

## **I. Purpose**

The purpose of this policy is to provide the framework under which financial assistance will be made available to patients of Ann & Robert H. Lurie Children's Hospital of Chicago (the "Hospital") and the entities listed in Appendix A. This policy describes the procedure, requirements, and eligibility criteria related to the Hospital's financial assistance program, as well as the actions the Hospital may take in the event of nonpayment.

## **II. Scope and Coverage**

- A. This policy applies to all emergency or medically necessary care provided by the Hospital. This policy is not binding upon providers of medical services who are not employed or contracted by Hospital to provide medical services, including physicians who treat Hospital patients on an inpatient or outpatient basis.
- B. Appendix A of this policy includes information on providers delivering emergency or other medically necessary care at the Hospital whose services are covered as part of this policy. All other non-listed providers services would not be covered under this policy.

## **III. Policy Statements**

- A. In keeping with its mission, the Hospital is dedicated to making health care services accessible to pediatric patients without discrimination based on race, color, religion, disability, sex, gender identity, national origin, sexual orientation, immigration status, or ability to pay, including whether or not the patient is eligible for Financial Assistance, or is medically indigent, or any other legally protected status. The Hospital recognizes and acknowledges the financial needs of its patients and their families who are unable to afford the charges associated with the patient's medical care. In that regard, the Hospital will provide financial assistance, in accordance with this Policy, to certain qualifying patients who receive emergency or other "medically necessary" healthcare services (as defined by Centers for Medicare and Medicaid).
- B. Financial Assistance described within this Policy will be offered in a manner that complies with state and federal requirements and preserves the overall resources of the Hospital so that the Hospital can continue to make health care services available for those children residing in Illinois who are in need of highly specialized care.
- C. Patients and families must cooperate with the Hospital in the identification of, application for, and procurement of payment sources, including public assistance

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where available; such efforts must be exhausted before a patient is eligible for Financial Assistance. Patients and families are expected to notify the Hospital if there is a material change in the patient's or the patient's family's financial status.

- D. To manage its resources and responsibilities, and to allow the Hospital to provide assistance to the greatest number of children in need, the Board of Directors, through the Finance Committee, establishes these guidelines for the provision of Financial Assistance.

#### IV. Definitions

A. *Amounts Generally Billed*: Patients who qualify for Financial Assistance will not be charged more for emergency or other medically necessary services than the amounts generally billed to individuals who have public or commercial health insurance covering such care ("AGB").

- a. In calculating the AGB, the Hospital has selected the "look-back" method. This means that the AGB percentage is based on actual past claims paid to the Hospital by Medicare Fee for Service claims together with all private health insurers paying claims to the Hospital.
- b. The AGB discount percentage will be calculated annually by dividing the sum of all contractual adjustment amounts on claims where the insurance has paid their liability during the prior 12-month period by the sum of the gross charges for those claims. The resulting percentage is then applied to an individual's gross charges to reduce the billed charges to the AGB Percentage.
- c. A revised AGB Percentage will be calculated annually and applied by the 120th day after the start of the calendar year used to determine the calculations.
- d. The AGB percentage is listed in Appendix B.

B *Application Period*: During the Application Period, the Hospital will accept and process an application for Financial Assistance, a copy of which is attached as Appendix B and can be found on the Hospital's website at: <https://www.luriechildrens.org/financial-assistance> ("*Application*"). The Application Period begins on the date the care is provided and ends 240 days after the date that the Hospital provides the first post-discharge billing statement for the care.

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- a. *Completion Deadline:* The completion deadline is the date after which a Hospital may initiate or resume ECAs (as defined below) against an individual who has submitted an incomplete application if that individual has not provided the Hospital with the missing information and/or documentation necessary to complete the application. The completion deadline must be no earlier than the later of (i) 30 days after the Hospital provides the individual with this written notice, or (ii) the last day of the application period.
- b. *Emergency Services:* A medical condition of recent onset and severity that would lead a prudent layperson, possessing an average knowledge of medicine and health, to believe that urgent or unscheduled medical care is required.
- c. *Extraordinary Collection Actions (ECAs):* ECAs are defined as those actions: (1) requiring a legal or judicial process against a patient regarding payment for services provided to patient, (2) involving selling debt to another party, (3) deferring or denying, or requiring a payment before providing, medically necessary care because of an individual's nonpayment of one or more bills for previously provided care, or (4) reporting adverse information to credit agencies or bureaus. The actions that require legal or judicial process for this purpose include (a) placing a lien (unless such lien is against a third party who caused a patient's injury); (b) foreclosing on real property; (c) attaching or seizing of bank accounts or other personal property; (d) commencing a civil action against an individual; (e) taking actions that cause an individual's arrest; (f) taking actions that cause an individual to be subject to body attachment; or (g) garnishing wages. An ECA does not include filing a claim in any bankruptcy proceeding or engaging in certain debt sales as specified by the Internal Revenue Service. The Hospital will not engage in ECAs before it has made Reasonable Efforts to determine if the Patient is eligible for Financial Assistance. Further information on the Hospital's use of ECAs can be found in the Hospital's separate Collections Policy, available upon request or on the Hospital website at [[www.luriechildrens.org/financial-assistance](http://www.luriechildrens.org/financial-assistance)].
- d. *Family Income:* Family Income is defined based on definitions used by the U.S. Bureau of the Census and includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance payments, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Non-cash benefits (such as food and housing subsidies provided through state assistance programs) are not considered income. For the purposes of this policy,

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Family Incomes include income generated by the patient, parent, guardian, or other family member financially responsible for the cost of care provided to the patient by the Hospital.

