



Kennedy Krieger Institute

## Financial Assistance Policy

Effective: January 1, 2019

As a specialty provider treating patients with disorders of the brain, Kennedy Krieger Institute (KKI) recognizes the unique financial stress faced by many of our patients and their families. To ease the financial burden, Kennedy Krieger Institute offers Financial Assistance for Medical Indigence or Catastrophic Assistance to those who qualify. A listing of all provider groups and organizations that are included and excluded is outlined in Attachment B.

In order to manage resources appropriately and to allow KKI to assist to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of Financial Assistance.

### Policy Guidelines

Financial Assistance shall be granted for medically necessary services based on an individualized determination of financial need when the eligibility criteria established in this policy are met. Assistance will be awarded without regard to age, race, ethnicity, religion, culture, language, physical or mental disability, socioeconomic status, sex, sexual orientation, and gender identity or expression including transgender.

### Definitions

- **Amounts Generally Billed:** Individuals deemed eligible for Financial Assistance will not be charged more than the Amounts Generally Billed (AGB) for individuals whose care is covered by insurance. To calculate the AGB, KKI will use the allowed amount by Medicaid or a Medicaid Managed Care Organization (MCO) for the same medically necessary service. This calculation utilizes the AGB as of the date(s) of service of the medically necessary care approved for Financial Assistance.
- **Catastrophic Assistance:** Discounts on KKI bills for medically necessary care under the Financial Assistance Program for individuals or a family whose medical bills exceed a certain threshold of their income.
- **Extraordinary Collection Actions (ECAs):** In the event of remaining unpaid balances after the notification period ends, KKI may make further collection actions against individuals who have not filed a completed Financial Assistance application with the required supporting documentation. Such actions may include:

- Requiring payment before providing medically necessary care due to non-payment of one or more bills for previously provided care;
- Selling or renting an individual's debt to another party; and/or
- Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.
- **Family:** As defined by the Census Bureau, family is a group of two or more people who reside together who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the individual claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of Financial Assistance.
- **Family Income:** KKI follows the Census Bureau criteria when determining income in relation to the Federal Poverty Guidelines, as outlined below:
  - Earnings, unemployment compensation, workers compensation, Social Security, Supplemental Security Income, public assistance, 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;
  - Noncash benefits (such as food stamps and housing subsidies) do not count;
  - Determined on a before-tax basis;
  - Excludes capital gains or losses; and
  - If a person lives with a family, they must include the income of all family members (non-relatives, such as housemates, do not count).
- **Federal Poverty Guidelines (FPG):** FPG is determined by the U.S. Department of Health and Human Services and is periodically updated.
- **Medical Indigence:** The lack of financial reserves to pay for health care such as the uninsured or underinsured.
- **Medically Necessary Services:** As defined by Medicaid.
- **Notification and Application Periods:**
  - The **Notification Period** begins on the date of service and extends 120 days after the first billing statement is sent to the patient. Upon exhaustion of this period, Extraordinary Collection Actions (ECAs) may be taken by KKI against individuals who have neither paid the balance for the services nor filed a complete Financial Assistance application with the required supporting documentation.
  - The **Application Period** begins on the date of service and ends 240 days after the first billing statement has been sent to the patient. During this period, KKI will accept and review any completed application with the required supporting documentation for Financial Assistance. If the application is received after ECAs have begun, the activity will be suspended pending the review and outcome of the application review.

Any applications received after the Application Period will be considered on a case by case basis.

- **Underinsured:** A person who has insurance coverage but the coverage under the plan is inadequate for their needs due to either limitations on the terms of coverage under the insurance policy or the person is unable to cover their out-of-pocket expenses under the policy.
- **Uninsured:** A person who does not have insurance coverage.

## Eligibility Criteria

### Financial Assistance

Patients must meet the following criteria in order to be eligible for Medical Indigency or Catastrophic Assistance.

- **Maryland Residency**
  - To be eligible for Financial Assistance, the individual must be a resident of Maryland. Relocation to Maryland for the sole purpose of receiving health care benefit does not satisfy residency. Children and patients who reside in a foreign country are not eligible for Financial Assistance. This policy shall apply regardless of the patient's immigration status.
  - Proof of Residency is required. Acceptable verification of Maryland Residency includes a valid state-issued ID card or utility bill.
- **Denied for Governmental Assistance**
  - Patients are required to have received a denial for assistance through a government program prior to applying for the Financial Assistance program. For extenuating circumstances, where it is apparent that income exceeds the governmental assistance thresholds, this requirement may be waived on a case by case basis.
  - Documentation of denial for governmental assistance is required.

### Additional Requirements for Medical Indigency

- Patients whose individual or family income is less than or equal to 100% of the Federal Poverty Guidelines are eligible for free care (100% Financial Assistance discount).
- Patients whose individual or family income is less than or equal to 400% of the Federal Poverty Guidelines are eligible for a Financial Assistance discount on a sliding scale as outlined in Attachment A.

### Additional Requirements for Catastrophic Assistance

Patients whose family income exceeds the thresholds for Medical Indigency are eligible for Catastrophic Assistance as outlined in Attachment A if the below criteria are met.

