

Title Financial Assistance	Location ALL Beaumont Health	Functional Area Administration
Policy Owner VP Revenue Cycle	Document Type Policy	Effective Date 02/01/2017

I. PURPOSE AND OBJECTIVE:

The purpose of this policy is to identify and assist patients that do not have health insurance and need help paying their hospital bills. This policy is applicable to all service areas/divisions of Beaumont Health Hospitals. Each Hospital, Beaumont Hospital – Grosse Pointe, Beaumont Hospital – Royal Oak, Beaumont Hospital – Troy, Beaumont Hospital – Farmington Hills, Beaumont Hospital – Dearborn, Beaumont Hospital – Wayne, Beaumont Hospital – Taylor, and Beaumont Hospital – Trenton (collectively, “Beaumont Health or Hospital(s)”), will widely publicize this policy to members of the public in communities served by the Hospitals.

This policy is drafted with the intention of satisfying the requirements in Section 501(r) of the Internal Revenue Code of 1986, as amended (the “Code”) regarding financial assistance and emergency medical care policies, limitations on charges to persons eligible for financial assistance, and reasonable billing and collection efforts and shall be interpreted accordingly. If this policy applies with respect to a specific patient, this policy overrides application of the relevant Uninsured Patient Discount Policy with respect to such patient. Application of this policy to any individual patient is contingent upon satisfactory completion of the application for financial assistance with all necessary documentation. Any patient who refuses to satisfactorily complete the financial assistance application including the supporting documentation is not eligible for financial assistance under this policy (provided the patient has received the notifications required by the proposed regulations under Section 501(r)).

II. POLICY STATEMENT:

Accordingly, this policy includes:

- Eligibility criteria for financial assistance and free care;
- The basis for calculating amounts charged to patients under this policy;
- The methods by which patients apply for financial assistance under this policy;
- Limitations on the actions that may be taken in the event of non-payment including collections actions and reporting to credit agencies;
- The methods by which Beaumont Health will widely publicize the policy within the communities it serves.
- Limitations on the amounts charged for emergency or other medically necessary care provided to individuals eligible for financial assistance under this policy to not more than the amounts generally billed.

To the extent any other Beaumont Health policies or portions of policies conflict with this policy and/or Section 501(r) of the Code and the applicable Income Tax Regulations (the regulations”), this policy and/or Section 501(r) will prevail. This policy is based on the proposed regulations under Section 501(r) in existence as of the effective date of this policy. Beaumont Health

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reserves the right to amend this policy in the event of any changes made to the proposed regulations.

III. PROCEDURE:

A. PATIENT REFERRAL

Hospital staff responsible for scheduling appointments or registration should refer all patients without insurance and unable to pay for care to a Financial Advocate to determine eligibility for financial assistance. Patient with insurance who cannot afford to pay their share of the total amount due should also be referred to a Financial Advocate.

B. MEDICALLY NECESSARY CARE

Services and items (other than emergency care) must be medically necessary as determined by the patient's physician to be eligible for financial assistance. Cosmetic services, cosmetic surgery, other elective services not medically necessary, services already discounted via package price arrangements, personal services (e.g. room charges) and patient convenience items are not eligible for financial assistance.

C. ELIGIBILITY

1. Determination of eligibility for financial assistance is based on the patient's demonstrated inability to pay for services or items due to inadequate financial resources. A completed Application form and requested supporting documentation (including, among other supporting documents listed in the Application, current pay stubs, bank statements, prior year's tax returns, a signed letter from employer, and social security or disability checks). Failure to provide any of these documents, if required by the Application, may result in a denial of financial assistance. Patients will be considered as eligible for financial assistance up to 300% of the federal poverty level. The determination of eligibility for financial assistance generally should be made prior to or at the time of admission, or shortly thereafter. However, events after discharge could change the ability of the patient to pay.
2. Patients wishing to apply for financial assistance may complete the Application and submit it along with the required supporting documentation to Patient Financial Services (Appendix A).
3. If a patient needs assistance in completing the Application, the patient may contact or visit the Patient Financial Services department specific to the location of services (Appendix B).
4. Eligibility for financial assistance will only be considered after all payment sources have been exhausted. Beaumont Health will assist patients with applying for Medicaid

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coverage. There is an expectation that patients will cooperate in applying for coverage. Applicants will not be denied financial assistance based on their failure to provide information or documentation that this Policy or the Application does not explicitly require. The decision to provide financial assistance is approved by the Patient Financial Services management team. Once a patient is determined to be eligible for financial assistance, that patient shall not receive any future bills for the previously provided services based on undiscounted gross charges.

