

The University of Chicago Medical Center Policy and Procedure Manual Patient Financial Assistance and Collections Policy

Policy: A01-22

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Revised: May 2016, July 2019, February 2020, October 2020, February 2021 Reviewed: May 2016, July 2019, February 2020, February 2021, July 2021, January 2022, February 2023, June 2023

PURPOSE:

The University of Chicago Medical Center (“UCMC”) is a not-for-profit, tax-exempt hospital with a charitable mission of providing care to patients, including those who are economically disadvantaged. Consistent with this commitment, UCMC has developed this Financial Assistance Policy (the “Policy”) to identify and assist those patients who do not have the means to pay for emergency and medically necessary care provided by UCMC.

POLICY:

A UCMC patient will be eligible for financial assistance pursuant to this Policy for emergency and other medically necessary care under either of the following cases: (1) the patient (i) demonstrates financial need; (ii) is an Uninsured or Underinsured Patient; (iii) applies for but is deemed ineligible for governmental assistance (for example, Medicaid); and (iii) meets his or her responsibilities set forth in this Policy, including cooperating with UCMC in providing the requested information; or (2) UCMC, in accordance with this Policy, makes an administrative determination that financial assistance is otherwise appropriate.

This Policy does not apply to international patients, including patients who come to UCMC through the Center for International Patients.

The Vice President of Finance or his/her designee(s) will review the financial assistance policy on a regular basis, but at least annually.

DEFINITIONS:

“Affiliated Physicians” means physicians employed by affiliates of UCMC, including UCM Care Network Medical Group, Inc. and UCMC Community Physicians LLC. Such Affiliated Physicians are independent practitioners and are not employees or agents of UCMC or the University of Chicago.

“Family Income” means the sum of a family’s annual earnings and cash benefits from all sources before taxes, less payments made for child support. Examples of Family Income include salaries, legal judgments, unemployment compensation, and investment income.

“Family Size” means the number of individuals listed under “Filing Status” on the patient’s or Patient Guarantor’s most recent tax return. If no tax return is available, Family Size shall be the number of individuals residing in the patient’s or Patient Guarantor’s household. If another individual claims the patient or Patient Guarantor as a dependent on the individual’s tax return, then the Family Size may include household members of the individual claiming dependency.

“Gross Charges” are UCMC’s charges for its services before any discounts or deductions. Gross Charges are based on UCMC’s charge master rates.

“Health Care Services” means any emergency or other Medically Necessary inpatient or outpatient hospital care, as well as physician services provided by UCPG and Affiliated Physicians, provided at UCMC inpatient and outpatient facilities for a particular encounter/admission, including pharmaceuticals or supplies provided by UCMC to a patient during that encounter/admission. A complete list of UCMC’s inpatient and outpatient locations is attached to this Policy as Attachment 4.

“Medically Necessary” means any inpatient or outpatient hospital service, including physician charges, pharmaceuticals or supplies provided by UCMC to a patient, that is proper and needed for the diagnosis or treatment of a medical condition; is provided for the diagnosis, direct care, and treatment of a medical condition; meets the standards of good medical practice; and is not mainly for the convenience of the patient or the physician. A Medically Necessary service does not include any of the following: (i) non-medical services such as social and vocational services; or (ii) elective cosmetic surgery, but not plastic surgery designed to correct disfigurement caused by injury, illness, or congenital defect or deformity.

“Patient Balance Due” means the amount that a patient owes UCMC after all payers have met their payment obligations. For patients with insurance, the Patient Balance Due is the amount remaining after applying the insurer’s negotiated discount and the insurer’s payments. This includes government payers. For patients with other payment arrangements, the Patient Balance Due is the amount remaining after initial payment has been made.

“Patient Guarantor” means any individual other than the patient who is responsible for paying the patient’s bills. Determinations of eligibility and obligations for patients under this Policy also apply to Patient Guarantors.

