assistance
    - Applications are available in English, Spanish, Chinese, French, Japanese, Korean, Portugese, Russian, Tagalog, and Vietnamese.

- The following two-step process shall be followed when a patient or a patient's representative requests or applies for financial assistance, Medical Assistance, or both:

    - Step One: Determination of Probable Eligibility. Within two business days following the initial request for financial assistance, application for Medical Assistance, or both, Luminis Health shall: (1) make a determination of probable eligibility, and (2) communicate the determination to the patient and/or the patient's representative. In order to make the determination of probable eligibility, the patient or his/her representative will be required to provide information about family size, insurance, assets and income, and

the determination of probable eligibility will be based solely on the information provided by the patient or patient's representative. No application form, verification or documentation of eligibility will be requested or required for the determination of probable eligibility.

- Step Two: Final Determination of Eligibility. Following a determination of probable eligibility, Luminis Health will make a final determination of eligibility for Financial Assistance, which (except as otherwise provided in this Policy) will be based on a completed Uniform Financial Assistance Application and supporting documentation of eligibility.

- Once a request for financial assistance has been approved, dates of service twelve months before the approval and twelve months after the approval shall be included in the adjustment. Service dates outside this twenty-four-month window may be included if approved by a Supervisor, Manager, or Director of the Patient Financial Services Department.

- PROVIDERS NOT COVERED BY FINANCIAL ASSISTANCE POLICY
  Unless otherwise specified, the Luminis Health Financial Assistance Policy does not apply to physicians or certain other medical providers who care for you while you are in the hospital. This includes emergency room doctors, anesthesiologists, radiologists, hospitalists, pathologists, and other providers. These doctors will bill you separately from the hospital bill. This policy does not create an obligation for the hospital to pay for the services of these physicians or other medical providers. The public may obtain a copy of this list by printing from the link below or contacting the Luminis Health Financial Counseling office.

  Providers excluded from the Luminis Health Financial Assistance policy (PDF)

- PROVIDERS COVERED BY FINANCIAL ASSISTANCE POLICY
  This policy applies to services provided by Luminis Health (facility charges) only. Medical professionals who care for you in the hospitals will bill you separately for their services (professional charges). Each of these medical professionals has their own policy and their bills are not covered by this Financial Assistance Policy.

Eligibility Criteria:

- Luminis Health provides 100% financial assistance to individuals with household income at or below 300% of the US Poverty guideline but deemed ineligible for any County, State or Federal Medicaid or other funding program.

- Luminis Health provides 100% financial assistance to individuals enrolled in a means-tested State or Local program. Patients who provide proof of enrollment in one of these programs do not have to complete an application or submit supporting documentation of income to be approved for financial assistance.

- A patient that has qualified for Medical Assistance (Medicaid) is deemed to automatically qualify for financial assistance under this policy. The amount due from a patient on these accounts may be written off to financial assistance with verification of Medicaid eligibility. Standard documentation requirements are waived.

- A patient who has been approved for financial assistance by that organization automatically qualifies for financial assistance under this policy at the same percentage of charges discount. The patient does not have to complete a separate application to be eligible under this policy. Some service exclusions may apply.

- Luminis Health provides a sliding fee scale for individuals with household income at or below 350% of the US poverty guideline but deemed ineligible for any County, State or Federal Medicaid or other funding program. The sliding scale provides 50% financial assistance to individuals up to 350%.

- Luminis Health provides financial assistance not only to the uninsured but to patients with a demonstrated inability to pay their deductibles, copayments and balance after insurance.

- Luminis Health recognizes that a portion of the uninsured or under insured population may not engage in the traditional financial assistance application process. If the required information is not provided by the patient, Luminis Health may employ an automated, predictive scoring tool to qualify patients for financial assistance. The patient's score predicts the likelihood of a patient to qualify for Financial Assistance based on publicly available data sources.

Approval through the automated scoring method applies only to accounts where obtaining an application is not feasible as determined by the Patient Financial Services Department.

- For all income levels, Luminis Health will consider special circumstances such as the amount of the bill compared to income and cumulative impact of all medical bills from the hospitals. The guidelines in Maryland regulation regarding financial hardship will be followed to determine if a special circumstance is valid.

