

USA HEALTH HOSPITALS' FINANCIAL ASSISTANCE PROGRAM

CHARITY CARE COMMITTEE ADDENDUM

In addition to the USA Health Hospitals' Financial Assistance Program (FAP), the USA Health Hospitals' CFO will create the USA Health Hospitals' Charity Care Committee (Committee). The size of the Committee will be determined by the scope of work and the number of members appointed by the CFO.

USA Health Hospitals make every reasonable attempt to collect from insurance companies and other third-party payers. Financial hardship and charity care adjustments may be considered for those patients whose income and assets will not allow full payment within a reasonable time. Adjustments by the Charity Committee may include:

- Full Adjustment of the self-pay write-off balance to either Charity or Indigent.
- Partial adjustment of the self-pay write-off balance to either Charity or Indigent.

Approval of charity/indigent care is made on a case by case and discharge by discharge basis, and a recommendation of treatment as charity/indigent does not obligate USA Health Hospitals to continue to provide care free of charge or at reduced rates. Patients may be required to apply or re-apply for charity/indigent care assistance at a frequency consistent with the FAP. Each USA site of service reserves the right to require a patient to re-apply at any time.

Committee's Purpose:

The purpose of the Committee is to supplement the USA Health Hospitals' FAP by reviewing certain patient's accounts in an effort to determine if there is sufficient information available to grant the patient charity/indigent care status thereby adjusting a patient's account balance. The Committee provides an additional way to assist our patients by granting full or partial charity or indigent care status to an individual's hospital bill.

Committee's Principals:

Equal Opportunity

USA Health Hospitals are committed to upholding the multiple federal and state laws that preclude discrimination on the basis of race, sex, age, religion, national origin, marital status, sexual orientation, disabilities, military service, or any other classification protected by federal, state or local laws.

Indigent Care

Patients who cannot pay their bills may be classified as "charity" if they do not have a job, mailing address, residence, or insurance. Consideration is also given to classifying emergency room only patients as charity if they do not provide adequate information as to their financial status. In many instances, these patients are homeless and have few resources to cover the cost of their care.

Government Assistance

In determining whether an individual qualifies for charity care, other county or governmental assistance programs will be considered. Despite USA Health Hospitals' best efforts, some applicants

are not aware that they may be eligible for public health insurance programs or have not pursued our FAP application. USA Health Hospitals' staff will help the individual determine eligibility for governmental or other assistance, as appropriate. Persons who are eligible for programs (such as State-sponsored Medicaid) but who were not covered at the time that medical services were provided may be granted financial assistance, provided that the patient completes an application for government assistance. To obtain coverage by governmental authorities (such as Alabama Medicaid) for assistance during part of the patient stay or pre or post stay coverage requires diligent effort and may be used as proof of qualification for USA Health Hospitals Charity/Indigent Care classification.

Collection Activity

USA Health Hospitals believe in personal responsibility and expect that when notified that USA Health Hospitals have a FAP to assist the patient, the patient or their representative will make reasonable efforts to take advantage of that financial assistance. USA Health Hospitals recognize that this expectation may in reality not be the case and a patient that might be eligible under the USA Health Hospitals' FAP but may not have followed through or applied. Thus collection activity may have proceeded based on a USA Health Hospitals' Collection Policy. If a collection agency identifies a patient as likely meeting USA Health Hospitals' financial assistance eligibility under its FAP, the patient's account may be still considered for financial assistance. The Collection Agency should notify the USA Health Business Office and upon approval from the Business Office, collection activity will be suspended on these accounts until USA Health Hospitals have reviewed the patient's account and attempted to make a determination under the FAP. If the entire account balance is adjusted, the account will be returned to USA Health Hospitals. If a partial adjustment occurs, the patient fails to cooperate with the financial assistance process, or if the patient is not eligible for financial assistance, collection activity will resume.

Committee's Procedure:

The Committee will review patient accounts for the period in which they have been written off and prior to them having been reported on the Hospital's Medicare Cost Report to determine:

- If sufficient documentation exist to substantiate a patient's inability to pay for hospital care, if so, full or partial assistance maybe granted.
- If there is documentation that the patient or their representative has requested Financial Assistance. If such evidence of a request exists, the Committee will review the denial to determine if events and circumstances arising after the denial would alter the decision. If the Committee determines that a change in circumstances has occurred or if more information is available subsequent to a denial, full or partial assistance maybe granted.
- Patient was previously or subsequently approved for Medicaid. If this coverage exists, full or partial assistance maybe granted.
- Review will be made to determine if the patient is unemployed or homeless. Statements collected during contacts with relatives and/or associates maybe used to determine this circumstance and if this is the case, full or partial assistance maybe granted.
- Review will be made to determine if the patient is an undocumented alien and if the patient is employed or has assets. Determination of circumstances and the assessment of the USA Health Hospitals' ability to collect may result in the Committee granting full or partial assistance.

- The Committee will consider information and requests from USA Health Hospital sources such as the Business Office, Registration, USA Physicians, Case Management and other departments. Depending upon the circumstances, full or partial assistance maybe granted.
- The Committee will consider and provide final review and approval/disapproval of all appeals of denials filed by patients or their representatives.

Committee's Review:

The Committee will review:

- All accounts written to Bad Debts with balances greater than \$200,000;
- Accounts written to Bad Debts with partial stay or history of Medicaid Coverage with a balance greater than \$15,000 but less than \$200,000;
- Patient with balances greater than \$150,000 submitted to the Mobile County Indigent Care Board;
- Known special circumstances accounts.

Additional review criterion may be used as suggested by the Committee and approved by the CFO.