- e. *Federal Poverty Guidelines ("FPG")*: The Federal Poverty Guidelines are updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2). The FPG, attached to the Policy as Appendix D, shall be adjusted annually in the Policy after their revision and publication by the federal government in the Federal Register.
- f. *Financial Assistance*: Financial assistance means a discount provided to a patient under the terms and conditions a hospital offers to qualified patients or as required by law.
- g. *Financial Council*: The Financial Council is comprised of the Chief Medical Officer, the Chief Financial Officer, the Department Heads of Surgery and Pediatrics or their designees, a representative from the Faculty Practice Plan, and others, as appropriate. The roles and responsibilities of the Council are discussed in this policy further below.
- h. *Free and charitable clinic*: A 501(c)(3) tax-exempt healthcare organization providing health services to low-income uninsured or underinsured individuals that is recognized by either the Illinois Association of Free and Charitable Clinics or the National Association of Free and Charitable Clinics.
- i. *Health Share Programs*: Cost sharing programs that patients use as an alternative to more traditional medical insurance. Lurie Children's is not contracted with any Health Share programs. Any patient that participates with a Health Share program will be considered uninsured.
  - a. *Medically Necessary Services*: Medically necessary means that a service, drug, or supply is necessary and appropriate for the diagnosis or treatment of an illness or injury in accord with generally accepted standards of medical practice at the time the service, drug, or supply is provided. This would not include services that are deemed non-medically necessary, such as cosmetic services.
  - b. *Non-Covered*: Services that are not covered by an individual patient's insurance company. Non-covered services are services patients are responsible for paying on their own when notified in advance. Whether a service is covered varies by insurance policy. For example, Medicare will pay for an annual physical exam as part of a covered service. However, Medicare does not pay for normal dental procedures.

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Non-covered services are eligible for Financial Assistance. If a patient is not notified prior to service delivery that their service or drug is a non-covered services based on feedback from the patients insurance company, they will not be held responsible for the full charges.

- c. *Notification Period:* The Notification Period is defined as the period during which the Hospital must make a Reasonable Effort to notify the patient of this Policy and during which no ECAs will be taken. The Notification Period begins when the Hospital provides the first post-discharge billing statement and ends on the 120th day thereafter.
- d. *Out of Network:* A Patient is considered Out of Network if the provider or the facility providing care does not have a negotiated contract with the Patient's health insurance plan. **Patient liabilities for out of network services are not covered by this Policy.** The Hospital will comply with all applicable rules and regulations, including the federal No Surprises Act, in determining what services are considered Out of Network. The No Surprises Act identifies certain services for which Out of Network patients may not be balance billed (e.g., emergency and post-stabilization services, non-emergency ancillary services) ("Protected Services"). Patients are eligible for financial assistance for costs related to Protected Services.
- e. *Patient:* For the purpose of this policy, patient is recognized to include any parent, guardian, or other family member financially responsible for the cost of care provided to the patient by the Hospital.
- f. *Plain Language Summary:* A clear, concise, and easy to read written statement that notifies an individual that the Hospital offers Financial Assistance and provides additional information, including:
  2. A brief description of the eligibility requirements and assistance offered under this Policy;
  3. A brief summary of how to apply under this Policy;
  4. A listing of a website or location where the Application may be obtained;
  5. Instructions on how to obtain a free copy of the Policy and Application by mail;
  6. Contact information of someone to assist with the process (as well as any other organization that the Hospital has identified to assist with Applications, if the Hospital has chosen to do so);
  7. Availability of certain language translations of this Policy; and
  8. A statement confirming that no Financial Assistance-eligible patient will be charged more than AGB for emergency or medically necessary

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services.

- g. *Reasonable Efforts:* The Hospital will not engage in ECAs to obtain payment for care before making reasonable efforts to determine whether the patient is eligible for financial assistance under this Policy. Reasonable efforts will include the following steps. At least 30 days before taking any ECA, the Hospital will:
9. Provide a Plain Language Summary of the Policy to the patient and offer an Application to the patient prior to discharge from the Hospital;
  10. Send at least one billing statement that includes
    - a. conspicuous written notice of the availability of financial assistance,
    - b. a telephone number of the Hospital where information can be found about the Policy and Application process,
    - c. the direct website address where copies of the Policy, Application and Plain Language Summary of the Policy may be downloaded; and
    - d. written notice of the ECAs that the Hospital intends to initiate to obtain payment for the care, and the deadline after which such ECA's may be initiated; and
  11. Make a reasonable effort to notify the patient orally about the Policy and above how to get assistance with the application process.