“Plain Language Summary” means a written statement that notifies an individual that UCMC offers financial assistance and provides the following additional information in language that is clear, concise, and easy to understand: (i) a brief description of the eligibility requirements and assistance offered under this Policy; (ii) a brief summary of how to apply for assistance under this Policy; (iii) the direct Web site address (or URL) and physical locations where copies of this Policy and the financial assistance application may be obtained; (iv) instructions on how to obtain a free copy of this Policy and the financial assistance application form by mail; (v) contact information, including telephone number and physical location, of the office or department that can provide information about this Policy and application process; (vi) availability of translations of this Policy, the financial assistance application form, and Plain Language Summary; and (vii) a statement that no patient who is eligible for financial assistance may be charged more than the Amount Generally Billed (defined below) for Health Care Services.

“UCPG” means physicians employed by the Biological Sciences Division of the University of Chicago.

“Underinsured Patient” means a patient of UCMC who is covered under a policy of health insurance (including a government payer such as Medicare or Medicaid) but for whom (i) the

amount or type of benefit coverage does not cover the charges for the care provided, (ii) the insurer does not have a contract with UCMC, or (iii) the insurance policy limits have been exceeded. “Uninsured Patient” means a patient of UCMC who is not covered under a policy of health insurance and is not a beneficiary under a public or private health insurance plan, health benefit, or other health coverage program, including but not limited to high deductible health insurance plans, workers’ compensation, accident liability insurance, or other third party liability insurance.

PROCEDURE:

I. Charity Care/Financial Assistance

1. Eligibility Criteria.

A. There are three ways a patient may be eligible for financial assistance:

- i. by a determination that the patient’s Family Income is at or below a certain percentage of the Federal Poverty Guidelines (“Income Based Discount”);
- ii. by a determination that the patient’s expenses for Health Care Services exceed a certain percentage of the patient’s annual Family Income (“Medical Indigency Discount”); or
- iii. if UCMC learns of certain patient circumstances that by their nature indicate the patient is indigent (“Presumptive Eligibility Discount”) (see Section 2 below).

B. Income Based Discount

- i. Eligibility for the Income Based Discount is determined based on the patient’s Family Income and Family Size. Patients with a Family Income of not more than 600% of the Federal Poverty Guidelines for the current year may be eligible for the Income Based Discount for all Health Care Services, as follows:
 - a) For patients whose Family Income is 200% of the Federal Poverty Guidelines or less, the discount will be 100% of the total Patient Balance Due.
 - b) For patients whose Family Income is 201% to 600% of the Federal Poverty Guidelines or less, the discount will be 80% of the total Patient Balance Due.
- ii. The Income Based Discount will be applied (1) to all of the patient’s prior outstanding Patient Balance Due amounts for Health Care Services regardless of when charges were incurred, and (2) to all Patient Balance Due amounts for Health Care Services provided for one year from the date the financial assistance is approved, unless it is determined prior to the end of one year that the patient no longer qualifies for this Income Based Discount. A patient who receives the Income Based Discount may re-apply at any time to extend the discount longer than one year.

- iii. A patient who receives less than a 100% discount may submit a complete financial assistance application providing additional information at any time to seek a higher discount.
- iv. The Income Based Discounts, which are attached to this Policy as Attachment 1, are reviewed by the Finance Department each year.

