Objective

To define a hospital financial assistance policy specifying how the University of Illinois Hospital & Health Sciences System (“UI Health”) will determine the financial liability for medically necessary services rendered to uninsured patients and to specify how UI Health will determine and apply available financial assistance discounts for services provided to uninsured patients.

Definitions

- **Uninsured Patient**: A patient who does not have third-party coverage from a health insurer, a health care service plan, Medicare or Medicaid, and whose injury is not compensable for purposes of workers’ compensation, automobile insurance or other insurance as determined and documented by UI Health (210 ILCS 88/10 – Fair Patient Billing Act, see also 210 ILCS 89/5 – Hospital Uninsured Patient Discount Act).

- **Charity Care**: Medical care for which the likelihood of payment of charges in full from patient, family or third party source is not anticipated (210 ILCS 76/10 – Community Benefits Act).

- **Federal Poverty Level**: The poverty guidelines which are updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.

- **Presumptive Eligibility**: Criteria by which an uninsured patient’s financial need is determined and used to deem a patient eligible for hospital financial assistance without further scrutiny.

- **Charges**: The level of billing for services that UI Health sets in order to allow its revenue budget to exceed its expense budget, given payment by many payers at levels insufficient to recover full costs for those payers’ patients. Charges include co-pays and deductibles.

- **Medically necessary service**: Any inpatient or outpatient hospital service, including pharmaceuticals or supplies provided by a hospital to a patient, covered under Title XVIII of the federal Social Security Act for beneficiaries with the same clinical presentation as the uninsured patient. Medically necessary services do not include any of the following: (1) Non-medical services such as social and vocational services; and (2) Elective cosmetic surgery, but not plastic surgery designed to correct disfigurement caused by injury, illness, or congenital defect or deformity.
Emergency medical care: Medical care which (in the professional judgment of the applicable provider), if not rendered, would result in a serious threat to health, risking the occurrence of a significant disability or loss of life (within 24 hours).

Urgent medical care: Medical care needed for a condition that does not require emergency medical care, but for which, based on medical appropriateness, treatment must be provided within 24 hours to prevent worsening of the patient’s condition.

Non-emergent medical care: Medical care which (in the professional judgment of the applicable provider), if not rendered, would present neither serious threat to a patient’s health nor risk the occurrence of significant disability or loss of life.

Financial Plan: Any one or a combination of the following to assure payment of charges:
  o Adequate and verifiable insurance or other third party coverage assigned to UI Health by an authorized person;
  o A guarantor of account acceptable to the Chief Financial Officer, or designee;
  o The willingness of the patient and/or family (or representative) to apply for medical assistance programs (including grants and other sources of funding);
  o The willingness of the patient and/or family (or representative) to apply for third party coverage available through the Affordable Care Act;
  o A satisfactory repayment agreement by the patient, family and/or representative to pay UI Health charges; or
  o Review and approval of eligibility for charity care, in whole or in part.


POLICY

UI Health is committed to assisting patients in further understanding Financial Policies and in application for potential third party programs to offset the costs related to medically necessary services, see HMPP LD 1.01 Mission Statement – University of Illinois Hospital.

UI Health will provide Financial Counselors to assist the patient in completing the application process for the program the patient is best suited. This includes assisting patients in completing the financial assistance application process.

All discounts as described throughout this policy only apply to services provided and billed by the University of Illinois Hospital. These discounts may also apply to services provided and billed by the University of Illinois at Chicago Medical Service Plan at the Chicago campus as approved by the physician group practice.

UI Health shall file its annual Hospital Financial Assistance Report as required by statute or regulatory agency. UI Health, upon request, will provide any member of the public and any other regulatory agencies with a copy of this policy. In addition, information about financial assistance and contact information will be made available in all registration areas through signage and brochures and on the hospitals publically available website.
The Chief Financial Officer will establish requirements related to qualifications for application and related discounts under this policy which shall be consistent with the Fair Patient Billing Act, the Hospital Uninsured Patient Discount Act and regulations prescribed thereunder. The Senior Revenue Cycle Director shall be responsible for implementing the policy according to the requirements.

