

<b>University of Pennsylvania Health System Health Services Policy and Procedure</b>	<b>Effective: 1/01/19 Page: 1 of 12</b>
<b>Subject:</b>  <b>Financial Assistance Policy</b>	<b>Number: 03-11</b>

Keywords

Free Care  
Uninsured  
Under insured  
Financial counseling  
Financial assistance  
Charity Care

See Also

HUP #1-12-17 “Non-Discrimination”  
  
PPMC #02.100 “Non-Discrimination”  
  
PAH #CC1 “Admission of Patients”  
  
HUP #1-12-26 “Patient Rights/  
Responsibilities”  
  
PPMC #02.106  
“Patient Rights/Responsibilities”  
  
PAH #RE 11  
“Patient...Rights/Responsibilities”  
  
HUP #1-12-58 “Interfacility Transfer  
of Patients”  
  
PPMC #02.107 “Interfacility Transfer  
of Patients”  
  
PAH #CC9 “Transfer of Patients”

**POLICY**

As part of Penn Medicine and the University of Pennsylvania Health System (UPHS), the Hospital of the University of Pennsylvania (HUP), Penn Presbyterian Medical Center (PPMC), Pennsylvania Hospital (PAH), The Chester County Hospital, Neighborhood Health Agencies Inc., Clinical Care Associates (CCA) and the Clinical Practices of the University of Pennsylvania Health System (CPUP), Penn Care at Home, Penn Home Infusion Therapy, Wissahickon Hospice and Penn Center for Rehabilitation and Care (PCRC), (collectively the “Entities”) provide urgent/emergent medical services without regard to ability to pay. Admission and treatment are provided to all patients equitably, with dignity, respect and compassion without regard to age, race, color, national origin, ancestry, ethnicity, genetic information, culture, socio-economic status, domestic or sexual violence status, source of income, source of payment, veteran status, religious creed, gender, physical or mental disability, marital status, gender orientation, or sexual preference and in accordance with the requirements of the Patient Protection and Affordable Care Act.

Patients are expected to cooperate with the financial assistance counseling process and fulfill their financial commitments to the entities. Persons, who qualify for full financial assistance as stated in this policy, may apply for full financial assistance at any time during the treatment cycle or up to 1 year following the date of service.

Persons approved for full financial assistance or other assistance programs receive the same level of care as any other patients. The entities will offer financial counseling and assistance programs to patients in the categories identified in this policy to assist patients who cannot pay for all or part of their care. For a complete list of all UPHS

Providers please visit:

<https://www.pennmedicine.org/providers>. Please note that providers on this site who are identified as NOT employed by Penn Medicine are not subject to this policy.

<b>Supersedes: 07-01-16</b>	<b>Issued by:</b>  <u>/s/ Ralph Muller</u> Ralph Muller, CEO, University of Pennsylvania Health System
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## PURPOSE

It is the purpose of this policy to formalize the procedure which the entities have uniformly implemented regarding potential financial assistance cases.

## SCOPE

This policy applies to all patients seeking care at UPHS and any of the Entities as well as the Entities providing that care.

## IMPLEMENTATION

Financial Counselors, Collectors, Supervisors, Managers, Practice Administrators, and Personnel are responsible for implementing this policy.

## DEFINITIONS

1. **Full Financial Assistance:** Healthcare services that have been or will be provided but are never expected to result in cash flows. Full financial assistance results from a provider's policy to provide healthcare services free or at discount to individuals who meet the established criteria.

When it has been determined that a patient is not eligible for coverage by external sources of funding, the following categories and criteria will be used in determining eligibility for full financial assistance.