The Hospital may provide a copy of the Policy, the Application, and the Plain Language Summary electronically via email and will also make available paper copies of these documents upon request. The Hospital will make the Policy, the Plain Language Summary, the Application, and the Collections Policy available in the languages commonly spoken by limited English proficiency populations that the Hospital serves.

In the case of patients who have submitted an Application, the Hospital takes the following steps:

1. *Incomplete Applications:* If the patient and/or family submits an incomplete Application, the Hospital will:
  - a. Suspend any ECAs against the patient
  - b. Provide written notification that describes what additional information or documentation is needed to complete the application process and includes a Plain Language Summary;



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and

- c. If the Application is completed during the Application Period, the Hospital will follow the steps described below for a completed Application.

2. *Completed Applications*: When the patient and/or family submits a complete Application during the Application Period, the Hospital will:

- d. Suspend any ECAs against the patient
- e. Timely make and document a determination as to whether the patient is eligible for Financial Assistance; and
- f. Notify the patient in writing of the eligibility determination (including, if applicable, the assistance for which the patient is eligible) and the basis for this determination.

3. *Patient Determined Eligible*: When a patient and/or family has been determined to be eligible for Financial Assistance:

- g. In the case of a patient determined to be eligible for Financial Assistance other than free care, the Hospital will provide the patient with a billing statement that indicates (i) the amount owed after subtracting Financial Assistance, (ii) how that amount was determined, and (iii) how the patient can get information on the AGB for the care
- h. The Hospital will refund any excess payments made by the patient within the refund period. The refund period will start the calendar month the application was received, and close when the application is finalized, not to exceed a three month period; and
- i. The Hospital will take all reasonably available measures to reverse any ECAs (other than the sale of a debt or a decision to delay or defer care for non-payment) taken against the patient.

b. *Underinsured*: The state of an individual having some form of health insurance that does not offer complete financial protection. Underinsured patients are eligible for Financial Assistance unless their insurance is Out of Network.

c. *Uninsured*: When a patient is not covered under a policy of health insurance and is not a beneficiary under a public or private health insurance, health benefit, or other health coverage program, including high deductible health insurance plans, workers' compensation, accident liability insurance, or other third party liability. Uninsured Patients are eligible for Financial Assistance. Patients that are insured, but Out of Network, are not considered Uninsured and are not eligible for Financial Assistance..

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### C. Eligibility Criteria

- a. To be considered eligible for free care or care at a reduced rate, the patient or family must apply by completing the Application (*see* Appendix C) and providing supporting documentation.
- b. The Hospital's decision to provide Financial Assistance will be based, at a minimum, on a review of the following specific criteria, which will be fully documented by the patient in the Application (subject to extenuating criteria listed below): income, assets and liabilities of the family at the date of service. The patient or family must provide one or more of the following supporting documents to establish family income (as applicable):
  1. A copy of the most recent tax return;
  2. A copy of the most recent W-2 form and 1099 form;
  3. Copies of the most recent pay stubs;
  4. A signed income verification letter from an employer (if paid in cash);
  5. Social security or disability checks; and
  6. Bank statements.

Failure to provide any of these documents, if required by the Application, may result in a denial of Financial Assistance. The Hospital reserves the right to request additional documentation, as necessary.

- c. The decision to provide Financial Assistance will be based, at a minimum, on a review of the following specific criteria, which will be fully documented by the patient in the Application (subject to Section IV(E) below): income.
- d. The Hospital may, in its sole discretion, consider other extenuating criteria when determining the eligibility of a patient for Financial Assistance, including, but not limited to:
  1. Size of patient's immediate family;
  2. Medical status of the patient's family's main provider(s);
  3. Employment status of patient or patient's guardians along with future earnings potential of the family's main provider(s);
  4. The willingness of the family to work with the Hospital in accessing all possible sources of payment; and
  5. The amount and frequency of Hospital and other health care/medication



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related bills in relation to all other factors considered.