Hospital financial assistance programs available to uninsured patients include **Charity Care, Catastrophic Loss Claims, and Uninsured Patient Discount** (in accordance with 210 ILCS 89 – Hospital Uninsured Patient Discount Act).

**Charity Care:** Charity care assistance will generally be provided on a prospective basis unless there is evidence of a pending application for public aid and/or social security disability coverage at the date of the application. Charity Care will also be considered for up to at least 60 days after the date of service or discharge. Charity care eligibility will be approved for a maximum of one year from the date of application at which time the patient must provide updated financial information for review to continue eligibility.

Consideration for eligibility of Charity Care will be based on application of the following criteria:

- The patient is an uninsured patient as defined by this policy; and
- The patient is an Illinois resident at the time of application; and
- The patient is a legal resident of the United States; and
- The patient is receiving, scheduled to receive, or has received a medically necessary service as defined by this policy; and
- The patient has a family income less than 400% of the federal poverty level guidelines; and
- The patient satisfies the requirements of Patient Responsibilities under this policy; OR
- A presumptive eligibility determination is made.

If the uninsured patient satisfies the requirements established by UI Health to qualify for Charity Care and the family gross income of the uninsured patient is less than or equal to:

- 0 to 200% of the federal poverty level, the charity care discount is equal to 100% from full charges (bill is completely discounted).  
- 201 to 300% of the federal poverty level, the charity care discount is equal to 80% from full charges.  
- 301 to 400% of the federal poverty level, the charity care discount is equal to 60% from full charge.

Notwithstanding any requirements of this policy, individual uninsured cases may be considered for charity at the sole discretion of the Chief Financial Officer or designee.
Catastrophic Loss Claims: Uninsured patients, as defined by this policy, who qualify for Charity Care are also eligible for additional discounts based on the total dollar amount of the claim calculated at gross charges. This provision applies to patients who do not qualify for 100% discount and are required to pay 80%, 60% or another portion of the hospital charges. The claim must be catastrophic – an individual claim for any patient that has a balance after applicable discounts that exceeds $50,000. The catastrophic claim provision identifies a maximum amount payable based on a percentage of annual gross income. Payment on the catastrophic claim will not exceed 15% of the patient’s annual gross income. The amount payable becomes the lesser of the regular charity discounts or the catastrophic loss provision. The additional discount, if applicable, will be identified as charity. The patient must request additional discounts available under this provision.

Uninsured Patient Discount: The Uninsured Patient Discount is designed to provide uninsured patients who meet certain requirements a discount from standard hospital charges. This provision applies to all hospitals licensed in the State of Illinois and normalizes the ultimate cost of care across all facilities. The Uninsured Patient Discount must be requested for each individual encounter or visit.

Consideration for eligibility of the Uninsured Patient Discount will be based on application of the following criteria:

- The patient is an uninsured patient as defined by this policy; and
- The patient is/was an Illinois resident when care was rendered; and
- The patient has received a medically necessary service as defined by this policy; and
- The patient has requested a discount within 60 days of the date of service or discharge; and
- The patient has a family income less than 600% of the federal poverty level guidelines; and
- The patient satisfies the requirements of Patient Responsibilities under this policy.

If the uninsured patient satisfies the requirements established by UI Health to qualify for the Uninsured Patient Discount and the family gross income of the uninsured patient is less than or equal to:

- 0 to 200% of the federal poverty level, the Uninsured Patient Discount is equal to 100% from full charges (bill is completely discounted).
- 201 to 600% of the federal poverty level, the Uninsured Patient Discount shall be consistent with the cost based discount established by the Uninsured Patient Discount Act. The discount may change annually based on the hospital’s cost report. For example, in fiscal year 2014, that discount was established at 55% discount from full charges (patient pays 45% of charges).
UI Health may extend the Uninsured Patient Discount to those with a family gross income of more than 600% of the federal poverty level, on a case-by-case basis.