- AAMC developed an initiative with the Anne Arundel (AA) County Department of Health to help provide free prenatal diagnostic testing for uninsured unregistered immigrants. These individuals are not eligible for any Medicaid program.

- AAMC participates with an AA County specific program (REACH) administered through the AA County Department of Health to provide free care to low income uninsured or under-insured individuals (below 200% of the US Poverty Guideline). These individuals come to LHAAMC on an elective basis and are prescreened by the local Department of Social Services.

- Diagnostic and Treatment services are provided free of charge to referrals from the LHAAMC Outreach Free Clinic initiative located in downtown Annapolis.

- Payment plans are interest-free. Payment plans greater than four months will be handled by an external vendor. Payment plans are available to patients regardless of their household income.

Exclusions from Eligibility:

- Services not charged and billed by a Luminis Health Facility listed within this policy are not covered by this policy.

- Cosmetic, other elective procedures, convenience and/or Luminis Health facility services which are not medically necessary, are excluded from this policy.

- The Hospitals exclude assets such as:
    - Equity in the patient's primary residence
    - The first $30,000 of monetary assets
    - The value of transportation necessary to generate an income
    - Certain retirement benefits such as a 401k where the IRS has granted preferential tax treatment as a retirement account including but not limited to deferred-compensation plans qualified under the Internal Revenue Code, or nonqualified deferred-compensation plans where the patient would pay taxes and/or penalties by cashing in the benefit

- Patients who chose to become voluntary self-pay patients do not qualify for Financial Assistance for the amount owed on any account where they have elected to be self-pay.

Appealing an Unfavorable Decision

- Patients who feel they have been denied financial assistance inappropriately under this policy may contact the Health Education and Advocacy Unit of the Maryland Attorney General's Office.
- Email heau@oag.state.md.us
- Telephone 410-576-6300; En español 410-230-1712
- Address 200 St. Paul Place 16th Floor, Baltimore, MD 21202-2021
- Fax 410-576-6571
- Website https://www.marylandattorneygeneral.gov/Pages/CPD/HEAU/default.aspx

Billing:

Patient Statement of Charges:

- A Summary Bill of charges, formally referred to as the Uniform Summary Bill is mailed to every inpatient within 15 days of discharge from the hospital. This contains information on the insurance company billed as well as how to contact the Patient Financial Services office for questions or assistance.

- Uninsured patients receive this Summary as well.

- Each bill for outpatient services includes detail charge information on the first request for payment.

- At any time, the patient may request a copy of their detailed itemized bill.

- The HSCRC required Patient Billing Information sheet data is printed on the Uniform Summary Bill and the back of all patient billing statements.

- A representative list of services and charges is available to the public on the hospital's website and in written form. The website will be updated quarterly with the most recent average charge per case for each of the services.

- Requests and inquires for current charges for specific procedures/services will be directed to the ACP Financial Coordinator or if applicable the specific department Financial Coordinator. The Coordinator will communicate with the patient and the patient's provider of care to provide the best possible estimate of charges. Using the CPT code, service description and/or other supply/hospitalization time charge estimates are based on, a) review of the charge master for the CPT code/service description, and/or b) review of cost of similar surgical procedures/treatments/hospital stays. The patient will be informed cost quotes are estimates and could vary based on the actual procedure(s) performed, supplies used, hospital stay/OR time & changes in HSCRC rates. If the Coordinator requires guidance or additional information to provide the estimate, he/she will contact the Reimbursement Department. Every effort will be made to respond to the request for charges within 2 business days depending on information needed to fulfill the patient's request.

Patient Balance Billing:

- From the point in which it is known that the patient has a balance for which they are responsible the hospital begins billing the patient to request payment.

- Each patient receives a minimum of 4 requests for payment over a 120-day period.

- Each patient bill includes contact information for financial assistance and states where to call to request a payment plan.

- Each bill informs the patient they may receive bills from physicians or other professionals.

- Short- and Long-term interest free payment plans are available. The hospital considers the balance of the bill and the patient's financial circumstances in determining the appropriate agreement.

- Should the patient contact Patient Financial Services Customer Service unit regarding inability to pay – financial assistance is offered, and the financial assistance screening process begins.

- Patients who have made payments to Luminis Health in excess of $25 and later become eligible for financial assistance on those dates of service will be entitled to a refund of the amount paid.