C. Medical Indigency Discount

- i. A patient is not required to pay more than 20% of his/her Family Income for all Health Care Services provided by UCMC in a 12-month period. The Medical Indigency Discount applies to any patient whose Patient Balance Due for Health Care Services exceeds 20% of his/her Family Income in the year that the patient received care. See Attachment 1 for examples of the Medical Indigency Discount.
- ii. A patient who notifies UCMC that his/her Patient Balance Due exceeds 20% of his/her Family Income will be screened for eligibility according to the “Determinations of Eligibility” procedure set forth in Section 3. If UCMC determines that the total outstanding Patient Balance Due for all Health Care Services exceeds 20% of the patient’s Family Income, then the amount that exceeds 20% of the Family Income will be discounted to zero.
- iii. The Medical Indigency Discount applies for all Health Care Services starting with the first episode of services for which the patient seeks the discount. The discount continues for one year after the start date. For UCMC to determine the maximum amount that can be collected from a qualifying patient during a 12-month period, the patient must inform UCMC in subsequent inpatient admissions or outpatient encounters that the patient has previously been determined to be entitled to the Medical Indigency Discount.
- iv. In determining the balance of the patient’s account to be discounted, the balances due for UCMC and UCPG or Affiliated Physicians for the episode of care will be combined to determine if the 20% threshold has been met. Any amounts discounted will be applied on a pro rata basis to the UCMC and UCPG or Affiliated Physicians balances.

D. Applicability of Multiple Discounts. No patient may receive both the Income Based Discount and the Medical Indigency Discount. Rather, UCMC will apply the better of the two discounts. If a patient qualifies for any other assistance approved by the Finance Department and the patient qualifies for the Income Based Discount or Medical Indigency Discount, the patient will receive the better of the discount amounts, and the discount will be considered financial assistance under this Policy.

E. Special Circumstances. UCMC understands that special circumstances may exist in a patient’s life that create financial hardship or other financial challenges and impact a patient’s ability to pay for the portion of the Health Care Services expenses remaining after the application of the Income Based Discount or the Medical Indigency Discount. UCMC may consider a patient’s assets, liabilities, and expenses, and may identify whether special

circumstances exist that would justify the provision of a higher discount than the patient is otherwise entitled to receive.

2. Presumptive Eligibility for Financial Assistance.

A. An Uninsured Patient will be deemed presumptively eligible for a 100% discount of the total Patient Balance Due (“Presumptive Eligibility Discount”) for an episode of care, if UCMC determines one or more of the following criteria applies; no other proof of income will be requested:

i. Homelessness;

Deceased with no estate;

iii. Mental incapacitation with no one to act on patient’s behalf;

iv. Medicaid eligibility, but not on date of service or for non-covered service;

v. Enrollment in the following assistance programs for low-income individuals having eligibility criteria at or below 200% of the federal poverty income guidelines: a)

Women, Infants and Children Nutrition Program (WIC); b)

Supplemental Nutrition Assistance Program (SNAP);

c) Illinois Free Lunch and Breakfast Program;

d) Low Income Home Energy Assistance Program (LIHEAP);

e) Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low-income financial status as a criterion for membership; or

f) Receipt of grant assistance for medical services.

B. UCMC determines whether a patient qualifies for the Presumptive Eligibility Discount through sources other than a completed financial assistance application, including but not limited to, information in the medical record, patient registration record, or billing account record, or through third party screening services.

C. UCMC determines whether a patient qualifies for the Presumptive Eligibility Discount for each episode of care; such a determination will not apply to Health Care Services provided in future episodes of care. UCMC will notify the patient that he/she has been deemed eligible for the Presumptive Eligibility Discount.

3. Determinations of Eligibility.

A. *Application for Public Assistance.* All patients seeking financial assistance must first apply for coverage under public programs, such as Medicare, Medicaid, AllKids, the State Children’s Health Insurance Program, or any other applicable public program. UCMC will

postpone making a final determination of financial assistance under this Policy until after the patient has received a determination on his/her application for public assistance.

B. Automated Eligibility Determination

- i. Patients who request or who otherwise indicate a need for financial assistance will be screened for eligibility. UCMC utilizes a screening service, similar to a credit check, which reviews third party documentation to make an eligibility determination. In addition to the automated screening, patients will also be asked via telephone by a Patient Financial Services representative for supplemental financial information at the time financial assistance is requested or at any other time that additional information is required to make an eligibility determination. If a patient is determined to be eligible for financial assistance that is less than a 100% discount, UCMC will notify the patient regarding the basis for its determination and the way the patient may apply for more generous assistance (see “Financial Assistance Application Process” below). Patients will be given at least 30 days to apply for more generous assistance before UCMC will initiate collection activities. UCMC will then make a determination whether the patient is eligible for a more generous discount based on the information provided by the patient in the application and supporting documentation.
- ii. In lieu of this automated screening, a patient seeking financial assistance may submit a financial assistance application and supporting documentation to UChicago Medicine Patient Financial Services (see “Financial Assistance Application Process” below).

