



October 23, 2018

System-Wide Administrative Policies and Procedures of The Queen's Health Systems

Subject: **CHARITY CARE POLICY**

This policy applies to all employees of the following entities, (collectively "Queen's"):

- | | |
|---|--|
| <input type="checkbox"/> The Queen's Health Systems | <input type="checkbox"/> Queen's Development Corporation |
| <input checked="" type="checkbox"/> The Queen's Medical Center (QMC) | <input type="checkbox"/> Queen Emma Land Company |
| <input checked="" type="checkbox"/> QMC – West Oahu | <input type="checkbox"/> Diagnostic Laboratory Services, Inc. |
| <input checked="" type="checkbox"/> QMC at Hale Pulama Mau | <input type="checkbox"/> Queen's Insurance Exchange, Inc. |
| <input checked="" type="checkbox"/> Molokai General Hospital | <input type="checkbox"/> CareResource Hawaii |
| <input checked="" type="checkbox"/> North Hawaii Community Hospital, Inc. | <input type="checkbox"/> All Entities, and any other current and future subsidiaries |

1. PURPOSE

- 1.1. It is recognized that many patients served by The Queen's Medical Center at Punchbowl (QMC/P) and West Oahu (QMC/WO), Molokai General Hospital (MGH) and North Hawaii Community Hospital, Inc. (NHCH) may be unable to access health care services without financial assistance. To be consistent with the mission and values of The Queen's Health System's, each patient's financial ability to pay for hospital services received will be reviewed and objectively considered for charitable care. This policy outlines the process and the qualification requirements for applying charity care discounts for services provided to those uninsured and underinsured patients of QMC/P, QMC/WO, MGH and NHCH.
- 1.2. This policy is consistent with the mission and values of The Queen's Medical Center, Molokai General Hospital and North Hawaii Community Hospital and objectively considers each patient's financial ability to pay for the cost of hospital services.

2. DEFINITIONS

- 2.1. Medically Necessary: Hospital inpatient and outpatient services, and physician services rendered that are reasonable and necessary for the diagnosis and treatment of illness or injury or to improve the functioning of a patient.

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- 2.2. Local, State or Federal Health Care Programs: Local, State, Federal Health Care Programs are Medicare, Medicare Advantage, Medicare Private Fee For Service, Medicaid, QUEST, TRICARE, Department of Veterans Administration or a locally administered program that receives Federal and State funding.
- 2.3. U.S. Coverage: U.S. coverage is either a health plan or insurance carrier which is incorporated in one of the 50 United States or operating within the boundaries of the U.S. (including U.S. territories), or a U.S. government health program (such as Medicare, Medicaid, TRICARE or the VA).
- 2.4. Uninsured: Patient who has no medical insurance coverage and is also referred to as a true self-pay.
- 2.5. Underinsured: Includes patients who:
 - Have medical insurance coverage, however, services provided are not covered by the insurer.
 - Have No Fault coverage for services provided.
 - Only have supplemental insurance coverage to include, but not be limited to, Travel, AARP Indemnity, and AFLAC Indemnity.

4. POLICY

- 4.1. Discounts shall be provided for medically necessary care and health care services to eligible patients for any patient who does not have or cannot obtain adequate financial resources or the means to pay for their medical care.
- 4.2. Health care services provided by independent physicians who are not employed by QMC/P, QMC/WO, MGH and NHCH are not covered by this policy (i.e., anesthesiology, radiology and private practice physicians). Exhibit A (Providers Covered by Policy) is a list of the providers delivering medically necessary care that is covered by this policy.
- 4.3. Every attempt will be made at pre-admission, registration, admission or prior to discharge to screen patients for documentation or evidence of medical insurance for possible eligibility for qualification for Medicaid, Medicaid Managed Care or hospital charity care coverage.

The hospital shall provide assistance and guidance to patients in applying potentially eligible patients to State and/or Federal Health Care Programs.

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- 4.4. Uninsured patients will be informed about the financial assistance application and Charity Care Policy in all oral communications regarding any discussion related to payment.
- 4.5. Charity care discounts do not apply to services that have been denied by Medicaid due to cost share not being met.
- 4.6. Queen Emma Clinics (QEC), Dental Clinic and Pharmacy charges may be discounted to a minimum co-payment.
- 4.7. Charity care discount for qualifying patients under this Charity Care policy is valid for one year starting from the earliest of 1) the financial assistance application submission date or 2) the most recent inpatient date of admission. Qualification will terminate prior to one year when a patient's income changes pursuant to Exhibit A.

