

Subject: <i>Patient Financial Services</i>
Title: Financial Assistance Policy
Date Effective: 01/04/2016
Original Date: January 2002
Date Revised: 11/09/2015

ST MARTIN HOSPITAL
PO BOX 357, BREAUX BRIDGE, LA 70517

Financial Assistance Policy

A. POLICY STATEMENT

St Martin Hospital, Inc. (“**Hospital**”) will treat all patients with respect and fairness. Hospital is committed to ensuring that a patient’s financial circumstances will not affect the care that he or she receives at Hospital. Patients who meet the income guidelines set forth in this Financial Assistance Policy (the “**Policy**”) may qualify for free or reduced-cost care (“**Financial Assistance**”). This Policy standardizes the method by which Hospital will determine whether a patient qualifies for Financial Assistance.

This Policy applies to all Emergency Treatment and Medically Necessary Care that Hospital provides as well as the Emergency Treatment and Medically Necessary Care provided by those physicians and other providers listed in Exhibit A at Hospital’s building located at 210 Champagne Boulevard, BreauX Bridge, LA 70517 (“**Hospital Facility**”). Those physicians and providers who may provide Emergency Treatment and Medically Necessary Care at the Hospital Facility but who are not covered by this Policy are listed in Exhibit B.

Hospital will interpret and apply this Policy in accordance with applicable federal and state laws, including, without limitation, the requirements of the Emergency Medical Treatment and Labor Act (“**EMTALA**”) and Internal Revenue Code Section 501(r). To the extent that this Policy conflicts with any applicable federal or state law, such federal or state law shall control.

B. DEFINITION OF TERMS

The following definitions shall apply to this Policy:

Amounts Generally Billed (“AGB”) – The amounts generally billed by Hospital for Emergency Treatment and Medically Necessary Care to patients who have health insurance is referred to in this Policy as AGB. AGB is calculated by using the billing and coding process that Hospital would use if the patient were a Medicare fee-for-service beneficiary, and AGB equals the amount reimbursed by Medicare plus the amount the patient would be responsible for paying if he or she were a Medicare beneficiary in the form of co-payments, co-insurance and deductibles.

Application Period – The Application Period is the period during which Hospital will accept and process an application for Financial Assistance under this Policy. The Application Period begins on the date that care is provided to the individual in question, and it ends on the 240th day after

Hospital provides the individual with the first Post-Discharge billing statement for the Emergency Treatment or Medically Necessary Care provided.

Elective Procedures – Procedures that do not qualify as Emergency Treatment or Medically Necessary Care are referred to in this Policy as Elective Procedures. Examples of Elective Procedures include services that are cosmetic or reproductive in nature. Financial Assistance is not available under this Policy for Elective Procedures.

Eligible Patient – Any individual who qualifies for Financial Assistance under this Policy is an Eligible Patient.

Emergency Medical Condition – The term Emergency Medical Condition will be defined as set forth in EMTALA.

Emergency Treatment – Emergency Treatment means the care or treatment provided for an Emergency Medical Condition.

Extraordinary Collection Action – Subject to the exceptions described below, an action taken by Hospital against a patient or any Responsible Party that involves (i) legal or judicial process; (ii) selling an individual's debt to a third party; (iii) reporting adverse information about the individual to a consumer credit agency or credit bureau; (iv) deferring or denying, or requiring a payment before providing, Medically Necessary Care because of a patient's nonpayment of one or more bills for previously provided care under the Policy; and (v) such other actions as defined by Internal Revenue Service with respect to Section 501(r) of the Internal Revenue Code.