C. Financial Assistance Application Process

- i. As an alternative to the automated process or to be considered for a more generous Income Based Discount or Medical Indigency Discount than offered under the automated eligibility determination, a patient may complete the financial assistance application and submit the application and the requested supporting documentation to UChicago Medicine Patient Financial Services. UCMC may also request that a patient submit a financial assistance application if it is unable to make an eligibility determination based on the automated process. In support of a financial assistance application, an applicant must:
 - a) Provide documentation of Family Income. If a patient is not able to provide any of the documents listed below, UCMC will work with the patient to determine if there is an acceptable other means of documenting Family Income. Acceptable Family Income documentation will include any one or more of the following:
 - a copy of the most recent tax return;
 - a copy of the most recent W-2 forms and 1099 forms;
 - copies of the 2 most recent pay stubs; or
 - written income verification from an employer if paid in cash.

- b) Certify the existence of assets owned by the patient and provide documentation of the value of such assets. If no third party verification exists, then the patient shall certify as to the estimated value of the asset.
 - ii. If a patient submits an incomplete application, UCMC will notify the patient about how to complete the financial assistance application and provide an additional 30 days to complete the application.
 - iii. A patient who does not comply with the application process will still receive any Income Based or Medical Indigency Discount he/she was deemed eligible for under the automated process, and may still be eligible for the Presumptive Eligibility Discount.
- D. UCMC encourages patients to request financial assistance as early as possible. However, a patient may request consideration at any time after he/she has accrued an outstanding balance; UCMC will evaluate a patient's eligibility under this Policy up to and including during the collections phase. If a patient does not initially qualify for financial assistance, the patient may re-apply to demonstrate a change in circumstances or to provide additional documentation in support of eligibility for financial assistance.
- E. UCMC's obligations toward an individual patient under this Policy shall cease if that patient unreasonably fails or refuses to provide UCMC with requested information or documentation, provides UCMC with false information or documentation, or fails to apply for coverage under public programs when requested hereunder within 30 days of UCMC's request to so apply.
- F. UCMC will not deny financial assistance based on the applicant's failure to provide information or documentation that is not listed in this Policy or the financial assistance application. UCMC will not base its determination that a patient is ineligible for financial assistance on (1) information that it reasonably believes is unreliable or incorrect, or (2) a waiver signed by the patient (i.e., a statement that the patient does not wish to apply for financial assistance or receive information about the availability of financial assistance). UCMC will not use duress or coercive practices to obtain information from a patient, including delaying or denying emergency medical care until the patient provides information requested to determine whether he/she is eligible for financial assistance.
- G. A patient is required to notify UCMC if the patient's financial circumstances change significantly while receiving assistance under this Policy.

4. Notification of Eligibility for Financial Assistance.

- A. UCMC will notify the patient of his or her eligibility determination in writing within 30 days of the date that an eligibility determination is made via automated screening or that the patient submits a completed application. If a patient is determined to be eligible for the Income Based Discount or the Medical Indigency Discount, UCMC will provide a response letter and billing statement that states (1) the amount the patient owes for the care, (2) how

that amount was determined, (3) if the discount is less than 100%, how the patient may apply for more generous assistance, and (4) how the individual can get information regarding the Amount Generally Billed for the care.

- B. UCMC will refund to the patient or Patient Guarantor any amount he/she has paid for the care that exceeds the amount due after applying the discount, unless such excess amount is less than \$5 (or such other amount set by notice or other guidance published in the Internal Revenue Bulletin).
- C. If the patient's account has been sent to a collection agency, UCMC will notify the collection agency of the discount and require the collection agency to lower the Patient Balance Due, and if no Patient Balance Due remains, will remove the patient's account from the collection agency.