- e. Due to a variety of circumstances, the supporting documentation necessary to demonstrate a patient's eligibility for Financial Assistance may not be available. The Hospital may, in its sole discretion, consider verbal and/or written attestations from the patient or the patient's family about the eligibility criteria.
- f. To be eligible for Financial Assistance, the patient must be an Illinois resident, or a resident of the following Indiana counties (Lake, LaPorte, and Porter). Relocation to the Illinois or Indiana service areas for the sole purpose of receiving health care benefits does not satisfy residency. Acceptable verification of Illinois or Indiana residency may include:
  - 1. Valid state-issued ID card;
  - 2. Recent residential utility bill;
  - 3. Lease agreement;
  - 4. Vehicle registration card;
  - 5. Voter registration card;
  - 6. Mail addressed to the uninsured patient at an Illinois or Indiana address from a government or other credible source;
  - 7. Statement from a family member that uninsured patient resides at the same address and presents verification of residency;
  - 8. Letter from a homeless shelter, transitional house or other similar facility verifying that the uninsured patient resides at the facility;
  - 9. Temporary visitor's driver's license; or
  - 10. Any acceptable family income verification documentation described in Section V above:
- g. This Policy shall apply regardless of the patient's immigration status.
- h. Children who reside in a foreign country are not eligible for Financial Assistance.
- i. Applicants will not be denied Financial Assistance based on race, color, religion, sex, gender identity, sexual orientation, age, national origin, disability, marital status, immigration status, or any other legally protected category.
- j. Any free or discounted care offered under this Policy is subject to review to ensure compliance with this Policy.
- k. The necessity for medical treatment of any patient will be based on the clinical judgment of the healthcare provider without regard to the financial status of the

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patient and/or family. All patients will be treated for emergency medical conditions (within the meaning of Section 1867 of the Social Security Act (42 U.S.C.1395dd)) without discrimination and regardless of their ability to pay or eligibility for free or discounted care.

- l. Applications for Financial Assistance and/or new information as to the factors used to evaluate applications for Financial Assistance (such as a change in family size or income), will be accepted and/or evaluated at any time during the Application Period. It is understood that financial hardship can arise after the date of service. Regardless of the timing of the onset of financial hardship, individual circumstances will be evaluated in any request for Financial Assistance that is properly submitted during the application period.
- m. Families with Family Incomes exceeding the eligibility criteria guidelines stated above can apply and be screened by the Hospital for payment plan consideration.
- n. When a determination of eligibility for Financial Assistance has been made, all accounts of patients within the same family (i.e., with the same parent, guarantor, or financially responsible person) shall be handled in the same manner for care provided for six months following the date of such determination, without the need for completing a new Application. Discounts will be applied to all open self-pay balances. A new Application will be required for care provided more than six months after the initial (or other prior) determination or if information is received that the financial status of the patient or family has significantly changed from the initial evaluation period.
- o. Exceptions to the above criteria may be made by the Vice President of Revenue Cycle up to \$10,000 per encounter for patient or family request made during the financial assistance application review process. A quarterly report will be provided to Council for review of any exceptions granted. Requests over \$10,000 will be presented to the Council for approval.

**D. Presumptive Eligibility**

- a. The list below is representative of circumstances under which a patient is deemed to be presumptively eligible for a 100 percent reduction (i.e., free care for emergency or other medically necessary services) upon providing Hospital with (1) an attestation by the patient or his/her legal guardian or representative of the patient's satisfaction of one or more of these criteria and/or (2) documentation of the patient's participation in one or more of these programs or life circumstances, and any other reasonable documentation requested by the Hospital (to the extent

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applicable):

- b. The list below is representative of circumstances under which a patient is deemed to be presumptively eligible for a 100 percent reduction (i.e., free care for emergency or other medically necessary services) upon providing Hospital with (1) an attestation by the patient or his/her legal guardian or representative of the patient's satisfaction of one or more of these criteria and/or (2) documentation of the patient's participation in one or more of these programs or life circumstances, and any other reasonable documentation requested by the Hospital (to the extent applicable):

1. Enrollment in any of the following assistance programs for low-income individuals having eligibility criteria at or below 200% of FPG:

- a. State funded prescription programs;
- b. Women's Infants, and Children's Programs (WIC);
- c. Supplemental Nutrition Assistance Program (SNAP);
- d. Illinois Free Lunch and Breakfast Program;
- e. Low Income Home Energy Assistance Program (LIHEAP);
- f. Recipient of grant assistance for medical services;
- g. Receiving medical care from an organized community-based program that assesses and documents low-income financial status as criteria; and
- h. Low income/subsidized housing is provided as a valid address;

2. Mental incapacitation with no one to act on patient's behalf;

3. Patient states that he/she is homeless;

4. Deceased with no estate;

5. Medicaid eligibility, but not on date of service

Or,

6. Recent Personal Bankruptcy.

- c. If a patient is approved for Presumptive Eligibility, and they have made previous payments on outstanding balances, those balances are not eligible for refund based on the new approval for presumptive eligibility.

- d. When a patient is approved for presumptive eligibility, all outstanding balances on the patients account should be adjusted. This would included current and aged balances prior to the application period.