If the uninsured patient satisfies the requirements established by UI Health for both Charity Care and the Uninsured Patient Discount under this policy, the uninsured patient may request the highest percentage discount available under this policy and based on federal poverty levels.

The maximum amount that may be collected in a 12 month period for health care services provided by UI Health for patients who qualify for the Uninsured Patient Discount under this policy is 25% of the patient’s family income and is subject to the patient’s continued eligibility under this policy. The 12 month period to which the maximum amount applies begins on the first date an uninsured patient receives services from UI Health that are determined to be eligible for assistance under this policy.

To be eligible to have this maximum amount applied to subsequent charges, the uninsured patient must inform UI Health in subsequent encounters that the patient has previously received health care services from UI Health and was determined to be eligible for any of the financial assistance programs under this policy.

An uninsured patient will be deemed presumptively eligible for the Uninsured Patient Discount and not need to provide financial information above and beyond proof of income if the patient demonstrates one or more of the following:

- Homelessness;
- Deceased with no estate;
- Mental incapacitation with no one to act on patient’s behalf;
- Medicaid eligibility, but not on date of service or for non-covered service;
- Enrollment in the following assistance programs for low-income individuals having eligibility criteria at or below 200% of the federal poverty income guidelines:
  - Women, Infants and Children Nutrition Program (WIC);
  - Supplemental Nutrition Assistance Program (SNAP);
  - Illinois Free Lunch and Breakfast Program;
  - Low Income Home Energy Assistance Program (LIHEAP);
  - Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low-income financial status as a criterion for membership;
  - Receipt of grant assistance for medical services.

If the uninsured patient is deemed presumptively eligible, the Uninsured Patient Discount will be applied as soon as possible after receipt of health care services and prior to the issuance of any bill for those health care services, if the information is available to UI Health prior to billing.

The cost of care on discounts established under the Uninsured Patient Discount will be
Patient Responsibilities: This policy requires the cooperation of the uninsured patient as a condition of receiving assistance; see HMPP RI 2.01 Patient’s Rights and Responsibilities. That cooperation includes, but is not be limited to, the following:

- The uninsured patient must cooperate with UI Health by providing information on third-party coverage. If UI Health finds that there is a reasonable basis to believe that the patient may qualify for such assistance, the patient must cooperate in applying for third-party coverage that may be available to pay for the uninsured patient’s medically necessary care, including coverage from a health insurer, a health care service plan, Medicare, Medicaid, KidCare, FamilyCare, automobile insurance, worker's compensation, or other insurance available under the Affordable Care Act.

- If the patient is eligible for third party coverage, the uninsured patient must obtain and maintain coverage that may be available. Should the patient experience difficulty making premium payments required to maintain coverage, the patient should notify UI Health immediately to discuss potential solutions or funding options.

- The uninsured patient must provide UI Health with financial and other information requested to determine eligibility for financial assistance. Generally, information to support application materials must be received within 60 days of the date of service or discharge.

- Generally, the uninsured patient or a person acting on his or her behalf must request assistance from UI Health. Although, UI Health has full discretion to identify specific cases for potential charity needs based on financial and other information that is made available to the organization.

- The uninsured patient who has a payment obligation to UI Health must cooperate with to establish and comply with a financial plan. The uninsured patient who enters into a financial plan agreement shall promptly inform the appropriate UI Health billing entity of any change in circumstances that will impair his or her ability to comply with the financial plan.

- The uninsured patient must notify UI Health of any change in financial status that could disqualify the patient for financial assistance.

- An uninsured patient who fails to satisfy his or her responsibilities under the Patient Responsibilities section of this policy may be billed by UI Health and is subject to collection activities consistent with organizational billing and collection policies and practices for patients who do not qualify for assistance under this policy. Any patient who fails to comply with a financial plan may be billed and is subject to collection activities consistent with the hospital's billing and collection policies and practices for the portion of the bill remaining after any financial assistance discount has been applied.

