JOHNS HOPKINS
MEDICINE
THE JOHNS HOPKINS HOSPITAL

The Johns Hopkins Hospital's Response to Rep. Carter's Questions for the Record dated November 7, 2017:

1. **How many Part B beneficiaries utilized drugs covered under the 340B program last year at Johns Hopkins facilities?**

   JHH is not able to separate drug dispensations by payer as requested. Our total number of Part B Beneficiaries for the most recent 12 months is 61,614.

   As background, savings for drugs covered under the 340B program are generated at the time of bulk purchase/replenishment rather than at the time of dispensation to patients. Eligibility for replenishment is determined by a third party splitting software based on the location of administration of the drug. Administration in an eligible (appropriately located on the hospital Medicare Cost Report) outpatient clinic provides accumulations of a future purchase at the 340B price. Maryland is an all-payer state and charges are not different for different payers.

2. **What was the total dollar amount of 340B drugs dispensed to beneficiaries at Johns Hopkins under Part B under last year?**

   In FY16, JHH spent $61,662,227 on 340B drugs. The outpatient Payer Mix% for Medicare for FY16 at JHH is 25.22%. Accordingly, the estimated amount spent on drugs given to Medicare Part B beneficiaries is $15,551,214.

3. **What was the total dollar amount of Part B drugs dispensed to beneficiaries each year from the year you entered the 340B program to last year?**

   Below is an estimation based on the methodology described above:

	Medicare Payer mix %	Spend	Estimated Medicare Part B spend
FY12:	23.16%	$38,240,123	$8,856,412
FY13:	25.13%	$38,893,751	$9,774,000
FY14:	25.42%	$46,592,362	$11,843,778
FY15:	25.35%	$46,390,234	$11,759,924

4. **Do you provide a reduction in out of pocket costs for Part B beneficiaries accessing drugs at Johns Hopkins or one of your ancillary sites?**

   JHH has two policies – financial assistance and medication assistance – that ensure eligible low income patients receive the medications they need, regardless of whether those drugs are bought through 340B or not. *(See Appendix A).* Assuring that patients have access to the medications

they need is inherent in our mission and JHH has numerous programs to directly assist insured, underinsured and uninsured alike.

The Financial Assistance Program, which is made available to patients who have health care needs and are uninsured, underinsured, ineligible for a government program or otherwise unable to pay for medically necessary care and medications based on their individual financial situation; and Medical Financial Hardship Assistance, which is made available to those patients who are eligible for reduced cost care under the financial assistance criteria and also qualify under the Medical Financial Hardship Assistance Guidelines. It stipulates that JHHS hospitals (including JHH) shall apply the reduction in charges that is most favorable to the patient.

The JHH Medication Assistance Policy describes JHH's charity assistance programs, which consist of grants, donations, and other funds designated for assisting patients in obtaining prescription medication; patient assistance programs, which allow patients with limited income and resources access to medications via pharmaceutical companies; and medication access lists, which make available low cost generic alternatives.

5. **Has there been an annual increase in the number of drugs purchased by Johns Hopkins for dispensing to Part B patients since you have entered the program? Please provide numbers detailing your program.**

   Please see response to Question No. 3.

6. **Can you provide your opinion as to why the Disproportionate Share Hospital (DSH) metric, which measures Medicare and Medicaid inpatient stays, is or is not appropriate for use in an outpatient drug program targeting underinsured and un insured patients?**

   The original Disproportionate Share Hospital (DSH) metric established by Congress is an appropriate one to ensure that eligibility for the program is targeted to those hospitals that serve a large proportion of low-income patients. The DSH eligibility criteria set forth in the establishing 340B statute is working as intended. In fact, compared to non-340B acute care hospitals, comparably-sized 340B DSH hospitals not only provide more services to low-income patients (42 percent compared to 26 percent) but also provide a higher amount of uncompensated care than non DSH hospitals. In addition, DSH hospitals are more likely to provide specialized health care services, like pediatric intensive care, alcohol/drug abuse treatment, and community wellness programs.