- Patients whose medical bills after payment by third-party payers exceed 60% of the individual or family annual gross income; or
- Patients whose medical bills exceed 60% of the individual or family annual gross income and that income exceeds 400% of the federal poverty guidelines and are unable to pay the remaining balance on the bill.

### **Ineligibility**

Patients may not be eligible for Financial Assistance if they meet the below criteria. In each of these instances, the patient/family would be responsible for the charges.

- Patient is covered by a commercial insurance company that does not have a contract with KKI and will not pay out-of-network benefits to KKI and/or does not authorize services to be rendered at KKI;
- Patient/family does not provide all required information to KKI, or their insurance company;
- Patient/family that chooses to receive care at KKI, even though they are aware that services will not be covered, will be responsible for the charges in full; and/or
- It is determined that the patient may qualify for a government-sponsored program, but the patient or family refuses to apply for assistance.

### **Applications**

The patient and/or family must apply by completing the application and providing supporting documentation to be considered eligible for free care or care at a reduced rate. Applicants will not be denied Financial Assistance based on a failure to provide information or documentation that this Policy or the Application does not explicitly require.

#### **Application Requirements**

The following documentation must be received in order to process the Financial Assistance application:

- Signed, completed application
- Required documentation
  - Copy of last year's tax return, if married and filed separately, copies of both returns must be provided
  - Copy of last three (3) pay stubs, letter from employer, or proof of unemployment status
  - Proof of Maryland Residency, such as a State-issued photo ID or a utility bill
  - Copy of all medical insurance cards
  - Copy of Social Security award (if applicable)
  - Copy of the determination letter from Medical Assistance or Social Security

- Requirement waived if it is apparent the patient will not qualify for governmental assistance. If the patient's governmental coverage only covers a portion of the treatment days, an application or denial may be required for the date span not covered by a governmental program
- Additionally, for Catastrophic Assistance, applications must include:
  - Proof of monthly living expenses noted on the application
  - Copies of unpaid medical expenses

### **Consideration Factors for Financial Assistance Determination**

The following factors are to be considered in determining eligibility for Financial Assistance:

- Household gross income;
- Family size;
- The federal poverty guidelines, as updated annually by the Department of Health and Human Services; and
- Assets and liabilities at the date of application submission.

For Catastrophic Assistance, extenuating criteria may also be considered, including:

- Medical status of the family's main provider;
- Employment status along with future earnings potential of the family's main provider;
- The willingness of the family to work with KKI in accessing all possible sources of payment; and/or
- The amount and frequency of medically necessary treatments at KKI and other health care bills.

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. KKI reserves the right to offer either more or less Financial Assistance based on, among other things, the net worth, anticipated earnings and current financial obligations of the patient's family.

Exceptions to the above criteria may only be made with the approval of the Vice President of Finance. Additionally, the Kennedy Krieger Institute provides free care on a case by case basis through participation in programs (such as The Access Partnership) and at the discretion of clinical/finance management.

### **If an Application Submission is Incomplete**

If all required documentation is not received (i.e., the application is incomplete), the applicant will be advised what documentation or information is missing in order to complete the

application along with the Plain Language Summary. Additionally, if the necessary documentation is not received, KKI will provide at least one written notice that KKI or a collection agency may initiate or resume collection efforts if the individual does not complete the application or pay the amount due by the specified deadline. The deadline will be calculated as 30 days after the submission of the letter notifying of the missing required documentation for the Financial Assistance application.

### **Timeframe for Eligibility Determination**

A determination of eligibility will be made within 30 days from the time that all necessary information to make a determination has been received.

### **Notification of Determination**

Patients will receive notification of the Financial Assistance determination as outlined below.

- **Eligibility Determination:** A written decision regarding eligibility will be provided within 30 days of receipt of a completed application and all of the necessary supporting documents. The notification will include:
  - **If Approved for Financial Assistance:** The Financial Assistance percentage amount, indications of any balances remaining after Financial Assistance discount; or
  - **If Denied for Financial Assistance:** The reason(s) for denial and payment expected from patient and/or family.
- **Duration of Financial Assistance if Approved:** When a determination of eligibility for Financial Assistance is made, all accounts of patients within the family shall be handled in the same manner for 12 months following the date of such determination. Discounts will be applied to all open self-pay balances during the 12 month period following the effective date designated in the Financial Assistance award notice. A new application will be required for services provided 12 months or more after the initial (or other prior) determination or if indications are received that the financial status of the patient or family has significantly changed.

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

Discounted or free care is calculated as shown in Attachment A. Discounts will be applied to patient responsibility as assessed by insurance or in the case of a self-pay or uninsured patient, gross charges.

The levels of Financial Assistance provided by KKI are based on income, family size, and the Federal Poverty Guideline. The Federal Poverty Guideline is published annually, and KKI will update its policies with the most recently released Guideline.

KKI will limit amounts charged to patients eligible under this Policy to no more than AGB. This Policy prohibits the use of gross charges except where the patient's statement may reflect discounts and net charges based on AGB. Copies of the specific AGB calculation for a particular service approved for Financial Assistance are available free of charge by contacting the Patient Accounting department at 443-923-1870.