An **Extraordinary Collection Action** does not include (A) Hospital's sale of an individual's debt to a third party if, prior to the sale, Hospital has entered into a legally binding agreement with the purchaser of the debt pursuant to which (i) the purchaser is prohibited from engaging in any Extraordinary Collection Action to obtain payment; (ii) the purchaser is prohibited from charging interest on the debt in excess of the rate allowable under Section 501(r) of the Internal Revenue Code at the date the debt is sold; (ii) the debt is returnable to or recallable by Hospital upon a determination by Hospital that the individual is eligible for Financial Assistance; and (iv) if the individual is determined to be eligible for Financial Assistance and the debt is not returned to or recalled by Hospital, the purchaser is required to adhere to procedures specified in the agreement that ensure that the individual does not pay, and has no obligation to pay, the purchaser and Hospital together more than he or she is personally responsible for paying as an individual eligible for Financial Assistance; (B) any lien that Hospital is entitled to assert under state law on the proceeds of a judgment, settlement, or compromise owed to an individual (or his or her representative) as a result of personal injuries for which Hospital provided care; or (C) the filing of a claim in any bankruptcy proceeding.

Federal Poverty Guidelines ("FPG") – Federal Poverty Guidelines or FPG means those guidelines that the U.S. Department of Health and Human Services issues each year in the Federal Register. The effective date of the annual update to FPG for purposes of this Policy will be the first day of the month following the publication of FPG in the Federal Register.

Gross Charges –Hospital’s full, established price for Emergency Treatment, Medically Necessary Care or Elective Procedures, as the case may be, that it uniformly charges all patients before applying any contractual allowances, discounts or deductions.

Household Gross Income – All wages, salaries, compensation and other pay, including, without limitation, Social Security benefits, pension payments, unemployment compensation, workers’ compensation payments, veterans benefits, rents, alimony, child support, survivors’ benefits and income from estates or trusts, earned by or attributable to the members of the Immediate Family on an annual basis. Household Gross Income will be rounded to the nearest dollar when applied to the scale for determining whether an individual is an Eligible Patient.

Immediate Family – Immediate Family consists of the patient, his or her spouse and his or her children (natural or adoptive) who are under the age of eighteen (18) and living at home or who are claimed by the patient as a dependent for federal tax purposes. If the patient is under the age of eighteen (18), the Immediate Family shall include the patient, his or her natural or adoptive parents (regardless of whether they live in the home with the patient) and the parents’ children (natural or adoptive) who are under the age of eighteen (18) and living in the home with the patient or who are claimed by the parent(s) as dependents for federal tax purposes. In the event of a divorce in the Immediate Family, appropriate documentation will be required to determine which parent is the Responsible Party for a child who requires Emergency Treatment or Medically Necessary Care. If no legal document is present, the parent accompanying the child at the time of service will be presumed to be the Responsible Party until appropriate documentation is provided. If a patient is at least eighteen (18) years old but is claimed by another as a dependent for federal tax purposes, the Immediate Family shall include the individual claiming the patient as a dependent, his or her spouse and all of his or her children (natural or adoptive) who are under the age of eighteen (18) and living at home or who are claimed by the individual as a dependent for federal tax purposes.

Medically Necessary Care – Medically Necessary Care means those health care services that satisfy the definition of “medically necessary services” for purposes of the Louisiana Medicaid program set forth at Title 50, Chapter 11, Section 1101 of the Louisiana Administrative Code. Medically Necessary Care does not include Elective Procedures.

Notification Period – The Notification Period refers to the period during which Hospital will notify individuals about the availability of Financial Assistance under this Policy. The Notification Period begins on the first date care is provided and ends on the 120th day after Hospital provides the individual with the first Post-Discharge billing statement for such care.

Post-Discharge – Post-Discharge means the period of time after medical care (whether inpatient or outpatient) has been provided and the individual has left Hospital.

Presumed Eligible Patient – A patient who does not have coverage through any Third Party Payer, Medicare, Medicaid or similar Federal or state health insurance program and who Hospital believes will qualify for Financial Assistance based on the use of external data sources that provide information regarding the patient or Responsible Party’s ability to pay, including, without limitation, credit history, bankruptcies, liens, judgments and estimates of Household Gross Income.