7. **According to an October 2017 Health Affairs article, the national median for hospital DSH percentages is 12.0%, which raises questions about the appropriateness of the 11.75% threshold used for the 340B program. What is your DSH percentage?**

   The Johns Hopkins Hospital's DSH percentage for FY 2016 is 18.97 percent.

   a. Do you believe the DSH threshold for 340B hospitals should be adjusted to better target those 340B hospitals that have a DSH percentage well-above the national median?

      It is difficult to comment at this time without seeing a specific proposal regarding

adjusting the DSH threshold.

8. **What is the payer mix at your main 340B hospital site? How many uninsured or Medicaid patients are you serving? What is the percentage of commercially insured and Medicare patients?**

The total facility payer mix for The Johns Hopkins Hospital in FY2016 is as follows:

Medicare	28.17%
Medicaid	19.99%
Commercial	48.55%
Uninsured	3.3%

It is also important to note that insurance status is not static, e.g. vulnerable patients may move in and out of insurance based on life-events, and 340B was initially established to help hospitals that treat high numbers of Medicaid and low-income Medicare patients, not just the uninsured.

Additionally, health care insurance status is not always reflective of medication insurance coverage, so those who may have health insurance may be in need of Johns Hopkins medication assistance programs.

9. **Would you support a new 340B program requirement that mandates a certain level of charity care?**

We have not seen a specific proposal regarding charity care, but in concept, we believe community benefit is a more appropriate indicator than charity care alone of a hospital's overall commitment to its community and to providing free or discounted care to vulnerable patients.

For example, in fiscal year 2016 alone, the total amount spent on community benefit activities at JHH was nearly $200 million. This figure includes charity care or funding for free or discounted medically necessary care for patients, plus community health improvement programs and health screenings. Community benefit, which is publicly available on a hospital's IRS 990, provides a fuller picture of its investment in improving public health within its community, consistent with 340B original legislative intent.

10. **Are you aware of any instances in which your hospital did not pass on 340B savings to uninsured or underinsured patients?**

JHH provides low-income patients with free and discounted outpatient drugs, but for JHH's most vulnerable patients, affordability is only one in a series of hurdles to experiencing the full health benefit of a prescribed medication. For that reason, JHH uses 340B program savings to fund wrap-around services, including telephone consultations, home visits and transportation as needed for insured and uninsured patients alike. For example, JHH dispatches pharmacists to patient's homes through its *Home-Based Medication Management* project. These specially trained pharmacists work with patients to dispose of expired or discontinued medication, color-code pill containers when labels are too small to read and review medication administration instructions. Importantly, they also ensure that the patient's medication regimen is not only the right choice therapeutically, but also affordable for the patient in the long term. In this program, which began in 2012, JHH has demonstrated a significant reduction (from 17 percent to 8 percent) in

readmissions among patients who receive a pharmacist home visit.[1] JHH also offers a free bedside delivery service to eliminate barriers that could prevent patients from taking medically necessary prescriptions as instructed after a hospital admission, which is vital for good health outcomes and avoiding hospital readmission. More than 9,000 patients benefitted from this service in 2016.

11. Would you support new reporting/tracking requirements for 340B hospitals to achieve more consistency with respect to program savings?

JHH would be willing to review a proposal to strengthen the program. Any changes to the use of program savings should take into account the greatest feature of the 340B program, which is the discretion it affords eligible hospitals in tailoring the use of program savings to address the unique needs of their communities. The 340B program gives JHH the flexibility to tackle the *causes* of disease and disability in our community. In addition to providing health care to one patient at a time, JHH uses its 340B savings to help *prevent* disease and injury in the neighborhoods surrounding the hospital. For instance, beyond treating a premature and low birth weight baby in the neonatal intensive care unit, with 340B savings, JHH develops programs for expectant mothers in the surrounding community to increase the likelihood of healthy, on-time deliveries. In addition to prescribing medication to manage a patient's asthma, diabetes or heart disease, with 340B savings, JHH sponsors health promotion activities with local churches and community leaders. The Emergency Department can treat a patient with a gunshot wound, but with 340B savings, JHH can help modify the patient's home to promote independence after injury and support neighborhood violence prevention programs. These activities are not reimbursed under the traditional hospital payment structure, yet they are inherent to our mission, and are all made possible with the savings from the 340B program.