5. This policy is intended to apply only to Michigan residents, who provide proof of Michigan residency and reside within the Beaumont Health service area. This residency restriction does not apply to any patient requiring Emergency Center services. In the event any patient believes his or her Application for financial assistance was not properly considered in accordance with this policy, or he or she otherwise disagrees with the application of this policy in his or her case, a patient may submit a written request for reconsideration to the hospital specific President or Vice President (Appendix C), who shall be the final level of appeal.
6. To be eligible for financial assistance, a patient must submit an accurate and complete Application for financial assistance by the required due date (i.e., Application Period no later than the 240th day after Beaumont Health provides the patient with the first billing statement for items or services received).
7. Beaumont Health will document patient eligibility determination timely upon receiving a completed Application. Beaumont Health will notify patients of the determination (including, if applicable, the assistance for which the individual is eligible) and Beaumont Health's basis for making the determination. Debts may only be referred to a third party in a manner consistent with Beaumont Health's Billing and Collection Policy and in a manner consistent with Section 501(r) of the Code.
8. Patient eligibility for financial assistance is based on comparison of household income to the Federal Poverty Level (FPL). Patients with income up to 300% of the FPL will be eligible for a discount based on the amounts generally billed (AGB). **AGB** is determined annually and is based on the Look-back method as described in Section 501(r) of the Code and the regulations there under. Patients with incomes up to 200% of the FPL may be eligible for a discount of 100%.

A revised AGB percentage will be calculated annually and applied by the 45th day after the first day of the start of the fiscal year used to determine the calculations.

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Discount level:

Income as Percent of FPL	Financial Assistance
Up to 200%	100% Assistance
Up to 300%	50% off AGB
Over 300%	AGB

D. BILLING AND COLLECTIONS

1. Information related to Beaumont Health’s billing and collections policies can be obtained by requesting a paper copy at no charge at the telephone number relevant to the location of service, listed below or is available on Beaumont Health’s website. Beaumont.org
2. In no event shall the reduced rate charged to patients eligible for financial assistance for emergency care or medically necessary services be greater than the AGB for such services. With respect to medical care provided other than emergency care and medically necessary services, patients eligible for financial assistance shall not be charged more than gross charges for such care. The AGB will be calculated on at least an annual basis. A revised AGB percentage will be calculated annually and applied by the 45th day after the first day of the start of the fiscal year used to determine the calculations. Beaumont Health will permit members of the public to readily obtain, in writing and free of charge, Beaumont Health’s actual AGB percentage as well as the manner in which Beaumont Health calculated such percentage. Also, consistent with Michigan law, for uninsured patients with incomes up to 250% of the federal poverty level, the maximum payment that will be required is 115% of the Medicare rate for such services.
3. Beaumont Health shall make reasonable efforts to determine whether an individual is eligible for financial assistance before engaging in any “extraordinary collection actions” as such term is defined in Section 501(r)(6) of the Code. Beaumont Health shall adopt a specific billing and collections policy consistent with Section 501(r)(6) of the Code, separate and apart from this policy, and shall both widely publicize and make copies of the billing and collections policy available. The billing and collections policy will define extraordinary collection actions, define the notification period for informing patients about the financial assistance policy, describe the procedures applicable to incomplete applications for financial assistance and describe the actions Beaumont Health, or an authorized party, may take in the event of nonpayment.

E. FINANCIAL INCOME CRITERIA EVALUATION

Household income will be the base factor in determining eligibility for financial assistance.

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Household income is a measure commonly used by the United States government and private institutions. Each household is measured by the income of every resident over the age of 15. Income includes wages and salaries, unemployment insurance, disability payments, child support payments received, regular rental receipts, as well as any personal business, investment, or other kinds of income received routinely. Whenever possible the person requesting financial assistance should provide a copy of his complete Federal Tax Return along with Michigan Tax return to assist in determining “household” income. Components of the evaluation process include:

1. Dependent Status

If the patient is claimed as a dependent on parent’s or adult child’s tax return, the income of the party claiming the other as a dependent will be considered as the basis for determining eligibility.