- Have limited or no health insurance
- Have applied for government assistance, such as Medicare or Medicaid, but did not qualify
- Demonstrate financial need
- Reside in the primary service area of a Penn Medicine provider (50-mile radius from any Penn Medicine provider)
- Supply Penn Medicine with necessary information about household finances

Financial assistance may be available for both the uninsured and underinsured and may be approved as either full or partial free care or premium payments. Applications are available at any UPHS location upon request. Please follow the link to find a location near you: <https://www.pennmedicine.org/for-patients-and-visitors/penn-medicine-locations>. Applications can also be found online using the following link: <https://www.pennmedicine.org/for-patients-and-visitors/patient-information/insurance-and-billing/billing-and-financial-assistance>.

Please mail completed application form and copies of your proof of income materials to:

Penn Medicine  
Attn: Financial Assistance  
1500 Market Street  
UM600  
Philadelphia, Pa 19102

If you have any questions, assistance is available.

Please call toll-free. 1-800-406-1177 or go to <https://www.pennmedicine.org/for-patients-and-visitors/penn-medicine-locations> to find a UPHS location that can assist you.

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Additional information is also available on the web at:

<https://www.pennmedicine.org/for-patients-and-visitors/patient-information/insurance-and-billing/billing-and-financial-assistance>

2. **Uninsured:** The patient has no level of insurance or third party assistance or has lost their insurance due to a life changing event such a loss of job or some other circumstance that has caused an interruption to assist with meeting his/her payment obligations.
3. **Underinsured:** The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.
4. **Gross Charges:** The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.
5. **Premium Payment and COBRA Assistance:** This occurs when an established patient experiences an interruption of insurance due to their inability to pay their insurance premiums
6. **Medically Necessary Care:** A term used to describe the supplies and services provided to diagnose and treat a medical condition in accordance with the standards of good medical practice and the medical community.

## PROCEDURE

- Patients will be considered for full financial assistance on an account-by-account basis. Applications will not be retroactively accepted on paid accounts. Patient Accounting may request new applications periodically. Since UPHS must balance what is compassionate and equitable with what is financially reasonable, total household income and resources (ex. pay stubs, profit and loss statement, pension or retirement income statements, dividends and interest income statements, social security 1099 forms or award letters, rent or royalty income statements, unemployment or workers' compensation award letters, proof of alimony and/or child support, most recent tax return with a W2, etc.) will be taken into consideration when considering applications for full financial assistance.
- In addition to the categories and criteria set forth in this policy (total household income and resources), applicants will be given special consideration for elective medically necessary services provided that they reasonably cooperate in exploring available assistance programs.
- The process for patients seeking care who are not U.S. Citizens will be handled on a case-by-case basis.
- Patients who do not cooperate with the financial counseling process, or whose application for full financial assistance is denied by UPHS, may be pursued by collection efforts, including referral to an outside collection agency or attorney, as determined by Patient Accounting.

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- A request for full financial assistance can be initiated either at point of Registration, Financial Counselor interview, or Collector/follow up stage. Patients will first be asked to complete an application for full financial assistance that will require full income verification. If the person chooses not to participate in full financial assistance screening but qualifies for consideration based on the Policy’s definitions, a standard discount will be offered equal to 115% of Medicare Allowable for that service. Should the service not have a Medicare Allowable available then Penn Medicine will use amounts generally billed (AGB) as a discount of gross charges. Individuals will not be charged more than amounts generally billed for emergency or other medically necessary care. This discount is calculated by 115% of Medicare Allowable or if necessary a “look back” review on amounts that were generally billed in the previous year for all payers. It is expressed as a percentage of gross charges. Patients who desire additional discounts will be subject to Financial Assistance review, using the following steps:
  - i. Patients must cooperate with Pennsylvania (PA.) Medical Assistance applications when applicable. Patients who do not cooperate with PA. Medical Assistance but are known to have no financial resources will be given assistance as determined by Patient Accounting.
  - ii. Financial Counselor will evaluate potential eligibility for outside funding sources and review application process with the patient/family. If feasible, the Financial Counselor will complete the applications for outside funding and set up an appointment for the patient to return with required documents. Should the patient not return for the appointment, the account may be referred for collection and if authorized by the Vice President for Patient Accounting, reported to credit agencies consistent with the Fair Credit Reporting Act.
  - iii. If the patient is not eligible for outside funding, the Financial Counselor will document the patient’s financial status and request income verifications, including but not limited to pay stubs, profit and loss statement, pension or retirement income statements, dividends and interest income statements, social security 1099 forms or award letters, rent or royalty income statements, Unemployment or workers’ compensation award letters, Proof of alimony and/or child support, most recent tax return with a W2, etc.
- If the patient’s income is under 300% of the Federal Poverty Guidelines the patient will be approved for full financial assistance; if the income is above this level, the Financial Counselor will complete a full assessment and determine the patient’s monthly available income.
- If the patient’s income is over 300% of the Federal Poverty Guidelines and the balance due is 10% or greater than their annual income. The patient may qualify for a discount outlined in Attachment A.
- Financial Assistance Policy (FAP) eligibility determinations are generally made within 5 business days of a completed application. Financial assistance approvals are valid for the current episode of care, such episode of care to be based on the clinical determination of the Attending Physician or