5. Amounts Charged to Patients.

- A. *Estimate of Patient Balance Due.* A patient may seek a written estimate of the costs of the patient's Health Care Services, which will include the estimated amount that the patient's insurance will cover, leaving an estimated Patient Balance Due. Because this is an estimate, UCMC cannot guarantee that the actual Patient Balance Due will be the same as the estimate.
- B. *Calculation of Gross Charges and Patient Balance Due.* UCMC's Gross Charges to patients and insurers are its charge master rates. If a patient has insurance or another source of coverage, then the Gross Charges are submitted to any payers identified by the patient. Payers include private payers (e.g., health insurance companies, workers' compensation insurers, liability insurers), government payers (e.g., Medicare, Medicaid), and any other third party who is legally obligated to pay for the patient's Health Care Services. Any discounts for which a patient qualifies under this Policy apply to the Patient Balance Due, which remains after all payers have paid and any negotiated third party discounts are applied. If a patient has no insurance or other source of coverage, then the Gross Charges for the Health Care Services are equal to the Patient Balance Due. See Attachment 1 for examples of how discounts will be applied.

C. *Limitations on Charges*

- i. Except as provided below, the Patient Balance Due for patients who are eligible for financial assistance under this Policy will not be more than the Amount Generally Billed ("AGB"). The AGB represents the average amount generally paid by health insurers for services provided by UCMC. A detailed explanation of the calculation of the AGB and UCMC's current AGB percentage can be found in Attachment 2 to this Policy, which will be updated annually.
- ii. The AGB percentage will be applied to Gross Charges for the Health Care Services to determine the maximum amount that a patient will be expected to pay out of pocket. UCPG and Affiliated Physicians will apply the AGB percentage applicable to UCMC.

- iii. The requirement that the amount billed not exceed AGB (where applicable) is separate from the discounts applied under this Policy. Discounts are applied to the Patient Balance Due, and a patient who is eligible for financial assistance will be billed at the lesser of the AGB for the Health Care Services or the discounted Patient Balance Due.
- iv. UCMC will only bill patients who are eligible for financial assistance more than AGB for Health Care Services under the following circumstances:
 - a) The charge in excess of AGB was not made or requested as a pre-condition of providing Medically Necessary care to an individual who was entitled to financial assistance (e.g., an upfront payment required before Medically Necessary care is provided); and
 - b) As of the time of the charge, the patient has not been determined to be eligible for financial assistance for the care. If the patient is later determined to be eligible for financial assistance for the care, UCMC will refund any amount the patient or Patient Guarantor has paid for the care that exceeds the lesser of the Patient Balance due after the application of the discount or AGB, unless such excess amount is less than \$5 (or such other amount set by notice or other guidance published in the Internal Revenue Bulletin).

6. Notification of UCMC's Financial Assistance Options.

- A. UCMC staff and personnel shall refer patients seeking financial assistance to a financial counselor, so that a determination of financial assistance eligibility may be made.
- B. UCMC will make this Policy, the financial assistance application, and the Plain Language Summary widely available in the following ways:
 - i. Posting on the UCMC website, and when asked, providing individuals with direction for how to access such information online;
 - ii. Making paper copies of this Policy, financial assistance application, and the Plain Language Summary available upon request and without charge, both by mail and in public locations listed in Attachment 3;
 - iii. To patients who receive care from UCMC, (1) providing a copy of this Policy; (2) offering a paper copy of the Plain Language Summary as part of the intake or discharge process; (3) including a conspicuous written notice on billing statements about the availability of financial assistance under this Policy including the telephone number of UCMC Patient Financial Services Department; and (4) setting up conspicuous public displays (or other measures reasonably calculated to attract patients' attention) about this Policy (including in those locations listed in Attachment 3); and

- iv. Notifying and informing members of the community served by UCMC about this Policy in a manner reasonably calculated to reach those members who are most likely to require financial assistance.