#### **E. Calculation of Free or Discounted Care**

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- a. The Hospital will limit amounts charged to patients eligible under this Policy to not more than AGB or the amounts set forth in the chart found in Section VII.C. below (whichever is less). A billing statement issued by Hospital to the patient/family who is eligible for Financial Assistance may state the gross charges for the patient's care and apply contractual allowances, discounts, or deductions to the gross charges, provided that the actual amount that the individual is personally responsible for paying is the lessor of the AGB or the amount set forth in Section VII.C.
- b. The levels of Financial Assistance provided by the Hospital are based on Family Income and FPG. FPG updates are generally published annually, and the Hospital updates its policies with the most recently released FPG (see Appendix D).
- c. The discount amounts are calculated as shown below:

Family Income as % FPG	% Family Obligation	Lurie Children's Charity %
0-300	0%	100%
301-325	20%	80%
326-350	40%	60%
351-375	60%	40%
376-400	80%	20%
>400	100%	0%

- a. For uninsured patients eligible for discounted care, that currently fall under the 600% FPL threshold, the Hospital additionally provides an uninsured patient discount. This discount calculates 135% of Cost as Calculated in Medicare Cost Report Worksheet C whenever Financial Assistance is considered. The Hospital will then adjust the Family's liability by the discount calculation that is most beneficial to the patient for all medically necessary health care services exceeding \$150 in any one inpatient admission or outpatient encounter.
  1. For insured patients eligible for discounted care, the Hospital additionally calculates the AGB amount. The Hospital will then adjust the Family's liability by the discount calculation that is most beneficial to the patient.
- b. In compliance with the Illinois Uninsured Patient Discount Act, the Hospital shall provide the following protections for eligible uninsured patients:
  2. A charitable discount of 100% of its charges for all medically necessary health care services exceeding \$150 in any one inpatient admission or outpatient encounter, to any uninsured patient who applies for a discount

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and has family income of not more than 200% of the federal poverty income guidelines.

3. For patients with income up to 600% of the FPG the total payment shall not exceed, during any twelve-month period, 20% (Maximum Collectible Amount) of the patient's Family Income and is subject to patients' continued eligibility under this Policy ("Catastrophic Discount")
- c. A patient who qualifies for Financial Assistance under this Policy is considered to be "charged" only the amount that the patient is personally responsible for paying to Hospital for his/her medical services, taking into account all deductions and discounts applied and any amounts reimbursed by insurers.
  - d. The Hospital's Extended Payment Plan Program offers payment arrangements for qualifying patients who may be unable to pay the balance at one time.

**F. Guidelines for Hospital's Consideration of Specialty Services**

- a. Decisions to provide free or discounted specialty services, such as organ transplants or behavioral health treatment, to Patients who do not qualify for Financial Assistance under this Policy, will be made upon the recommendation of the applicable specialty service administrator and approval by the Council. The applicable specialty service administrator and the Council will consult with physicians and management in evaluating all relevant clinical, ethical, and financial factors.
- b. The Council may also consult with an ethicist. Financial Assistance for specialty services will be provided only in rare circumstances and only if the Hospital's financial state permits. The Hospital recognizes and acknowledges its obligation to provide its share of these services to patients without the means to pay for them. The Hospital further recognizes that it must maintain sufficient funds to enable it to meet its overall responsibilities to serve the health care needs of the pediatric community.
- c. To convene the Council, the clinician who is recommending a particular patient treatment that requires consideration under this Section should contact the specialty service administrator and follow the procedures set forth in the Adjustments Policy. The specialty service administrator will assist in preparing and submitting an Adjustment Request to Revenue Cycle.

## **G. Applying For Financial Assistance**

- a. *How to Apply:* Patients and families wishing to apply for Financial Assistance may complete an Application and submit it, along with supporting documentation, to the Admitting/Business office.

For questions about this Policy, the Application and/or the application process, please contact the Admitting/Business office:

Admitting/Business Office  
Ann & Robert H. Lurie Children's Hospital of Chicago  
225 East Chicago Avenue  
12th Floor  
Chicago, Illinois 60611  
(877) 924-8200

- b. *Completed Applications:* A written decision regarding eligibility will be provided to the patient and/or family within 30 business days of receipt of a completed Application. This notification will also include the Financial Assistance percentage amount (for approved Applications) or reason(s) for denial, the basis for determination, and the estimated amount of payment expected from the patient and/or the patient's family.

The patient and/or patient's family will continue to receive billing statements during the evaluation of a completed Application or applications for other third-party sources of payment (e.g., Medicare, Medicaid). However, the Hospital will suspend all ECAs against the patient during the evaluation period. If the account has already been placed with a collection agency, the agency will be notified by the Hospital to suspend collection efforts until an eligibility determination is made.

- c. *Incomplete Applications:* If the patient and/or family member submits an incomplete Application, the Hospital will (a) suspend any ECAs against the patient; (b) provide a written notification that describes what additional information or documentation is needed to complete the Application and includes the Plain Language Summary; and (c) provide at least one written notice informing the patient about the ECAs that might be taken (or resumed) if the Application is not completed nor payment made by a deadline specified in the written notice, which shall be no earlier than the later of 30 days from the date of the written notice or the last day of the Application Period.