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the Entity/UPHS Chief Medical Officer. However, new applications may be requested at any time. Approval for full financial assistance does not apply to or affect prior financial arrangements established with other Departments or entities within Penn Medicine.

UPHS will consider other factors in the patient/family financial situation, should there be other critical expenses, not related to the patient’s medical care, that make payment of the financial obligation impossible, such as caring for a disabled family member. If the patient worksheet indicates the patient can make payments but refuses, the case is to be referred for collection.

- Patients whose whereabouts are unknown (skips) are recorded as free care, without application, and the account adjusted,
- The Financial Assistance Write-Off Sheet is completed and referred for approval and signature.
- **SIGNATURE AUTHORIZATION:**

Staff/Supervisor	up to	\$50,000
Manager, Patient Accounting	up to	\$100,000
Director, Patient Accounting	up to	\$250,000
Assoc. Vice President, Patient Accounting	up to	\$500,000
Vice President, Patient Accounting	over	\$500,000

Complete eligibility guidelines are on page 7. These guidelines should be reviewed with the patient and the patient should be offered assistance in completing the application.

This policy also applies to persons requiring out-Patient Pharmacy items. For further information, the patients should be referred to the Financial Counselors, who then will assist patients in completing applications for free or reduced cost drugs from the pharmaceutical companies when available.

UPHS does not grant routine waivers or reductions to patient/family financial obligations, including co-payment, co-insurance and deductible obligations. Any waiver or reduction must comply with applicable law and requires an individual determination of the situation and/or reason for the request.

UPHS does not provide discounted services or professional courtesy based on a patient’s relationship to any UPHS physician or any other provider, or to any Officer or Director of UPHS or its entities. These patients are subject to the same rules that apply to all patients regarding financial responsibility for services provided by UPHS.

In limited circumstances not related to a patient’s/family’s ability to pay, non-routine reductions in or waivers of patient/family obligations, including co-payment, co-insurance and/or deductible obligations, may be approved by a member of Entity Senior Management or a representative of the Office of General Counsel. Waivers or reductions, including “insurance only billing” or cessation of collection efforts, may be appropriate in limited circumstances for risk management or other lawful administrative purposes.

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Notification about financial assistance available from UPHS, which shall include a contact number, shall be disseminated by various means, which may include, but are not limited to, the publication of notices in patient bills. UPHS also shall publish and widely publicize a summary of this full financial assistance policy on facility websites, in brochures available in patient access sites and at other places within the community served by the hospital as UPHS may elect.

**Presumptive Financial Assistance Eligibility.** There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence that the account is not collectible and eligible for full write off. In the event there is no evidence to support a patient’s eligibility for full financial assistance, UPHS could use outside agencies in determining estimate income amounts for the basis of determining full financial assistance eligibility or collectability. Presumptive eligibility may be determined on the basis of individual life circumstances that may include, but are not limited to the following:

1. State-funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
7. Low income/subsidized housing is provided as a valid address; and
8. Patient is deceased with no known estate.