## **Billing and Collections**

KKI is required to make reasonable efforts to notify patients of the Financial Assistance program. Reasonable efforts include distributing the Plain Language Summary of the Financial Assistance Policy to the patient and offering an Application to the patient prior to discharge, as well as, including written notice about the availability of Financial Assistance on each billing statement. Specific situations where reasonable efforts are required to be made include:

- When an incomplete application is submitted, KKI must
  - Suspend any ECAs against the patient
  - Provide written notification that describes what additional information is needed and includes the Plain Language Summary
  - Provide at least one written notice informing the patient about the ECAs that might be taken (or resumed) if the application is not completed or payment made by a deadline in the written notice, which shall be no earlier than 30 days from the written notice or the last day of the application period
- When a complete application is submitted within the application period, KKI must
  - Suspend any ECAs against the patient
  - Make and document a determination on whether the patient is eligible for Financial Assistance in a timely manner
  - Notify the patient in writing of the determination (including the assistance for which the patient is eligible, if applicable) and the basis for this determination
- When a patient and/or family is determined to be eligible for Financial Assistance, KKI must
  - Provide a billing statement that indicates the amount owed after subtracting the Financial Assistance
  - Refund any excess payments made by the patient
  - Take reasonable measures to reverse any ECAs (other than the sale of debt) taken against the patient.

## **Applying for Financial Assistance**

### **How to Apply**

Patient and families wishing to apply for Financial Assistance may complete an application found on KKI's website at [www.kennedykreiger.org/Financial-Assistance](http://www.kennedykreiger.org/Financial-Assistance) and submit it, along with the

supporting documentation, to the Patient Accounting Office. To request copies of the Financial Assistance Policy, Plain Language Summary, or application, or for assistance with the application process, please contact Patient Accounting:

**Patient Accounting**

Kennedy Krieger Institute

1741 Ashland Ave

Baltimore, MD 21205

443-923-1870



## Attachment A

### **Calculation of Eligibility for Financial Assistance**

<b>Family Size</b>	<b>% of Federal Poverty Guideline</b>				
<b>1</b>	\$0 - \$16,752	\$16,753 - \$33,504	\$33,505 - \$38,504	\$38,505 - \$43,504	\$43,505 - \$49,960
<b>2</b>	\$0 - \$22,716	\$22,717 - \$45,432	\$45,433 - \$55,432	\$55,433 - \$65,432	\$65,433 - \$67,640
<b>3</b>	\$0 - \$28,680	\$28,681 - \$57,360	\$57,361 - \$67,360	\$67,361 - \$77,360	\$77,361 - \$85,320
<b>4</b>	\$0 - \$34,632	\$34,633 - \$69,264	\$69,265 - \$79,264	\$79,265 - \$89,264	\$89,265 - \$103,000
<b>5</b>	\$0 - \$40,596	\$40,597 - \$81,192	\$81,193 - \$91,192	\$91,193 - \$101,192	\$101,193 - \$120,680
<b>6</b>	\$0 - \$46,560	\$46,561 - \$93,120	\$93,121 - \$103,120	\$103,121 - \$113,120	\$113,121 - \$138,360
<b>7</b>	\$0 - \$52,524	\$52,525 - \$105,048	\$105,049 - \$115,048	\$115,049 - \$125,048	\$125,049 - \$156,040
<b>8</b>	\$0 - \$58,488	\$58,489 - \$116,976	\$116,977 - \$126,976	\$126,977 - \$136,976	\$136,977 - \$173,720
<b>Discount</b>	<b>100%</b>	<b>80%</b>	<b>60%</b>	<b>40%</b>	<b>20%</b>

### **Calculation of Eligibility for Catastrophic Assistance**

Patient or family's income exceeds 400% of Federal Poverty Guidelines. Balance due must be equal to or greater than 60% of the individual or family's income.

<b>Balance Due</b>	<b>Discount</b>
Balance due is equal to or greater than 90% of income	<b>70%</b>
Balance due is equal to or greater than 80% and less than 90% of income	<b>60%</b>
Balance due is equal to or greater than 70% and less than 80% of income	<b>50%</b>
Balance due is equal to or greater than 60% and less than 70% of income	<b>40%</b>

## Attachment B

### **Included Providers Groups and Organizations**

Kennedy Krieger Institute (Kennedy Krieger Children's Hospital)

Kennedy Krieger Associates

### **Excluded Provider Groups and Organizations**

Kennedy Krieger Institute Genetics Laboratories

PACT: Helping Children with Special Needs

Kennedy Krieger Schools

Kennedy Krieger Educational Evaluation Services

Johns Hopkins Medicine

Johns Hopkins Hospital

Johns Hopkins University Clinical Practice Association

Johns Hopkins Community Physicians

Johns Hopkins Laboratory Services

Office of Johns Hopkins Physicians

NuMotion/ATG Rehab

### **Excluded Services**

Services deemed not medically necessary as defined by Medicaid.