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- d. *Other Implications of Eligibility Determination:* If the patient is determined to be eligible for Financial Assistance, Hospital will: (1) refund to the patient any amount he or she has paid for the care covered under the application period that exceeds the amount he or she is determined to be personally responsible for paying as an individual eligible for Financial Assistance under this Policy, unless such excess amount is less than \$5.00 (or such other amount set by notice or other guidance published in the Internal Revenue Bulletin), and, (2) to the extent applicable, take reasonable measures to vacate any judgment against the individual, lift any levy or lien on the patient's property, and remove from the patient's credit report any adverse information that was reported to a consumer reporting agency or credit bureau, and take any other reasonable measures to vacate or reverse an ECA taken by the Hospital against the patient.
- e. *Federal Qualified Health Center referrals:* Patients that are referred by a Federally Qualified Health Center (FQHC) or free and charitable clinic for nonemergency hospital-based services, will have the opportunity to be screened for and assistance with applying for public health insurance programs. Those patients not qualifying for public programs will be provided the opportunity to apply for hospital financial assistance.
- f. *Right to Appeal:* The patient and/or patient's family has the right to appeal the Hospital's denial of Financial Assistance. The appeal must be submitted in writing with 30 days of notification of the original denial. The Council will consider all patient and/or family appeals. The decision of the Council on any such appeal will be final and binding on all parties

## H. Notification

- a. To make our patients, families and the broader community aware of the Hospital's Financial Assistance program, the Hospital shall take a number of steps to widely publicize this Policy to the Hospital's patients and to the community members who are served by the Hospital, including the following:
1. *Signage:* The Hospital will post conspicuous signage (that notifies patients of the Policy) in heavily trafficked patient areas such as admitting, emergency department and ambulatory registration areas.
  2. *Brochures and Paper Copies:* The Hospital will offer pamphlets and brochures to patients and/or their families during the admission and/or discharge process. The Hospital will make paper copies of the Policy,

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the Application, and the Plain Language Summary available upon request, and without charge, both by mail and in heavily trafficked patient areas such as admitting, emergency department and ambulatory registration areas.

3. *Counseling*: The Hospital will offer patient and family financial counseling sessions with registrars, patient accounting staff, or financial counselors either before, during or after the time of service, as appropriate,
4. *Website*: The Hospital will post in a prominent place on the Hospital's website a notice that financial assistance is available, information about this Policy, and copies of the Policy, the Application, and the Plain Language Summary in a widely available format (for example, as a PDF document). The Hospital will provide individuals who ask how to access a copy of the Policy online with the direct website address, or URL, of the webpage where the Policy is posted.
5. *Billing Statements*: The Hospital will include a conspicuous written notice of the availability of financial assistance under the Policy on billing statements and include the telephone number of the Hospital office or department where information can be found about the Policy and Application, as well as the website address where copies of the Policy, Application, and Plain Language Summary may be obtained.
6. *Direct Patient Communication*: The Hospital will offer a copy of the Application before the patient is discharged from the Hospital. The Hospital will further inform patients about the Hospital's Policy during appropriate oral communications regarding the patient's financial responsibility for an outstanding bill;
7. *Additional Written Notice*: The Hospital will provide at least one written notice to the patient or the patient's family stating what ECAs the Hospital may take if no Application is received, or no payments are made by a specified date (at least as long as Notification Period) and this notice is provided at least 30 days before the applicable deadline.
8. *Community Outreach*: The Hospital will disseminate information about the Policy and how to apply for Financial Assistance (including copies of the Policy, Plain Language Summary and Application) to various community agencies who also serve individuals who may have need for medical services and who are most likely to require financial assistance.

- b. All printed information and/or forms regarding the Financial Assistance program will be available in primary languages spoken by significant populations we serve in accordance with state and federal law. Currently, these languages are English, Spanish, Polish, Cantonese, and Arabic.

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- c. Printed copies of this Policy (including the Application), the Plain Language Summary, and the Hospital's Collections Policy may be obtained in person or by mail at no extra cost by visiting or calling the Hospital's Admitting/Business Office at:

Ann & Robert H. Lurie Children's Hospital of Chicago  
225 East Chicago Avenue  
12th Floor  
Chicago, Illinois 60611  
(877) 924-8200

## **I. Reporting Requirements**

At the request of the Illinois Office of the Auditor General's office, the Hospital will annually report information regarding the number of Applications completed and approved, the number of Applications completed and not approved, and the number of Applications started but not completed. In addition, the Hospital will publish this information on the Hospital's website.

## **J. Regulatory Requirements**

This Policy sets forth guidelines and criteria for Lurie Children's Financial Assistance programs. Any financial assistance awarded will be applied to the patient's responsibility for emergency or other medically necessary services only. This Policy is intended to comply with Section 501(r) of the Internal Revenue Code, the Illinois Hospital Uninsured Patient Discount Act, and the Illinois Fair Patient Billing Act, and the regulations promulgated thereunder.