12. An October 2017 Health Affairs article found that the national median for hospital operating margins is -0.8%. Can you please provide your hospital operating margin?

The Johns Hopkins Hospital's operating margin was 3.6 percent for FY 2016 according to audited financial statements.

13. Is your payer mix the same at your child sites compared to your main hospital?

The Johns Hopkins Hospital child sites are located within the hospital footprint or "medical campus." They do not represent "off-site" entities that purchase drug product independently. These clinics are organizationally, financially and clinically integrated with the main hospital and the outpatient payer mix in FY 2016 is in line with the total facility payer mix noted in our response to Question 8.

[1] Pherson, *Development and implementation of a post discharge home-based medication management service*, 71 Am J Health Syst Pharm. 1576-83 (2014).

Appendix A
Financial Assistance and Medication Assistance Policies

POLICY

This policy applies to The Johns Hopkins Health System Corporation (JHHS) following entities: The Johns Hopkins Hospital (JHH), Johns Hopkins Bayview Medical Center, Inc. Acute Care Hospital and Special Programs (JHBMC) and the Chronic Specialty Hospital of the Johns Hopkins Bayview Care Center (JHBCC).

Purpose

JHHS is committed to providing financial assistance to patients who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation.

It is the policy of the Johns Hopkins Medical Institutions to provide Financial Assistance based on indigence or excessive Medical Debt for patients who meet specified financial criteria and request such assistance. The purpose of the following policy statement is to describe how applications for Financial Assistance can be made, the criteria for eligibility, and the steps for processing each application.

JHHS hospitals will publish the availability of Financial Assistance on a yearly basis in their local newspapers, and will post notices of availability at patient registration sites, Admissions/Business Office the Billing Office, and at the emergency department within each facility. Notice of availability will be posted on each hospital website, will be mentioned during oral communications, and will also be sent to patients on patient bills. A Patient Billing and Financial Assistance Information Sheet will be provided to inpatients before discharge and will be available to all patients upon request.

Financial Assistance may be extended when a review of a patient's individual financial circumstances has been conducted and documented. Review for Medical Financial Hardship Assistance shall include a review of the patient's existing medical expenses and obligations (including any accounts placed in bad debt) and any projected medical expenses. Financial Assistance Applications and Medical Financial Hardship Assistance may be offered to patients whose accounts are with a collection agency and will apply only to those accounts on which a judgment has not been granted, so long as other requirements are met.

FINANCIAL ASSISTANCE FOR PHYSICIANS PROVIDING CARE NOTICE:
Attached as **EXHIBIT D** is a list of physicians that provide emergency and medically necessary care as defined in this policy at JHH, JHBMC and JHBCC. The lists indicates if the doctor is covered under this policy. If the doctor is not covered under this policy, patients should contact the physician's office to determine if the physician offers financial assistance and if so what the physician's financial assistance policy provides.

Definitions

Medical Debt

Medical Debt is defined as out of pocket expenses for medical costs resulting from medically necessary care billed by the Hopkins hospital to which the application is made. Out of pocket expenses do not include co-payments, co-insurance and deductibles unless the patient purchased insurance through a Qualified Health Plan and meets eligibility requirements. Medical Debt does not include those hospital bills for which the patient chose to be registered as Voluntary Self Pay (opting out of insurance coverage, or insurance billing).