Reasonable Efforts – Reasonable Efforts are the actions that Hospital will take to determine whether an individual is an Eligible Patient under this Policy. Hospital will (i) offer a paper copy of the plain language summary of this Policy to patients as part of the intake or discharge process; (ii) include a conspicuous written notice on billing statements that identifies the Policy and informs patients about the availability of Financial Assistance, including, without limitation, the website address where a patient may obtain copies of this Policy, an application form and a plain language summary of the Policy as well as the phone number of Hospital department that can provide information about the Policy and the application process; (iii) make reasonable efforts to notify the patient about the Policy and how to obtain assistance with the application process in oral communications regarding the bill that occur during the Notification Period; (iv) provide the patient with at least one written notice that contains a plain language summary of this Policy and describes the Extraordinary Collection Actions that Hospital may take if the patient does not submit a complete application for Financial Assistance or pay the amount due by a deadline specified in the notice that is no earlier than thirty (30) days after the date of the notice or the expiration of the Notification Period (whichever is later); and (v) take such other actions as are required by the Internal Revenue Service with respect to Section 501(r) of the Internal Revenue Code.

Responsible Party – A Responsible Party as used in this Policy is the patient if the patient is at least eighteen (18) years old and is not claimed by another person as a dependent for federal tax purposes. If the patient is under the age of eighteen (18), the Responsible Party shall be the patient’s parents (natural or adoptive) or legal guardians, unless someone else claims the patient as a dependent for Federal tax purposes. If the patient is claimed as a dependent by another person for Federal tax purposes, the Responsible Party shall be the person claiming the patient as a dependent.

Third Party Payer – Any commercial insurance, health benefit plan, employer-sponsored program, health maintenance organization or similar arrangement that is or may be legally liable for payment of charges incurred for medical services is referred to in this Policy as a Third Party Payer. Third Party Payers for purposes of this Policy do not include Medicare, Medicaid or similar Federal or state health insurance programs.

C. APPLICATIONS FOR FINANCIAL ASSISTANCE

1. ***Louisiana Residency Required for Financial Assistance.*** Any person seeking Financial Assistance under this Policy must be a Louisiana Resident.
2. ***Presumed Eligible Patients.*** Hospital may conduct an initial screening of individuals interested in Financial Assistance to determine on an expedited basis whether such individuals qualify for Financial Assistance. Such initial screenings (if any) shall adhere to the following procedures:
 - a. Hospital shall solicit demographic information regarding the patient and/or Responsible Party, including his or her name, address, and Social Security Number.
 - b. Hospital shall utilize an outside vendor who will analyze the patient’s information regarding personal assets and resources as it

applies to the Louisiana Medicaid program set forth at Title 50, Chapter 11, Section 1101 of the Louisiana Administrative Code to determine whether an individual qualifies as a Presumed Eligible Patient. If an individual qualifies as a Presumed Eligible Patient, Hospital will notify the individual in writing regarding this determination, the level of Financial Assistance for which such individual qualifies and how to submit a general application for Financial Assistance if the Presumed Eligible Patient believes that he or she may qualify for a greater level of Financial Assistance. Except as otherwise approved by Hospital, each Presumed Eligible Patient will have thirty (30) days from the date of such written notice in which to provide Hospital with information necessary to verify his or her Household Gross Income. Information that Hospital will accept for these purposes includes the patient or the Responsible Party's (i) most recent pay stub; (ii) most recently filed federal or state tax return; (iii) evidence of food stamp eligibility; (iv) evidence of unemployment benefits; (iv) a letter from the individual's employer regarding his or her annual income; or (v) an affidavit from the patient or Responsible Party attesting to the fact that he or she has no income. Failure by a Presumed Eligible Patient to provide such information will result in a suspension of Financial Assistance until such time as the information is provided and may result in a reversal of any Financial Assistance previously awarded.