Attachments:

- A. Provider List
- B. Calculation of Amounts Generally Billed
- C. Financial Assistance Application
- D. Federal Poverty Guidelines

## **K. Cross-References/Related Policies**

- a. Administrative Policies: Collections
- b. Administrative Policies: Adjustments
- c. Administrative Policies: EMTALA
- d. Section 501(r) of the Internal Revenue Code, the Illinois Hospital Uninsured Patient Discount Act
- e. Illinois Fair Patient Billing Act

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Date Written: 01/01/1992

Date Reviewed/Revised: 11/09/2001, 10/06/2003, 11/15/2004, 04/13/2005, 08/30/2005, 02/08/2006, 01/29/2007, 11/05/2007, 02/04/2008, 08/15/2010, 02/24/2015, 05/2019, 04/2021, 08/2022

**Author(s):**

**Date of Approvals [as applicable]:**

COMMITTEE	DATE
Administrative Policy & Procedure Committee	: 11/15/2004, 1/29/2007, 11/5/2007, 2/4/2008, 9/1/2010, 6/1/2019, 6/2021, 10/2022
Hospital Operations Committee:	11/28/2001, 11/5/2003, 12/1/2004, 4/13/2005
Quality and Credentialing of the Board(QCC)	12/20/2001
Finance Committee of the Board	08/19/2010, 08/14/2013, 05/01/2019, 05/2021, 08/2022
Quality Council	12/03/2001
MAAC	01/19/2005, 03/30/2005

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APPENDIX A

Provider List

<b>Provider Name</b>	<b>Subject to Financial Assistance Policy (Y/N)</b>
Lurie Children’s Medical Group, LLC	Y
Lurie Children’s Pediatric Anesthesia Associates	Y
Lurie Children’s Primary Care, LLC	Y
Lurie Children’s Surgical Foundation, Inc.	Y
Pediatric Faculty Foundation, Inc.	Y

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APPENDIX B  
Calculation of Amounts Generally Billed

Charges on Accounts for services rendered during the period from 1/1/2021 to 12/31/2021	Contractual Adjustments on Accounts	Overall Discount Percentage
\$840,883,202.14	\$487,099,960.43	57.93%
Amounts Generally Billed Percentage		42.07%

AGB Calculation Methodology:

- a. Lurie Children’s financial analyst downloads all accounts for the previous year where:
  1. The patient account has a payer of private insurance or Medicare fee for service.
  2. The patient account has a contractual adjustment.
    - a. Contractual adjustment is defined as the transaction(s) used to reduce the total charges to the amount allowed by the payer.
    - b. Both primary and secondary payer contractual adjustments are utilized in AGB calculation.
  3. Final insurance payment has been received.
    - a. Defined as the insurance liability being closed.
    - b. Patient responsibility for deductibles and coinsurance may remain open.
- b. The sum of the total contractual adjustments is divided by the sum of the total charges, resulting in an overall discount percentage.
- c. The inverse of the discount percentage is the calculated AGB.
- d. The calculated AGB is compared to Blue Cross outpatient reimbursement:
  4. Due to payer contract limitations, contractual adjustments are not posted to Blue Cross outpatient patient accounts.
  5. The calculated AGB is compared to the Blue Cross outpatient contract reimbursement rate.
  6. The AGB percentage used for the subsequent calendar year will be the lower of the Blue Cross outpatient contract rate or the calculated AGB percentage.
- e. The AGB percentage calculation is provided to Lurie Children’s accounting and managed care contracting departments for validation.
- f. After validation is received, the financial assistance policy Appendix C is updated for the next calendar year.

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## APPENDIX C – Financial Assistance Application



FINANCIAL ASSISTANCE APPLICATION

**Important: YOU MAY BE ABLE TO RECEIVE FREE OR DISCOUNTED CARE.** Completing this application will help Ann & Robert H. Lurie Children's Hospital of Chicago ("the Hospital") determine if you can receive free or discounted services or other public programs that can help pay for your healthcare. Please submit this application to the Hospital.

**IF YOU ARE UNINSURED, A SOCIAL SECURITY NUMBER IS NOT REQUIRED TO QUALIFY FOR FREE OR DISCOUNTED CARE.** However, a Social Security Number is required for some public programs, including Medicaid. Providing a Social Security Number is not required, but will help the Hospital determine whether you qualify for any public programs.

Please complete this form and submit it to the hospital in person, by mail, by electronic mail, or by fax to apply for free or discounted care to the address below within 240 days following the date of discharge or receipt of outpatient care.

Ann & Robert H. Lurie Children's Hospital of Chicago  
225 East Chicago Avenue, #44, Chicago, IL 60611  
Tel: 877.924.8200 | Fax: 312.227.9501  
hospitalbilling@luriechildrens.org