Liquid Assets	Cash, securities, promissory notes, stocks, bonds, U.S. Savings Bonds, checking accounts, savings accounts, mutual funds, Certificates of Deposit, life insurance policies with cash surrender values, accounts receivable, pension benefits or other property immediately convertible to cash. A safe harbor of $150,000 in equity in patient's primary residence shall not be considered an asset convertible to cash. Equity in any other real property shall be subject to liquidation. Liquid Assets do not include retirement assets to which the Internal Revenue Service has granted preferential tax treatment as a retirement account, including but not limited to, deferred compensation plans qualified under the Internal Revenue Code or non qualified deferred compensation plans.
Elective Admission	A hospital admission that is for the treatment of a medical condition that is not considered an Emergency Medical Condition.
Immediate Family	If patient is a minor, immediate family member is defined as mother, father, unmarried minor siblings, natural or adopted, residing in the same household. If patient is an adult, immediate family member is defined as spouse or natural or adopted unmarried minor children residing in the same household.
Emergency Medical Condition	A medical condition manifesting itself by acute symptoms of sufficient severity, which may include severe pain, or other acute symptoms such that the absence of immediate medical attention could reasonably be expected to result in any of the following: (a) Serious jeopardy to the health of a patient; (b) Serious impairment of any bodily functions; (c) Serious dysfunction of any bodily organ or part. (d) With respect to a pregnant woman: 1. That there is inadequate time to effect safe transfer to another hospital prior to delivery. 2. That a transfer may pose a threat to the health and safety of the patient or fetus. 3. That there is evidence of the onset and persistence of uterine contractions or rupture of the membranes.
Emergency Services and Care	Medical screening, examination, and evaluation by a physician, or, to the extent permitted by applicable law, by other appropriate personnel under the supervision of a physician, to determine whether an emergency medical condition exists and, if it does, the care, treatment, or surgery by a physician which is necessary to relieve or eliminate the emergency medical condition, within the service capability of the hospital.
Medically Necessary Care	Medical treatment that is necessary to treat an Emergency Medical Condition. Medically necessary care for the purposes of this policy does not include Elective or cosmetic procedures.
Medically Necessary Admission	A hospital admission that is for the treatment of an Emergency Medical Condition.

Family Income	Patient's and/or responsible party's wages, salaries, earnings, tips, interest, dividends, corporate distributions, rental income, retirement/pension income, Social Security benefits and other income as defined by the Internal Revenue Service, for all members of Immediate Family residing in the household.
Supporting Documentation	Pay stubs; W-2s; 1099s; workers' compensation, Social Security or disability award letters; bank or brokerage statements; tax returns; life insurance policies; real estate assessments and credit bureau reports, Explanation of Benefits to support Medical Debt.
Qualified Health Plan	Under the Affordable Care Act, starting in 2014, an insurance plan that is certified By the Health Insurance Marketplace, provides essential health benefits, follows established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximuim amounts), and meets other requirements. A qualified health plan will have a certification by each Marketplace in which it is sold.

PROCEDURES

1. An evaluation for Financial Assistance can begin in a number of ways:

   For example:

   - A patient with a self-pay balance due notifies the self-pay collector or collection agency that he/she cannot afford to pay the bill and requests assistance.
   - A patient presents at a clinical area without insurance and states that he/she cannot afford to pay the medical expenses associated with their current or previous medical services.
   - A patient with a hospital account referred to a collection agency notifies the collection agency that he/she cannot afford to pay the bill and requests assistance.
   - A physician or other clinician refers a patient for Financial-Assistance evaluation for either inpatient or outpatient services.

2. Each Clinical or Business Unit will designate a person or persons who will be responsible for taking Financial Assistance applications. These staff can be Financial Counselors, Self-Pay Collection Specialists, Administrative staff, Customer Service, etc.

3. Designated staff will meet with patients who request Financial Assistance to determine if they meet preliminary criteria for assistance.

   a. All hospital applications will be processed within two business days and a determination will be made as to probable eligibility. To facilitate this process each applicant must provide information about family size and income, (as defined by Medicaid regulations). To help applicants complete the process, we will provide a statement of conditional approval that will let them know what paperwork is required for a final determination of eligibility.
   b. Applications received will be sent to the JHHS Patient Financial Services Department's dedicated Financial Assistance application line for review; a written determination of probable eligibility will be issued to the patient.