C. This Policy, the financial assistance application, and the Plain Language Summary will be available in Spanish. UCMC may also make available translation services necessary to complete the financial assistance application.

D. The contact information and location to obtain a financial assistance application and the Plain Language Summary are identified on Attachment 3.

7. List of Providers Covered and Not Covered by This Policy.

- i. This Policy applies to Health Care Services provided by UCMC and its medical staff to inpatients and outpatients at UCMC at the locations listed on Attachment 4.
- ii. This Policy also applies to physician services provided by UCPG and Affiliated Physicians at UCMC. UCPG and Affiliated Physicians, by their own policies, provide the same discounts as those contained in this Policy. Where possible, information relating to eligibility for financial assistance will be jointly shared between UCMC and UCPG or the Affiliated Physicians.
- iii. This Policy does not apply to services that fall outside the definition of Health Care Services, to services provided to non-patients, such as the DCAM public pharmacy or UChicago Medical Laboratories clients, to physician services provided at non-UCMC hospitals, for example La Rabida, Mercy or Weiss hospitals, to non-hospital clinic services, or to patients who come to UCMC through the Center for International Patients.

II. **Collection Practices**

- 1. Extraordinary Collection Actions. Extraordinary Collection Actions (“ECAs”) means collection actions requiring a legal or judicial process, involving selling debt to another party, reporting adverse information to credit agencies or bureaus, or 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 covered under UCMC’s Financial Assistance Policy. Neither UCMC nor any collection agencies with which it may contract will engage in ECAs.
- 2. Use of Collection Agencies. UCMC will bill and, if necessary, pursue collection activities against the patient. The practices below will apply:
 - A. UCMC will issue four bills to the patient, at least 30 days apart. Once 35 days have passed after the fourth bill (for a total of at least 125 days), UCMC may submit a patient’s outstanding bill(s) to a collection agency unless the patient has established a payment plan. Patients who are current on UCMC approved payment plans will not be sent to a collection agency. All collection agencies will be required to follow this Policy.

- B. If a patient is receiving financial assistance for one account, the patient may seek financial assistance for other accounts not already subject to this Policy. If a patient's discounted Patient Balance Due is placed with a collection agency as permitted by this Policy, UCMC will coordinate with the agency to inform it of the discount.
- C. While a determination of eligibility for financial assistance is pending, UCMC will not send the patient's Patient Balance Due to a collection agency.

III. Alternative Discount

Patients who do not have insurance (called "Self Pay") will receive a 40% discount on all medically necessary charges incurred. This discount is not applied in conjunction with other forms of financial assistance. Uninsured patients who do not qualify for the financial assistance described elsewhere in this Policy may be eligible for this form of assistance for medical services.

INTERPRETATION, IMPLEMENTATION, AND REVISION: The Finance Department with the advice of the Office of Legal Affairs shall be responsible for the interpretation of this Policy. The Finance Department shall be responsible for the implementation of this Policy. The UCMC Board of Director's Government and Community Affairs Subcommittee has the authority to revise this Policy.

CROSS REFERENCES:

Policy A04-05 Emergency Care of Ill or Injured Persons
Policy PC 08 Emergency Medical Screening
Policy A02-12 Patient Access Management Policy

REFERENCES:

26 U.S.C. Section 501(r) and implementing regulations found at 26 C.F.R. Section 1.501(r) The Fair Patient Billing Act, 210 ILCS 88 et. seq. and implementing regulations at 77 Ill. Admin, Code Section 4500 et. seq.
Hospital Uninsured Patient Discount Act, 210 ILCS Section 89 et. seq.