- Patient complaints about the billing or collection agency process should be directed to the Patient Financial Services general telephone number.

Collection Agency process:

- If there is no indication from the patient or a representative that they cannot pay and no attempt at payment or reasonable payment arrangements is made, the account is referred to a collection agency.

- The collection agency referral would typically occur between 120 – 150 days from the first request to the patient to pay assuming the patient made no attempt to work out payment arrangements or indicated financial need.

- The final statement to the patient communicates the account will be referred to an external agency if the balance is not satisfied.

Collections:

- The Director of Patient Financial Services oversees the hospital's business relationship with the Collection Agency. The Patient Financial Services Department is responsible for determining that reasonable efforts have been made to determine whether an individual is eligible for financial assistance before initiating extraordinary collection actions (ECAs).

- Luminis Health permits the following ECAs:

    - Commencing a civil action against an individual**

- Luminis Health does not allow the following ECAs:

    - Selling an individual's debt to a third party
    - Deferring, or denying, or requiring a payment before providing medically necessary care because of non-payment of one or more bills for previously provided care
    - Placing a lien on an individual's property
    - Foreclosing on an individual's real property
    - Attaching or seizing an individual's bank account or other personal property
    - Causing an individual's arrest
    - Causing an individual to be subject to a writ of body attachment
    - Garnishing an individual's wages
    - Reporting adverse information about an individual to credit agency

  ** Commencing civil action against an individual is not the normal course of collection, however, Luminis Health reserves the right to pursue collections through civil action in extraordinary circumstances, at the discretion of senior management, to include, but not limited to:

    - When a patient's receivable is >= $5,000 and the patient's ability to pay has been verified
    - When an insurance company confirms payment has been made directly to the patient or patient representative

- If a financial assistance application is received within 240 days of the first post-discharge billing statement, and the account is with a collection agency, the agency will be notified to suspend all ECAs until the application and all appeal rights have been processed.

- Luminis Health does not utilize a credit reporting bureau.

- Luminis Health does not charge interest to patients.

- The Luminis Health Business Office staff reviews each case before being referred for legal action.

- The collection agency is educated on how to make referrals to Luminis Health's financial counseling departments for individuals indicating they have an inability to pay.

- The collection agency will establish payment arrangements in compliance with Luminis Health's interest free commitment.

Hospital Financial Assistance Communications:

- The Financial Assistance information is conspicuously displayed in English, Spanish, Chinese, French, Japanese, Korean, Portugese, Russian, Tagalog, and Vietnamese in each hospital's Emergency Department, Cashiering & Financial Counseling office. Patients desiring to discuss financial assistance in another language may call the contact numbers in this policy and interpretive services will be provided.

- The Financial Assistance Policy as well as a printable Uniform Financial Assistance Application is posted on the hospitals' websites.

- Financial Assistance information is included in each patient guide located in the inpatient rooms.

- Registration staff and Financial Coordinators are trained on how to refer patients for financial assistance.

- The Uniform Financial Assistance Application is available at all registration points in each hospital, including the Emergency Department.

- A brochure "Need help with your bill?" is available at every patient access point in each hospital and is posted on the Luminis Health website. This brochure includes information regarding financial assistance/contact points and is available in English, Spanish, Chinese, French, Japanese, Korean, Portugese, Russian, Tagalog, and Vietnamese.

- Individual notice regarding the Financial Assistance Policy shall be provided at the time of admission or preadmission to each person who seeks services in the hospital. It is mandatory that all inpatients receive the "Need help with your bill?" brochure as part of the admission packet.

- Information is available through the patient access/registration staff to provide to the uninsured or any individual concerned about paying their hospital bill directing them to the hospital's Financial Counseling office for assistance.

- Hospital Patient Financial Service staff receive extensive training on the revenue cycle and are incentivized to obtain AAHAM Technical (CRCS) certification to demonstrate their expertise in billing and revenue cycle requirements.

References:

1. Patient Protection and Affordable Care Act statutory section 501 (r)
2. IRS Notice 2015-46
3. Department of Treasury, Internal Revenue Service, Additional Requirements for Charitable Hospitals; Volume 77, No. 123, Part II, 26 CFR, Part 1
4. Maryland Health General Article § 19-214.2

Cross References: None