4. To determine final eligibility, the following criteria must be met:

a. The patient must apply for Medical Assistance or insurance coverage through a Qualified Health Plan and cooperate fully with the Medical Assistance team or its' designated agent, unless the financial representative can readily determine that the patient would fail to meet the eligibility requirements. The Patient Profile Questionnaire (Exhibit B) is used to determine if the patient must apply for Medical Assistance. In cases where the patient has active Medical Assistance pharmacy coverage or QMB coverage, it would not be necessary to reapply for Medical Assistance unless the financial representative has reason to believe that the patient may be awarded full Medical Assistance benefits.

b. Consider eligibility for other resources, such as endowment funds, outside foundation resources, etc.

c. The patient must be a United States of America citizen or permanent legal resident (must have resided in the U.S.A. for a minimum of one year).

d. All insurance benefits must have been exhausted.

5. To the extent possible, there will be one application process for all of the Maryland hospitals of JHHS. The patient is required to provide the following:

a. A completed Financial Assistance Application (Exhibit A) and Patient Profile Questionnaire (Exhibit B).

b. A copy of their most recent Federal Income Tax Return (if married and filing separately, then also a copy of spouse's tax return and a copy of any other person's tax return whose income is considered part of the family income as defined by Medicaid regulations).

c. A copy of the three (3) most recent pay stubs (if employed) or other evidence of income of any other person whose income is considered part of the family income as defined by Medicaid regulations.

d. A Medical Assistance Notice of Determination (if applicable).

e. Proof of U.S. citizenship or lawful permanent residence status (green card) if applicable.

f. Proof of disability income (if applicable).

g. Reasonable proof of other declared expenses.

h. If unemployed, reasonable proof of unemployment such as statement from the Office of Unemployment Insurance, a statement from current source of financial support, etc...

6. A patient can qualify for Financial Assistance either through lack of sufficient insurance or excessive Medical Debt. Medical Debt is defined as out of pocket expenses excluding copayments, coinsurance and deductibles unless the patient purchased insurance through a Qualified Health Plan and meets eligibility requirements for medical costs billed by a Hopkins hospital. Once a patient has submitted all the required information, the Financial Counselor will review and analyze the application and forward it to the Patient Financial Services Department for final determination of eligibility based upon JHMI guidelines.

a. If the application is denied, the patient has the right to request the application be reconsidered. The Financial Counselor will forward the application and attachments to the Financial

Assistance Evaluation Committee for final evaluation and decision.

b. If the patient's application for Financial Assistance is based on excessive Medical Debt or if there are extenuating circumstances as identified by the Financial Counselor or designated person, the Financial Counselor will forward the application and attachments to the Financial Assistance Evaluation Committee. This committee will have decision-making authority to approve or reject applications. It is expected that an application for Financial Assistance reviewed by the Committee will have a final determination made no later than 30 days from the date the application was considered complete. The Financial Assistance Evaluation Committee will base its determination of financial need on JHHS guidelines.

7. Each clinical department has the option to designate certain elective procedures for which no Financial Assistance options will be given.

8. Services provided to patients registered as Voluntary Self Pay patients do not qualify for Financial Assistance.

9. A department operating programs under a grant or other outside governing authority (i.e., Psychiatry) may continue to use a government-sponsored application process and associated income scale.

10. Once a patient is approved for Financial Assistance, Financial Assistance coverage shall be effective for the month of determination and the following six (6) calendar months. If patient is approved for a percentage allowance due to financial hardship it is recommended that the patient make a good-faith payment at the beginning of the Financial Assistance period. Upon a request from a patient who is uninsured and whose income level falls within the Medical Financial Hardship Income Grid set forth in Appendix B, JHHS shall make a payment plan available to the patient. Any payment schedule developed through this policy will ordinarily not last longer than two years. In extraordinary circumstances and with the approval of the designated manager a payment schedule may be extended.