2. Proof of Income

Patients requesting financial assistance must provide the latest filed tax return along with their most recent pay stubs, social security payments, etc. to establish current income. If current income has dramatically changed from amounts reflected on the latest filed tax return, consideration may be given to suspending a decision regarding approval of financial assistance if there is a reasonable basis to assume income levels will revert back to previous levels.

3. Evaluating Income

Each incident of care and bill is separate and distinct. Qualifications for financial assistance on a particular bill, does not automatically qualify a patient for similar assistance with future services or items received.

4. Assets

Patients requesting financial assistance are required to provide a listing and estimated value of all assets, i.e. primary and secondary homes, stocks, mutual funds, vacant land, motor vehicles, etc. When determining eligibility for financial assistance these assets will be considered.

5. Retirement Accounts

Retirement accounts will be recognized based on their value as an annuity, with the annual equivalent value added to household income. Twenty five years will be used as the duration of the annuity and 3.5% will be used as the annual growth rate.

6. Proxy Information

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If patients are unable to provide complete financial and/or social information, income must be verified in some manner to qualify for financial assistance. Therefore, some cases may be determined based on available resources.

Determination of qualifying for financial assistance or financial assistance is subject to change if it is discovered that information was withheld, if additional information is received at any time, or if circumstances change at any time prior to payment of the current account. If information provided is later determined to be inaccurate the patient is subject to provide payment for services or items received.

F. NOT ELIGIBLE FOR FINANCIAL ASSISTANCE

If it is determined after complete evaluation of the Application that a patient does not qualify for financial assistance under this policy, and the patient does not have insurance, the Uninsured patient Pay Discount policy will apply.

G. COORDINATION WITH EMERGENCY CARE POLICY

At all times, Beaumont Health shall maintain an emergency medical care policy that requires it to provide, without discrimination, care for emergency medical conditions (within the meaning of the Emergency Medical Treatment and Labor Act (EMTALA), section 1867 of the Social Security Act (42 U.S.C. 1395dd)) to individuals regardless of their eligibility under this policy. At no time will any Beaumont Health personnel or Beaumont Health contractors engage in any actions that discourage individuals from seeking emergency medical care without discrimination, which includes requiring pre-payment of any fees or conducting debt collection activities in the Emergency Center or in other hospital venues where such activities could interfere with the medical screening examination or stabilizing treatment of an emergency medical condition.

H. PUBLICATION OF FINANCIAL ASSISTANCE POLICY

This policy shall be widely publicized to the communities served by each Beaumont Health. Accordingly, at a minimum, Beaumont Health shall take the following actions in a manner consistent with Section 501(r) of the Code, and any related regulations, to widely publicize this financial assistance policy. Beaumont Health shall provide the following:

- This policy, the Patient Financial Assistance Application (Application) (including instructions for completing the Application), and a plain language summary of the policy on Beaumont Health website. Beaumont.org

Notice of the availability of patient financial assistance and instructions for patient eligibility evaluation and how to obtain a copy of this policy via: (i) conspicuous public displays in the Emergency Center, Registration sites, and other patient reception areas; (ii) patient brochures and plain language summary copies of this policy available in the Emergency Center,

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Registration sites, and other areas as appropriate; and (iii) statements in patient bills advising patients if they need assistance with paying the bill, they may qualify for financial assistance, and how to obtain a copy of this policy.

- Paper copies of this policy, the Application (including instructions for completing the Application), and a plain language summary of this policy upon request and without charge, both in public locations in the hospital facility and by mail.
- Beaumont Health sites where this policy and the Application (including instructions for completing the Application) are available are listed on the attached Appendix B.

In addition, Beaumont Health shall inform and notify residents of the community served by Beaumont Health about this policy in a manner reasonably expected to reach those members of the community, who are most likely to require financial assistance and use any other methods of publication or distribution as determined by Beaumont Health Hospital to widely publicize this policy.