- c. If (i) Hospital determines that the individual does not qualify as a Presumed Eligible Patient, (ii) the patient does not provide the information necessary for Hospital to conduct an initial screening or (iii) a Presumed Eligible Patient fails to provide the information necessary to verify his or her Household Gross Income, Hospital shall notify the patient and/or Responsible Party that he or she may still submit an application for Financial Assistance in accordance with the procedures set forth in Section C.3 (General Application Process).
- d. Hospital shall maintain copies in accordance with its recordkeeping policies of all information used to determine whether an individual qualifies as a Presumed Eligible Patient, including, without limitation, information provided by the patient and/or Responsible Party or through external sources.

3. *General Application Process.*

- a. An individual who believes that he or she may qualify for Financial Assistance or has requested that Financial Assistance be provided must submit an application on Hospital-provided form during the Application Period. Individuals must submit a separate application for Financial Assistance with respect to each illness, injury or other condition for which Hospital provides Emergency Treatment or Medically Necessary Care. This Policy, a plain language summary of this Policy and an application may be obtained for free by mail at

Central Business Office, PO Box 53247, Lafayette, LA 70505, and Attention: PFS Department or by visiting smartinhospital.org.

- b.** It is the applicant’s responsibility to complete the application in full and to provide the supporting documentation that the application requires. Such information includes, without limitation, the patient’s or Responsible Party’s name, citizenship, date of birth, number and age(s) of dependents, phone number, address, current employer, and position. The applicant must also submit documentation as part of the application process to verify his or her Household Gross Income, such as income tax returns, pay stubs, W-2 forms, unemployment compensation forms or letters from employers. If the applicant indicates that he or she has earned no income, the applicant must complete a “Lafayette General Medical Center No Income Form” and authorize Hospital to run a credit report to verify that the applicant has no income. The applicant may be required to submit additional documentation as part of his or her application, such as a copy of a letter verifying that Medicaid has been denied. If the applicant has not yet applied for Medicaid, he or she should be encouraged to do so.
 - c.** If the applicant submits an incomplete application for Financial Assistance during the Application Period, Hospital will suspend any Extraordinary Collection Actions (if any) that it has commenced against the applicant, and Hospital will provide the applicant with written notice regarding the information necessary to complete the application, including, without limitation, the telephone number and address of Hospital department that can provide information about this Policy and assistance with the application process. The Hospital may also contact the applicant by telephone to determine whether the applicant received the notice and to discuss any questions the applicant might have regarding the missing information. The applicant will have at least thirty (30) days from the date of Hospital’s written notice to submit the missing information.
 - d.** Completed applications must be returned within the Application Period to Central Business Office, PO Box 53247, Lafayette, LA 70505, and Attention: PFS Department. Patients may also complete the application in person with the aid of PFS Department personnel.
 - e.** Hospital’s Chief Financial Officer, or his or her designee, will determine initial eligibility for Financial Assistance and then will approve Financial Assistance determinations. The forms shall then be returned to the Patient Financial Services Department, which shall notify the applicant in writing within one month regarding the eligibility determination. The written notice shall identify the Financial Assistance for which the patient qualifies pursuant to Section D.3 (Financial Assistance Levels).
- 4. *Eligibility Verification.*** Individuals must submit a separate application for Financial Assistance in accordance with Section C.3 (General Application

Process) with respect to each illness, injury or other condition for which Hospital provides Emergency Treatment or Medically Necessary Care. Notwithstanding the foregoing, to the extent that such illness, injury or other condition persists for more than one (1) year, Eligible Patients must verify their eligibility for Financial Assistance under this Policy at least annually by providing Hospital with sufficient information to conduct an initial screening as described in Section C.2 (Presumed Eligible Patients) or by submitting an application for Financial Assistance in accordance with Section C.3 (General Application Process).

5. ***Failure to Provide Complete Application May Result in Denial.*** An applicant's failure to provide all information requested by Hospital as part of this Policy or the application may result in a denial of Financial Assistance. However, Hospital may not deny any individual Financial Assistance under this Policy for the failure to provide information that was not required to be submitted either by this Policy or the application.