A patient may re-apply for charity care discount.

5. ELIGIBILITY

- 5.1. A patient may be eligible for a charity care discount if the patient's annual income meets criteria as set in Exhibit B and the patient has completed the Financial Assistance Application (Exhibit C) including submission of income verification documents.

Income eligibility criteria will be based on U.S. Federal Poverty Level for U.S. citizens and U.S. residents, and country minimum wage for residents of foreign countries and assets less than \$25,000. See Exhibit B.

- 5.2. Patients who have prior or post Medicaid/Quest eligibility will be deemed qualified and the charity care application requirement is waived.

6. HOW TO APPLY FOR CHARITY CARE

- 6.1. A Patient may apply for charity care assistance under this policy by completing and submitting a financial assistance application to any QHS Hospital Patient Access department or to any QHS Business Services department. A copy of a patient's Med-Quest application may be used in lieu of the financial assistance application.
- 6.2. The financial assistance application is available at each hospital's internet website.
- 6.3. Billing statements for uninsured patients will have a written notice that financial assistance is available.

7. PROCEDURE FOR REVIEW OF FINANCIAL ASSISTANCE APPLICATIONS AND CHARITY DISCOUNTS

7.1. To determine the patient's qualification for a discount pursuant to Exhibit B. The charity care application shall be reviewed by Patient Access or Business Services staff to verify the patient's income amounts.

- Both income and asset information will be considered in qualification for a discount. The amount of the discount will be calculated based on percentages in Exhibit B. Payment plans will be arranged for any account balance after the discount.

Patient Access or Business Services staff shall determine the amount of discount based on Exhibit B.

Patient Access or Business Services staff shall notify the patient of the discount, and payment plans will be arranged for any balance after the discount.

7.2. Patient Access or Business Services staff shall review self-pay accounts for patients for whom Medicaid/QUEST eligibility has been verified.

7.3. A patient who is determined to be entitled to financial assistance under this policy will not be charged more for hospital services than the amount generally billed by the hospital for such emergency or other medically necessary care. Consistent with federal regulations, the hospital sets the amount generally billed at the total amount that the Medicare fee-for-service program allows for the care (i.e., the total amount Medicare and the Medicare beneficiary pay together).

7.4. All uninsured patients who meet the income and assets criteria listed in Schedule B, are presumptively eligible for the lowest level of discount. The hospital will notify such patients that they may apply for financial assistance under this policy.

7.5. Those uninsured patients who do not meet the eligibility for financial assistance may be entitled to the 30% self-pay discount available to all uninsured patients under the Self-Pay Discount and Package Pricing Policy SW-xx-072.

8. ACTIONS THAT MAY BE TAKEN IN THE EVENT OF NON-PAYMENT. Hospitals may take the following actions in the event that a patient does not pay a bill for medical care and reasonable collection actions have been made.

8.1. Patient's account may be assigned to a collection agency.

8.2. Legal collection actions against the patient for any unpaid account may be taken within the following limitations:

- Patient account aging must be at least 120-days from the date of the first post-discharge billing statement to the patient for the care.
- Hospital has made reasonable efforts to determine whether the patient is eligible for financial assistance under this policy.
- A reasonable effort to verbally notify the patient about this policy and how the patient may obtain financial assistance and application process has been attempted.
- Accounts in which the patient initiates legal action against a third party due to injuries received are exempt from the above limitations.
- Account has been approved by QHS Legal Department for legal collection action.

9. ACCOUNT DOCUMENTATION AND PROCESSING

- 9.1. All patient contact related to a financial assistance request and all charity care validations/verifications, shall be documented in each patient's account records.
- 9.2. Once qualifications have been determined, timely adjustments of the charity care shall be processed and documented.

10. COMMUNICATION OF THE CHARITY CARE POLICY TO PATIENTS AND THE PUBLIC

- 10.1. Notification of charity care availability shall be disseminated by various means which include, but not limited to, publication of notices in patient bills and posting of notices in hospital departments and in admitting and registration areas. Information shall also be included in each hospital's internet website.

Charity Care Policy Plain Language Summary is attached as Exhibit D.


- 10.2. A paper copy of this Charity Care Policy is available upon request and without charge from any Patient Access representative or any Business Services Account Representative at any hospital location.