11. Presumptive Financial Assistance Eligibility. There are instances when a patient may appear eligible for financial assistance, but there is no financial assistance form on file. Often there is adequate information provided by the patient or other sources, which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, JHHS reserves the right to use outside agencies in determining estimated income amounts for the basis of determining financial assistance eligibility and potential reduced care rates. Once determined, due to the inherent nature of presumptive circumstances, the only financial assistance that can be granted is a 100% write-off of the account balance. Presumptive Financial Assistance Eligibility shall only cover the patient's specific date of service and shall not be effective for a six (6) month period. Presumptive eligibility may be determined on the basis of individual life circumstances. Unless otherwise eligible for Medicaid or CHIP, patients who are beneficiaries/recipients of the means-tested social service programs listed by the Health Services Cost Review Commission in COMAR 10.37.10.26 A-2 are deemed Presumptively Eligible for free care provided the patient submits proof of enrollment within 30 days of date of service. Such 30 days may be extended to 60 days if patient or patient's representative request an additional 30 days. Appendix A-1 provides a list of life circumstances in addition to those specified by the regulations listed above that qualify a patient for Presumptive Eligibility.

12. Financial Assistance Applications may only be submitted for/by patients with open and unpaid hospital accounts.

13. Patients who indicate they are unemployed and have no insurance coverage shall be required to submit a Financial Assistance Application unless they meet Presumptive Financial Assistance

Eligibility criteria. If patient qualifies for COBRA coverage, patient's financial ability to pay COBRA insurance premiums shall be reviewed by the Financial Counselor and recommendations shall be made to Financial Assistance Evaluation Committee. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services and for their overall personal health.

14. Patients who receive coverage on a Qualified Health Plan and ask for help with out of pocket expenses (co-payments and deductibles) for medical costs resulting from medically necessary care shall be required to submit a Financial Assistance Application if the patient is at or below 200% of Federal Poverty Guidelines.

15. If a patient account has been assigned to a collection agency, and patient or guarantor request financial assistance or appears to qualify for financial assistance, the collection agency shall notify PFS and shall forward the patient/guarantor a financial assistance application with instructions to return the completed application to PFS for review and determination and shall place the account on hold for 45 days pending further instruction from PFS.

16. Beginning October 1, 2010, if within a two (2) year period after the date of service a patient is found to be eligible for free care on the date of service (using the eligibility standards applicable on the date of service), the patient shall be refunded amounts received from the patient/guarantor exceeding $25. If the hospital documentation demonstrates the lack of cooperation of the patient or guarantor in providing information to determine eligibility for free care, the two (2) year period herein may be reduced to 30 days from the date of initial request for information. If the patient is enrolled in a means-tested government health care plan that requires the patient to pay-out-of pocket for hospital services, then patient or guarantor shall not be refunded any funds that would result in patient losing financial eligibility for health coverage.

17. This Financial Assistance policy does not apply to deceased patients for whom a decedent estate has or should be opened due to assets owned by a deceased patient. Johns Hopkins will file a claim in the decedents' estate and such claim will be subject to estate administration and applicable Estates and Trust laws.

18. JHHS Hospitals may extend Financial Assistance to residents with demonstrated financial need, regardless of citizenship, in the neighborhoods surrounding their respective hospitals, as determined by the hospital's Community Health Needs Assessment. The zip codes for JHH and JHBMC are: 21202, 21205, 21206, 21213, 21218, 21219, 21222, 21224, 21231 and 21052. Once a patient is approved for Financial Assistance, Financial Assistance coverage shall be effective for the month of determination and the following six (6) calendar months. Financial Counselors will refer these patients to The Access Partnership program at Hopkins (see FIN057 for specific procedures).

REFERENCE[1]

JHHS Finance Policies and Procedures Manual

Policy No. FIN017 - Signature Authority: Patient Financial Services
Policy No. FIN033 - Installment Payments

Charity Care and Bad Debts, AICPA Health Care Audit Guide

1[1] NOTE: Standardized applications for Financial Assistance, Patient Profile Questionnaire and Medical Financial Hardship have been developed. For information on ordering, please contact the Patient Financial Services Department. Copies are attached to this policy as Exhibits A, B and C.