D. FINANCIAL ASSISTANCE LEVELS

1. ***Patients with Medicare, Medicaid or Third Party Payer Coverage May Qualify for Only Limited Financial Assistance.*** For all payers (including Medicare, Medicaid or similar Federal or state health insurance program recipients), the Financial Assistance available under this Policy is limited to those charges for Emergency Treatment and Medically Necessary Care for which the patient has financial responsibility, e.g. co-payments, deductibles, self-administered drugs, etc.
2. ***Eligibility Based on Household Gross Income.*** Hospital will utilize the patient's Household Gross Income compared to FPG for the size of his or her Immediate Family to determine whether an individual qualifies for Financial Assistance under this Policy.
 - a. ***Household Gross Income at or below 200% FPG.*** Applicants who have Household Gross Income at or below 200% of FPG will receive Emergency Treatment and Medically Necessary Care at no cost.
 - b. ***Extenuating Circumstances.*** Hospital recognizes that there may be instances in which Household Gross Income exceeds the limits set forth in Sections D.2.a and D.2.b, but the expenses of the patient's Immediate Family also exceed its Household Gross Income. Such extenuating circumstances include a recent death of a spouse or other immediate family member, recent disability, recently-diagnosed long term illness, or a recent job loss. In such circumstances, the patient may be incapable of accepting any additional financial burden. A Financial Assistance discount may also be appropriate for these individuals. Additional consideration for a charity discount will be given to patients who indicate on their application that, even though they may not meet income guidelines, extenuating financial hardship exists due to pre-existing financial obligations and who provide evidence of such hardship. Any award of Financial Assistance resulting from such extenuating circumstances shall be within the

discretion of the Hospital. Extenuating circumstances are rare and limited to verifiable situations.

3. ***Charges Limited for Eligible Patients.*** Following a determination that a patient qualifies as an Eligible Patient under this Policy, Hospital shall not charge any Eligible Patient more than the AGB for any Emergency Treatment or Medically Necessary Care.

E. EXTRAORDINARY COLLECTION ACTIONS

Those persons who are determined not to be Eligible Patients shall be processed in accordance with Hospitals' billing and collection policies. Interested individuals may obtain a free copy of Hospital's billing and collection policy from the Patient Accounts Department at (337) 289-7287, Monday – Friday (8:00 a.m. – 4:30 p.m.). Collection activity is conducted within the applicable federal and state laws and regulations governing patient collections. In no event shall Hospital engage in Extraordinary Collection Actions before Hospital has used Reasonable Efforts to determine whether an individual is eligible for Financial Assistance under this Policy.

F. EMTALA OBLIGATIONS

Hospital will provide, without exception, Emergency Treatment to all patients seeking such care, regardless of ability to pay or to qualify for Financial Assistance and in accordance with the requirements of EMTALA. In recognition of its obligations under EMTALA, Hospital will not undertake any action that would discourage an individual from seeking Emergency Treatment, such as demanding that emergency department patients pay before receiving Emergency Treatment or by permitting debt collection activities in the emergency department or any other area of Hospital that could interfere with the provision, without discrimination, of Emergency Treatment.

G. REVIEW OF POLICY

Hospital shall review this Policy at least annually, and Hospital shall make such adjustments to this Policy as necessary to comply with applicable federal and state law, including, without limitation, EMTALA and Section 501(r) of the Internal Revenue Code.

EXHIBIT A

The Financial Assistance Policy covers the Emergency Treatment and Medically Necessary Care performed at Hospital's facility by the following physicians and other providers:

Name	Hospital	Specialty
St. Martin Emergency Group, LLC	210 Champagne Blvd, Breaux Bridge, LA 70517	Emergency Medicine

EXHIBIT B

The Financial Assistance Policy does **NOT** cover the Emergency Treatment and Medically Necessary Care performed at Hospital's facility by the following physicians and other providers:

Name	Specialty
St. Martin Physician Services, LLC	
Warren J. Degatur, MD Benjamin Degatur, MD Wendy Fuselier, PAC Agostino Ingraldi, MD Adam Kennedy, MD Jason Durel, MD	

49836278.14