A translated copy of the Financial Assistance Policy, Financial Assistance Application and Financial Assistance Policy Plain Language Summary is available in Japanese, Samoan, Vietnamese, Korean, Chinese, Tongan, Chuukese, and Tagalog.


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- 10.3. Copies of this policy will be distributed to Hawaii community organizations whose members are likely to require financial assistance from the hospital facility (e.g. Institute for Human Services, Kokua Kalihi Palama, Waianae Coast Comprehensive Health Center, Waimanalo Health Clinic).

If you have any questions regarding this policy, please contact the Billing Inquiry Department at 691-5300.



Mich Riccioni
Executive Vice President and
Chief Financial Officer



Arthur A. Ushijima
President and Chief Executive Officer

Attachments: Exhibit A – Providers Covered by Policy
 Exhibit B - Income & Assets Discount Qualifiers
 Exhibit C – Financial Assistance Application
 Exhibit D – Charity Care Policy Plain Language Summary

Approved By: QHS System Leadership Council on October 5, 2018.
Approved by: QHS Board of Trustees on October 23, 2018.

Distribution: All Queen's Companies and Affiliates

This policy/procedure is for The Queen's Health Systems and its affiliates, and is not to be disseminated to any other organization or person without prior approval.

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Exhibit A

The providers listed at the following websites are covered under this policy:

https://www.queens.org/media/file/QueensMedicalCenter_EmployedPhysicians_2018.pdf

https://www.queens.org/media/file/MolokaiGeneralHospital_CoveredProviders_2018.pdf

https://www.queens.org/media/file/NorthHawaiiCommunityHospital_EmployedPhysicians_2018.pdf

**THE QUEEN'S HEALTH SYSTEMS
CHARITY CARE POLICY**
Confidential and Proprietary

**EXHIBIT B
INCOME & ASSET QUALIFIERS AND DISCOUNT RATES**

Financial Criteria for				
1. US Citizens 2. Individuals born in Puerto Rico, US Virgin Islands, Guam 3. Resident Aliens with green cards 4. Citizens of US Compact of Free Association nations.				
Asset Qualifying Level	Income Qualifying Level	QHS Discount	Income Qualifying Level	QHS Discount
< \$25,000	< 150% of US Federal Poverty Level	100%	> 150% and < 250% of US Federal Poverty Level	65%

Financial Criteria for Citizens of foreign countries (not listed above)				
Asset Qualifying Level	Income Qualifying Level	QHS Discount	Income Qualifying Level	QHS Discount
< \$25,000	< 150% of Resident's country's minimum wage	100%	> 150% and < 225% of Resident's country's minimum wage	65%

* use current currency conversion rate.

** income limits may be adjusted in 25% increments due to family sizes > 3.

COPAYMENTS	
<u>Amount</u>	<u>Clinic / Department</u>
\$15	QEC office visit
\$25	Dental Clinic visit
\$xx	Minimum for RX, determined by Pharmacy

The Queen's Health Systems - Hawaii

ACCT. OR MRN _____

Financial Assistance Application

PATIENT INFORMATION				
PATIENT NAME	SSN and/or DATE OF BIRTH		CONTACT PHONE NO.	
PATIENT SPOUSE	SSN and/or DATE OF BIRTH		OTHER RESPONSIBLE PARTY and SOCIAL SECURITY NO.	
HOME ADDRESS <input type="checkbox"/> OWN <input type="checkbox"/> RENT	STREET	CITY	STATE	ZIP
LIST ALL DEPENDENTS				
NAME	AGE	RELATIONSHIP	NAME	AGE
			RELATIONSHIP	
1.			3.	
2.			4.	
FINANCIAL and EMPLOYMENT INFORMATION				
List all sources of household income (Employment, Disability, Social Security, Unemployment, etc.)				
Name of person receiving income	Income source (employer/position)		Annual amount of income	
Total annual household income			\$	
Assets greater than \$3,000 <input type="checkbox"/> No <input type="checkbox"/> Yes (list below)			Amount	
Total assets			\$	
	DEBTOR	AMOUNT OWED	MONTHLY PAYMENT	
FOOD \$	1.	\$	\$	
UTILITIES \$	2.	\$	\$	
RENT/MORTGAGE \$	3.	\$	\$	
CAR PAYMENT \$	4.	\$	\$	