Beaumont Health will prepare a plain language summary of this policy, which will include:

- A brief description of eligibility requirements and assistance offered under this policy;
- A direct website address and the physical location where copies of this policy and the Application (including instructions for completing the Application) can be obtained;
- Instructions on how to obtain a free copy of this policy and the Application (including
- The contact information (i.e., telephone number and Beaumont hospital address) of a staff member who can provide information about this policy and the Application, as well as contact information for any nonprofit organization or government agency identified as capable sources of assistance with Beaumont Health’s Application; and
- A statement that no individual who qualifies for financial assistance, for emergency or medically necessary care, will be charged more than the amounts charged to individuals who have insurance coverage for such care.

To apply for financial assistance or for additional information on the Financial Assistance Policy, you may contact the customer service group relevant to your location of service:

Beaumont Hospital – Grosse Pointe, Beaumont Hospital – Royal Oak, Beaumont Hospital –Troy, Beaumont Hospital – Farmington Hills:

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Customer Service Call Center at 1-248-577-9600

Beaumont Hospital – Dearborn, Beaumont Hospital – Wayne, Beaumont Hospital – Taylor, and Beaumont Hospital – Trenton:
Customer Service Call Center at 1-800-858-9503

Appendix A: Mailing address for completed financial assistance applications

Beaumont Hospital – Grosse Pointe, Beaumont Hospital – Royal Oak, Beaumont Hospital – Troy, Beaumont Hospital – Farmington Hills
Beaumont Health System
750 Stephenson Highway
P.O. Box 5042
Troy, Michigan 48083

Beaumont Hospital – Dearborn, Beaumont Hospital – Wayne, Beaumont Hospital – Taylor, and Beaumont Hospital – Trenton
Beaumont Health
Financial Advocate Department
15500 Lundy Parkway, Suite 101
Dearborn, MI 48126

Appendix B: Location for further Application assistance and/or information, by location of Service

Beaumont Hospital – Grosse Pointe:
(attn.: Patient Financial Services)
468 Cadieux Rd
Grosse Pointe, MI 48230

Beaumont Hospital – Royal Oak:
(attn.: Patient Financial Services)
3601 W 13 Mile Rd
Royal Oak, MI 48073

Beaumont Hospital – Troy:
(attn.: Patient Financial Services)
44201 Dequindre Rd
Troy, Michigan 48085

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Beaumont Hospital – Farmington Hills:
(attn.: Financial Counseling)
 28050 Grand River
 Farmington Hills, Michigan 48336

Beaumont Hospital – Dearborn, Beaumont Hospital – Wayne, Beaumont Hospital – Taylor, and Beaumont Hospital – Trenton:
(attn.: OakAssist)
 18101 Oakwood Blvd
 Dearborn, Michigan 48124

Appendix C: Point of escalation for applications by location of service

Beaumont Hospital – Grosse Pointe, Beaumont Hospital – Royal Oak, Beaumont Hospital – Troy: Beaumont Hospital Vice President

Beaumont Hospital – Farmington Hills: President- Beaumont Farmington Hills

Beaumont Hospital – Dearborn, Beaumont Hospital – Wayne, Beaumont Hospital – Taylor, and Beaumont Hospital – Trenton: Beaumont Health Vice President of Revenue Cycle

Appendix D: List of providers covered under the Beaumont Health Financial Assistance Policy (See attachment tab – upper right corner)

- Beaumont Hospital – Grosse Pointe, Beaumont Hospital – Royal Oak, Beaumont Hospital – Troy:
- Beaumont Hospital – Farmington Hills:
- Beaumont Hospital – Dearborn, Beaumont Hospital – Wayne, Beaumont Hospital – Taylor, and Beaumont Hospital – Trenton:

CORPORATE AUTHORITY:

Beaumont Health (“BH”) as the corporate parent to William Beaumont Hospital, Botsford General Hospital, and Oakwood Healthcare Inc., (“Subsidiary Hospitals”) establishes the standards for all policies related to the clinical, administrative and financial operations of the Subsidiary Hospitals. The Subsidiary Hospitals, which hold all health facility and agency licenses according to Michigan law, are the covered entities and the providers of health care services under the corporate direction of BH. The Subsidiary Hospitals’ workforces are collectively designated as BH workforce throughout BH policies.