UI Health Billing Responsibilities: UI Health must make reasonable efforts to obtain from a patient or his or her representative information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered to the patient,
including, but not limited to, health insurance, a health care service plan, Medicare, Medicaid, KidCare, FamilyCare, automobile insurance, worker’s compensation, or other insurance available under the Affordable Care Act.

If an uninsured patient complies with a financial plan that has been agreed to by UI Health, UI Health shall not otherwise pursue collection action against the uninsured patient.

If an uninsured patient has requested financial assistance from UI Health and is cooperating with provisions identified under the Patient Responsibilities section of this policy, UI Health or its assignee or billing service shall not pursue any collection action against the uninsured patient until a determination is made on the uninsured patient’s eligibility for financial assistance.

PROCEDURE

I. Non-emergent inpatient and surgical cases
   a. The registrar will determine patient financial status (including the presence of an existing financial plan) during the pre-admission registration/verification process.
   b. If the patient is uninsured, the patient will be informed of an admission deposit requirement and other alternatives. The full deposit amount is required no later than 7 days prior to the admission/procedure date.
   c. If the patient is unable to pay the entire deposit amount 7 days prior to the admission/procedure date, and does not already have a financial plan, he/she will be referred to a Financial Counselor to develop a financial plan. Once the plan is determined, the Financial Counselor will inform the admitting staff.
   d. If the patient declines to develop a financial plan:
      i. Financial Counselor will inform the admitting staff.
      ii. The admitting staff will notify the admitting/attending provider.
      iii. The admitting/attending provider will:
         1. Provide the patient with information about alternative treatment sources/options outside UI Health. Routine collection procedures will be followed to obtain compensation for services rendered; or
         2. Appeal the case to the Chief Medical Officer.

II. Non-emergent Outpatient Procedures and Office Visits
    a. The scheduler/registrar will determine patient financial status (including the presence of an existing financial plan) at the time of scheduling.
    b. If the patient is uninsured, the patient will be informed of the deposit amount for the requested service. The deposit is required at the time of service.
    c. If the patient is able to pay only a portion of the deposit amount at the time of service, and does not already have a financial plan, he/she will be referred to a Financial Counselor to develop a financial plan.
    d. If the patient is unable to pay any of the deposit amount at the time of service, the procedure/visit will be rescheduled after consultation with the provider. However, if, in the clinical judgment of the provider, the visit must proceed due to continuity of care or other medical necessity, the visit will occur as scheduled, and he/she will be referred to a Financial Counselor to develop a financial plan.
    e. If the patient declines to develop a financial plan, the provider will be informed and the admitting/attending provider will provide the patient with information
about alternative treatment sources/options outside UI Health. Routine collection procedures will be followed to obtain compensation for services rendered.

In the event that a physician, due to his/her professional assessment of the patient’s medical condition, disagrees with the denial of non-emergent services, based on inability to establish a financial plan or non-adherence to an established plan under this policy, the case will be referred for review and final disposition to the Chief Medical Officer, in consultation with the Chief Financial Officer and any others he/she deems appropriate.

III. Care that has been Provided
   a. There are instances where care will have already been provided and billed to the patient.
   b. If care has been provided to an uninsured patient and the patient requests a discount, Patient Accounts will review the billing system to determine whether a discount has already been applied. If so, only one discount applies and the patient is ineligible for further discounts (refer to the Catastrophic Loss Claims section of this policy for sole exception).
   c. If no other discounts have been applied, Patient Accounts will verify if the uninsured patient is eligible for the Uninsured Patient Discount under this policy.
   d. If eligible for the Uninsured Patient Discount, the discount will be applied and the patient will be provided a repayment option.

Rescission
   November 2012
   November 2009
   March 2007
   December 2004

Reference
   University of Illinois Hospital,
   Hospital Management Policy and Procedure Manual
   Patient Accounting Department Policy and Procedure Manual,
   LD1.01 Mission Statement – University of Illinois Hospital
   RI 2.01 Patient’s Rights and Responsibilities

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