**PREMIUM/COBRA ASSISTANCE**

Financial Assistance is available for premium payments or continuation of COBRA for established patients who are in the course of treatment. The circumstances for which a patient can qualify for this assistance is generally due to loss of employment or other significant change in their economic situation that makes premium or COBRA payments unaffordable. The same process for determining Full Financial Assistance will be followed as documented above.

**PAYMENT PLANS**

UPHS offers interest –free payments up to two years in length, depending upon the balance of the account. Payment plans may be established prior to, at the time of, or after services have occurred. For payment plans established prior to or at the same time of the service, the first month’s payment must be made to establish the plan and the patient must not have any outstanding bills with UPHS unless they are already part of the payment plan.

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## Application Guidelines

Penn Medicine offers financial assistance for its medical care to eligible individuals and families, it is not nor does it take the place of an insurance policy. Based on your financial need, either reduced payments or free care may be available. Individuals cannot be charged more than amounts generally billed for emergency or other medically necessary care. Penn Medicine is committed to caring for all patients equitably, with dignity, respect and compassion without regard to age, race, color, national origin, religious creed, sex, physical or mental disability, veteran status, marital status or sexual preference. Translation to Spanish Vietnamese and 5 other languages for this entire document is currently available online at <https://www.pennmedicine.org/for-patients-and-visitors/patient-information/insurance-and-billing/billing-and-financial-assistance>. Any other translations can be made available upon request within 30 days.

### You may be eligible for financial assistance if you

- Have limited or no health insurance
- Are not eligible for government assistance (for example, Medicare or Medicaid)
- Can show you have financial need
- Are a resident of the primary service area of a Penn Medicine provider
- Provide Penn Medicine with necessary information about your household finances

## About the Application Process

The process for applying for Penn Medicine financial assistance includes these steps:

- Complete the Penn Medicine Financial Assistance Application form in this packet.
  - Include the supporting documents listed in the checklist.
  - Note that you must first explore whether you are eligible for some type of insurance benefits that would cover your care (for example, worker's compensation, automobile insurance, Medical Assistance). We can help direct you to the appropriate resources.

A review of your income and family size will be utilized to determine the level of assistance available to from Penn Medicine. We can help you arrange a payment plan for any remaining balances owed that are not covered by Penn Medicine financial assistance.

- A payment plan will consider your financial situations to set payments that you can manage. See Appendix A for our sliding scale discount table.

Applications are available at any UPHS location upon request. Please follow the link to find a location near you: <https://www.pennmedicine.org/for-patients-and-visitors/penn-medicine-locations>. Applications can also be found online using the following link: <https://www.pennmedicine.org/for-patients-and-visitors/patient-information/insurance-and-billing/billing-and-financial-assistance>.

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Penn Medicine  
Attn: Financial Assistance  
1500 Market Street, UM600  
Philadelphia, Pa 19102

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If you have any questions, assistance is available.

Please call toll-free. 1-800-406-1177 or go to <https://www.pennmedicine.org/for-patients-and-visitors/penn-medicine-locations> to find a UPHS location that can assist you.

Additional information is also available on the web at:

<https://www.pennmedicine.org/for-patients-and-visitors/patient-information/insurance-and-billing/billing-and-financial-assistance>

### **Documentation Checklist**

Your application must include copies of the following documents that apply to you. Please attach copies, not originals, as Penn Medicine cannot return any documents that are sent in with the application. If any of the documents are missing, it will delay processing of your application.

#### **If you have income**

Attach additional proof of your household income, which may include some of the following:

- Pay stubs for previous 30 days
- If you are self-employed, you must include a copy of your Schedule C and/ or profit and loss statement.
- Social Security 1099 forms or award letters.
- Pension or retirement income statements.
- Dividends and interest income statements.
- Rent or royalty income statements.
- Unemployment or workers' compensation award letters.
- Proof of alimony and/or child support.
- Other income.