LOCAL, STATE, FEDERAL HEALTH CARE AND OTHER FINANCIAL AID PROGRAM INFORMATION

Have you applied for QUEST or Medicaid? No _____ Yes _____ Date Applied _____

Result of application and reason for denial, if applicable: _____

The Queen's Health Systems - Hawaii
Financial Assistance Application

ACCT. OR MRN _____

Documents Needed To Process Your Application

Attach documentation (if not previously submitted) on your identity, income and assets:

1. ___ Your driver's license, birth certificate and/or other picture ID or alien card
2. ___ Two most current pay stubs
3. ___ Bank/Credit Union statements for current month
4. ___ Bank/Credit Union statements for two previous months
5. ___ Appraisals or ownership documents for property, motor vehicles, stocks and bonds, jewelry, life insurance and items of value; and provide verifications of any balance due
6. ___ Receipts for rent and any expenses

NOTE:

- ***If married, patient and spouse are required to sign the Discounted Care Policy Application and verifications are required for both.***
- ***Applications are accepted at each hospital location.***
- ***Mail completed application and verifications to:***

***The Queen's Medical Center, Attention Business Services
P.O. Box 861, Honolulu HI 96808-0861***

***The Queen's Medical Center West Oahu
91-2141 Fort Weaver Road, Ewa Beach, HI 96706***

***Molokai General Hospital
280 Home Olu Place, Kaunakakai, HI 96748***

***North Hawaii Community Hospital
67-1125 Mamalahoa Highway, Waimea, HI 96743***

I certify that the above is true and correct and is a complete list of all income/assets and expenses/liabilities. You are authorized to obtain such information as you may require to verify the accuracy of the above statements and representations. I understand that any intentional omissions of information will disqualify me from any Discounted Care Program offered by the Queen's Medical Center or subject me to legal action to recover discounted care already approved.

PATIENT SIGNATURE

DATE

PATIENT SPOUSE/OTHER RESPONSIBLE PARTY SIGNATURE

DATE

THE QUEEN'S HEALTH SYSTEMS

Charity Care Policy Plain Language Summary

Exhibit D

OVERVIEW: The Queen's Health Systems Hospitals (The Queen's Medical Center at Punchbowl and West Oahu, Molokai General Hospital and North Hawaii Community Hospital) are committed to providing medical services to patients and objectively considers each patient's financial ability to pay for the cost of hospital services.

Financial Assistance Policy (Charity Care)

The Financial Assistance Policy, also known as Charity Care, offers emergency and other medical necessary services at low or no cost to the patient. A discounted rate is applied to an eligible patient who does not have or cannot obtain adequate financial resources to pay for their medical care. Our staff will assist individuals, free of charge, in applying for eligible governmental health insurance programs, such as Medicare and Medicaid/ Quest. Upon approval of the Financial assistance application, individuals will receive a 100% or 65% discount.

Applicants may be screened for Medicaid eligibility and requested to cooperate with applying for Medicaid-Quest.

Eligibility Requirements

Financial assistance is generally determined by a sliding scale of total household income based on Federal Poverty Guidelines for US citizens and US residents or based on country minimum wage annualized for non-US citizens and non-US residents.

How and Where to Obtain Information and Assistance Regarding Our Financial Assistance Policy

Please visit the Patient Access or Business Services offices at any of our hospitals where a representative will provide you with an application upon request.

You may also contact a Patient Account Representative at (808) 691-5300, Monday through Friday from 8:00 a.m. to 4:30 p.m. at each hospital (addresses listed at the bottom of this sheet). Applications are available at each hospital.

You may obtain a copy of the Financial Assistance Policy, financial assistance application and this plain language summary at each of the hospital's websites:

www.queens.org/financialassistance

www.molokaigeneralhospital.org/financialassistance

www.nhch.com/financialassistance

Availability of Translations

Financial Assistance Application and Plain Language Summary are available in Japanese, Samoan, Vietnamese, Korean, Chinese, Tongan, Chuukese and Tagalog.

Please return your completed application to the attention of Business Services at:

The Queen's Medical Center Punchbowl, 1301 Punchbowl Street, Honolulu, Hawaii 96813
The Queen's Medical Center West Oahu, 91-2141 Fort Weaver Road, Ewa Beach, Hawaii 96706
Molokai General Hospital, 280 Home Olu Place, Kaunakakai, Hawaii 96748
North Hawaii Community Hospital, 67-1125 Mamalahoa Highway, Waimea, Hawaii 96743