Thomas Jackiewicz, President

ATTACHMENT 1 Income Based Discount Eligibility Criteria and Discount

2022 Financial Assistance Guidelines Discounts Updated with the 2022 HHS limits The University of Chicago Medicine

Beginning 1/12/2022

UCMC/Ingalls Financial Assistance/Charity Care Guidelines Using HUPDA as Basis:										Charity Discount	Patient Owes
% of Poverty Guideline	Family Unit Size										
	1	2	3	4	5	6	7	8			
* CY 2022	\$13,590	\$18,310	\$23,030	\$27,750	\$32,470	\$37,190	\$41,910	\$46,630			
2.00 times	\$27,180	\$36,620	\$46,060	\$55,500	\$64,940	\$74,380	\$83,820	\$93,260	100%	0%	
6.00 times	\$81,540	\$109,860	\$138,180	\$166,500	\$194,820	\$223,140	\$251,460	\$279,780	80%	20%	

* Please note: The above information on the 2022 HHS Poverty Guidelines refers to the 48 Contiguous States and D.C. Alaska and Hawaii have separate calculations.

For family units larger than 8, add \$4,720 for each additional family unit member.

Please note: The above information on the 2020 HHS Poverty Guidelines refers to the 48 contiguous states and the District of Columbia. Alaska and Hawaii have separate calculations.

Income Based Discount Example

A patient received Medically Necessary care resulting in Gross Charges of \$100,000. The patient has private insurance that includes a 40% co-pay. The insurer has a negotiated rate with UCMC that reduces the Gross Charges to \$60,000. The insurer pays its 60%, which is \$36,000, leaving a Patient Balance Due of \$24,000 for the patient. Based on the patient's Family Income and Family Size, the patient receives an 80% Income Based Discount. The patient is responsible for 20% of the Patient Balance Due, or \$4,800 (unless Amount Generally Billed is less, in which case the lesser of the two amounts will apply).

Medical Indigency Discount Examples

The Medical Indigency Discount applies to patients whose Patient Balance Due amounts exceed 20% of their Family Income in the year that the patient received the care.

Example: A patient starts a course of treatment on July 15, 2019. Over the year, the patient's Gross Charges total \$250,000. The patient's insurer has a negotiated agreement with UCMC under which UCMC reduces the total charges to \$150,000. The patient's insurer pays 60% of the reduced amount of \$150,000, leaving a Patient Balance Due of \$60,000 (40% of \$150,000).

The patient applies for financial assistance on October 29, 2019. The patient's Family Income is \$75,000. Twenty percent (20%) of the Family Income of \$75,000 is \$15,000. The patient is determined to be eligible for the Medical Indigency Discount on November 13, 2019. Therefore, the maximum amount the patient will be responsible for is \$15,000. The Medical Indigency Discount twelve month period starts on July 15, 2019 (the first date of service) and applies through July 14, 2020. Once the patient has paid \$15,000, all Patient Due Balances for this patient for Health Care Services provided through July 14, 2019 will be discounted to zero.

The patient's bills, which totaled \$60,000, will be discounted as follows.

- Bill dated September 1, 2019 for care provided in July 2019 with a Patient Balance Due of \$10,000 → **Patient will be responsible for entire balance.**
- Bill dated October 1, 2019 for care provided in August 2019 with a Patient Balance Due of \$30,000 → **Patient will be responsible for \$5,000; remaining \$25,000 balance will be reduced to zero.**
- Bill dated November 1, 2019 for care provided in September 2019 with a Patient Balance Due of \$20,000 → **Entire \$20,000 balance will be reduced to zero.**

All future bills for Health Care Services through July 14, 2020 will be reduced to zero.

Example: A patient's Patient Balance Due for UCPG is \$10,000 and for UCMC is \$90,000, for a total of \$100,000. The patient applies and is approved for the Medical Indigency Discount. The patient's Family Income is \$60,000, so the patient will be responsible for no more than 20% of \$60,000, or \$12,000.