#### **If You Have No Income**

- If you have no income, send us a letter of support. The person who provides your support must sign the letter.

#### **Letter of Denial of Medical Assistance**

- You need to apply for Medical Assistance and send a copy of your Letter of Denial before we can approve your application

#### **Your Completed and Signed Financial Assistance Application Form**

- Please complete all the parts of the form that apply to you. Note that a separate application must be completed for each individual patient who is requesting financial assistance.

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**APPLICATION FOR FINANCIAL ASSISTANCE:**

(This application applies to all Entities included in the FAP provider list)

Name of Patient: \_\_\_\_\_

Patient's Date of Birth: \_\_\_\_\_

Address: \_\_\_\_\_  
Number and Street                      City                      State                      ZIP                      Country

Daytime Phone Number: \_\_\_\_\_ Alternate Phone Number: \_\_\_\_\_

Employer's Name: \_\_\_\_\_ Spouse's Employer: \_\_\_\_\_

**REQUESTED SERVICES: Check the services for which you are requesting financial assistance.**

These services were provided by (check all that apply):

- Penn Medicine Hospitals                     
 Penn Medicine Physician Services                     
 Penn Medicine Home Care Services

If you have already received a bill, please provide the following:

Account Number: \_\_\_\_\_ Balance Due: \_\_\_\_\_

**HOUSEHOLD INFORMATION: List ALL members of your household who were claimed on your most recent IRS Form 1040 (additional names can be provided on a separate list if necessary)**

<i>Names</i>	<i>Relation to Patient</i>	<i>Age</i>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total Number of Household Members (including the patient): \_\_\_\_\_

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**MONTHLY HOUSEHOLD INCOME:** Give monthly income for yourself and other household members. Please attach a proof of income documents (see documentation checklist).

Self \_\_\_\_\_ Spouse and/or other household members \_\_\_\_\_

Wages/Self-employment	\$ _____	\$ _____
Social Security	\$ _____	\$ _____
Pension or retirement income	\$ _____	\$ _____
Dividends and interest	\$ _____	\$ _____
Rents and royalties	\$ _____	\$ _____
Unemployment	\$ _____	\$ _____
Workers' Compensation	\$ _____	\$ _____
Alimony and Child Support	\$ _____	\$ _____
Other Income	\$ _____	\$ _____
<b>Total Monthly Family Income</b>	\$ _____	\$ _____

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**MONTHLY HOUSEHOLD EXPENSES: Give information about the bills you pay every month.**

Mortgage/Rent: \$ \_\_\_\_\_ Utilities: \$ \_\_\_\_\_ Real Estate Tax: \$ \_\_\_\_\_  
 Food: \$ \_\_\_\_\_ other, please describe: \$ \_\_\_\_\_

Additional Comments:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Disclaimer:** I understand that the information I provide will be used only to determine financial responsibility for my charges at Penn Medicine (hospital, physician or home care) and will be kept confidential. I understand that the materials I send to prove my income and assets will not be returned. I further understand that the information which I submit concerning my annual family income and family size is subject to verification by Penn Medicine. I understand that if any information I have given is determined to be false, it may result in reversing the financial assistance approval and I will be liable for the full amount of all my charges.

My signature authorizes Penn Medicine to verify all information provided on this form. I certify that the above information is true and accurate to the best of my knowledge.

Signature: \_\_\_\_\_

Relationship to Patient: \_\_\_\_\_

Date: \_\_\_\_\_

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**Attachment A**

**Discount grid for income over 300% of Federal Poverty Guidelines.**

<b>% Balance Due to Income</b>	<b>Discount</b>
50% or more	90%
40% - 49%	80%
30% - 39%	70%
20% - 29%	60%
10% - 19%	50%
0% - 9%	0%

The sliding scale discount is to be used when the adjusted income is above 300% of the poverty level based on what the percentage of the balance due is to adjusted income. If the balance is under 10% of the adjusted income then there is no discount, anything higher than that receives a discount according to the above sliding scale.

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