Patient Account Number(s):			Guarantor Number:			
<b>PATIENT INFORMATION</b>						
Last Name		First	M.I.	Date of Birth	Social Security Number	Family Size
Street		City	State	Zip Code		Home Phone
Employer		Employer Address				Cell Phone
City		State	Zip Code	Monthly Income	Work Phone	
Responses or nonresponses to the below questions about race, ethnicity, sex, and preferred language will not impact the outcome of the application.						
Race (Optional)		Ethnicity (Optional)		Sex (Optional)		Preferred Language (Optional)
<b>GUARANTOR INFORMATION (PARENT/GUARDIAN)</b>				Relationship to Patient		<input type="checkbox"/> Father <input type="checkbox"/> Mother <input type="checkbox"/> Other
Last Name		First	M.I.	Age	Social Security Number (optional)	
Street		City	State	Zip Code		Home Phone
Employer		Address				Cell Phone
City		State	Zip Code	Monthly Income	Work Phone	
<b>GUARANTOR INFORMATION (PARENT/GUARDIAN)</b>				Relationship to Patient		<input type="checkbox"/> Father <input type="checkbox"/> Mother <input type="checkbox"/> Other
Last Name		First	M.I.	Age	Social Security Number (optional)	
Street		City	State	Zip Code		Home Phone
Employer		Address				Cell Phone
City		State	Zip Code	Monthly Income	Work Phone	

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<b>PATIENT/FAMILY E-MAIL CONTACT INFORMATION</b>		
<b>PRESUMPTIVE ELIGIBILITY PROGRAM</b>		
You may qualify for financial assistance if you are currently enrolled in one of the specific assistance programs listed below. Proof of current enrollment in the program must be supplied but no other documentation will be necessary, and the Monthly Income information requested above is not required.		
<input checked="" type="checkbox"/>	<b>Please indicate in the check boxes below if you are currently enrolled in any of the following programs.</b>	
	Women, Infants and Children Nutrition Program (WIC)	
	Supplemental Nutrition Assistance Program (SNAP)	
	Illinois Free Lunch and Breakfast Programs	
	Low Income Home Energy Assistance Program (ILHEAP)	
	Community Based program providing access to medical care	Specify Name:
	Grant Assistance for medical services	Specify Name:
	Temporary Assistance for Needy Families (TANF)	
	IHDA's Rental Housing Support Program	
<p><b>If you are not currently enrolled in any of the programs listed above, please provide at least one document for each of the two requirements below:</b></p> <ol style="list-style-type: none"> <li><b>Documentation of family income</b> (examples of acceptable documents: most recent tax return; most recent W-2 and 1099 forms; 2 most recent pay stubs; written verification from an employer if paid in cash; other forms of documentation deemed acceptable by the Hospital)</li> <li><b>Documentation of Illinois residency</b> (examples of acceptable documents: documents submitted for #1 above that include residency verification; state-issued identification card; recent residential utility bill; lease agreement; vehicle registration card; voter registration card; mail addressed to the patient or guarantor from the government or a credible source; statement from a family member who resides at the same address and presents verification of residency; a letter from a homeless shelter, transitional house, or other similar facility verifying that the patient or guarantor resides there; a temporary visitor's drivers license).</li> </ol>		
<p>Note: Although typically the Hospital is able to determine eligibility using the documents required above, the Hospital may request further clarifying information during the qualification process, including the following items: checking and savings account information; stocks; Certificates of Deposit; mutual funds; real property; and Health Savings/Flexible Spending account information.</p>		

Applicant Certification: I certify that the information in this application is true and correct to the best of my knowledge. I will apply for any state, federal or local assistance for which I may be eligible to help pay for this hospital bill. I understand that the information provided may be verified by the hospital and I authorized the hospital to contact third parties if necessary to verify the accuracy of the information provided in this application. I understand that if I knowingly provide untrue information in this application, I will be ineligible for financial assistance, any financial assistance granted to me may be reversed, and I will be responsible for the payment of the hospital bill.

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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

Questions or concerns related to this application can be directed to billing customer service - [hospitalbilling@luriechildrens.org](mailto:hospitalbilling@luriechildrens.org)

If you require financial counseling, please contact the Lurie Children's Financial Counselors- (312)- 227-1230 (Select option 2, followed by option 2)

Complaints or concerns with the uninsured patient discount application process or hospital financial assistance process may be reported to the Health Care Bureau of the Illinois Attorney General at <https://illinoisattorneygeneral.gov/consumers/hcform.pdf> or 1-877-305-5145.

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## APPENDIX D

### Federal Poverty Guidelines

The January 17, 2024, *Federal Register* (89 FR 2024-00796) includes a notice from the U.S. Department of Health and Human Services of the annual updated federal poverty guidelines, which are used to establish eligibility for various federal assistance programs. The 2024 guidelines for Illinois are:

<b>Family Size</b>	<b>Poverty Guidelines</b>	<b>300% FPL 2022</b>
1	\$15,060	\$45,180
2	\$20,440	\$61,320
3	\$25,820	\$77,460
4	\$31,200	\$93,600
5	\$36,580	\$109,740
6	\$41,960	\$125,880
7	\$47,340	\$142,020
8	\$52,720	\$158,160
9	\$58,100	\$174,300
10	\$63,480	\$190,440

For family units of more than ten persons, add \$5,380.00 for each additional person.

For purposes of this policy, the federal poverty income levels are to be updated annually after their revision and publication by the federal government in the Federal Register.

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