The total balance for UCMC and UCPG, \$100,000, is reduced to \$12,000—an 88% total discount. The 88% discount is applied to the UCPG balance of \$10,000, leaving a Patient Balance Due of \$1,200 to UCPG; the 88% discount is applied to the UCMC balance of \$90,000 leaving a Patient Balance Due of \$10,080 to UCMC. The patient will receive bills from each of UCMC and UCPG showing the remaining amount the patient owes each, as applicable.

ATTACHMENT 2

Amounts Generally Billed Calculation

Amounts Generally Billed Calculation

The University of Chicago Medical Center provides financial assistance to medical indigent patients meeting the eligibility criteria outlined in the Financial Assistance Policy for Medically Indigent Patients. After the patient's account(s) is reduced by the financial assistance adjustment

based on policy, the patient is responsible for the remainder of his or her outstanding patient account which shall be no more than amounts generally billed (AGB) to individuals who have Medicare fee for service and private health insurers for emergency and other medically necessary care. The Look Back Method is used to determine AGB. Patients or members of the public may obtain this summary document at no charge by contacting the hospital billing office.

Amounts Generally Billed is the sum of all amounts of claims that have been allowed by health insurers divided by the sum of the associated gross charges for those claims.

$$\text{AGB \%} = \frac{\text{Sum of Claims Allowed Amount \$}}{\text{Sum of Gross Charges \$ for those claims}}$$

Allowed Amount = Total charges less contractual adjustments
If no contractual adjustment is posted then total charges equals the allowed amount.
Denial adjustments are excluded from the calculation as denials do not impact allowed amount.

On an annual basis the AGB is calculated for each hospital.

- Look Back Method is used. A twelve (12) month period is used.
- Includes Medicare fee for service and Commercial payers
- Excludes Payers: Medicaid, Medicaid pending, uninsured, self pay case rates, Medicare facility billing, motor vehicle and liability, and worker's compensation.

Hospital: University of Chicago Medical Center

Amounts Generally Billed: 23 %

Effective: July 1, 2023

ATTACHMENT 3

Obtaining UCMC Financial Assistance Policy, Financial Assistance Application, Plain Language Summary, and Available Translations

There are several ways to obtain the UCMC Financial Assistance Policy, a financial assistance application, the Plain Language Summary, and Spanish translations:

1. Visit our website at: <https://www.UChicagoMedicine.org/bill-help>

- Or from the UChicago Medicine homepage, www.uchicagomedicine.org, under the "Patients & Visitors" menu, click "Billing." "Financial Assistance" information is available on the left side of the "Billing & Financial Assistance" page.

2. Pick-up a paper copy at the following locations:

- Mitchell Hospital Building, emergency room and admitting office, room #TS 200
- Center for Care and Discovery (CCD) Building admitting office, room #7584

3. Call UChicago Medicine at (773) 702-6664 or (844)843-3594

- If financial assistance is requested, a patient financial services representative will either initiate the automated eligibility determination process, or if requested by the patient, mail the financial assistance application at no charge

4. Email OPSFinancialCounseling@uchospitals.edu

5. Write to the below address and an application will be mailed at no charge:

UChicago Medicine
Patient Financial Services Department
150 Harvestor Dr
Burr Ridge IL 60527

For the UCMC Financial Assistance Policy, a Financial Assistance Application, and the Plain Language Summary in Spanish or other languages call (844)843-3594.

Para la Póliza de Asistencia Financiera de UCMC , una Aplicación para Asistencia Financiera, y el Resumen en Pleno Lenguaje (en español) o en otros ciertos idiomas, llame al (844)843-3594

ATTACHMENT 4 UCMC Inpatient and Outpatient Locations

Center for Care and Discovery (“CCD”)

Mitchell Hospital

Comer Hospital

Duchossois Center for Advanced Medicine (“DCAM”)

South Shore Senior Center

Infusion clinic at the UCMC Comprehensive Cancer Center on the Silver Cross Hospital campus (“UCMC Comprehensive Cancer Center”)

CT, MRI, Infusion Therapy, and Radiation Oncology at UChicago Medicine Orland Park

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