Code of Maryland Regulations COMAR 10.37.10.26, et seq
Maryland Code Health General 19-214, et seq
Federal Poverty Guidelines (Updated annually) in Federal Register

RESPONSIBILITIES - JHH, JHBMC

Financial Counselor (Pre-Admission/Admission/In-House/ Outpatient) Customer Service Collector Admissions Coordinator Any Finance representative designated to accept applications for Financial Assistance	Understand current criteria for Assistance qualifications. Identify prospective patients; initiate application process when required. As necessary assist patient in completing application or program specific form. On the day preliminary application is received, fax to Patient Financial Services Department's dedicated fax line for determination of probable eligibility. Review preliminary application, Patient Profile Questionnaire and Medical Financial Hardship Application (if submitted) to make probable eligibility determination. Within two business days of receipt of preliminary application, mail determination to patient's last known address or deliver to patient if patient is currently an inpatient. Notate patient account comments. If Financial Assistance Application is not required, due to patient meeting specific criteria, notate patient account comments and forward to Management Personnel for review. Review and ensure completion of final application. Deliver completed final application to appropriate management. Document all transactions in all applicable patient accounts comments. Identify retroactive candidates; initiate final application process.

Management Personnel (Supervisor/Manager/Director)	Review completed final application; monitor those accounts for which no application is required; determine patient eligibility; communicate final written determination to patient within 30 business days of receiving completed application. If patient is eligible for reduced cost care, apply the most favorable reduction in charges for which patient qualifies. Advise ineligible patients of other alternatives available to them including installment payments, bank loans, or consideration under the Medical Financial Hardship program if they have not submitted the supplemental application, Exhibit C. [Refer to Appendix B - Medical Financial Hardship Assistance Guidelines.] Notices will not be sent to Presumptive Eligibility recipients.
Financial Management Personnel (Senior Director/Assistant Treasurer or affiliate equivalent) CP Director and Management Staff	Review and approve Financial Assistance applications and accounts for which no application is required and which do not write off automatically in accordance with signature authority established in JHHS Finance Policy No. FIN017 - Signature Authority: Patient Financial Services.

SPONSOR

Senior Director, Patient Finance (JHHS)
Director, PFS Operations (JHHS)

REVIEW CYCLE

Two (2) years

APPROVAL

_____ _____

Sr. VP of Finance/Treasurer & CFO for JHH and JHHS Date

APPENDIX A
FINANCIAL ASSISTANCE PROGRAM ELIGIBILITY GUIDELINES

1. Each patient requesting Financial Assistance must complete a JHM/Financial Assistance Application (also known as the Maryland State Uniform Financial Assistance Application) Exhibit A, and Patient Profile Questionnaire, Exhibit B. If patient wishes to be considered for Medical Financial Hardship, patient must submit Medical Financial Hardship Application, Exhibit C.

2. A preliminary application stating family size and family income (as defined by Medicaid regulations) will be accepted and a determination of probable eligibility will be made within two business days of receipt.

3. The patient must apply for Medical Assistance or insurance coverage through a Qualified Health Plan and cooperate fully with the Medical Assistance team or its designated agent, unless the financial representative can readily determine that the patient would fail to meet the eligibility requirements. A Patient Profile Questionnaire (see Exhibit B) has been developed to determine if the patient must apply for Medical Assistance. In cases where the patient has active Medical Assistance pharmacy coverage or QMB coverage, it would not be necessary to reapply for Medical Assistance unless the financial representative has reason to believe that the patient may be awarded full Medical Assistance benefits.

4. The patient must be a United States of America citizen or permanent legal resident (must have resided in the U.S.A. for a minimum of one year)

5. Proof of income must be provided with the final application. Acceptable proofs include:
   (a) Prior-year tax return;
   (b) Current pay stubs;
   (c) Letter from employer, or if unemployed documentation verifying unemployed status; and
   (d) A credit bureau report obtained by the JHM affiliates and/or Patient Financial Services Department.

6. Patients will be eligible for Financial Assistance if their maximum family (husband and wife, same sex married couples) income (as defined by Medicaid regulations) level does not exceed each affiliate's standard (related to the Federal poverty guidelines) and they do not own Liquid Assets *in excess of $10,000 which would be available to satisfy their JHHS affiliate bills.

7. All financial resources must be used before the Financial Assistance can be applied. This includes insurance, Medical Assistance, and all other entitlement programs for which the patient may qualify.

8. Patients who chose to become voluntary self pay patients do not qualify for Financial Assistance for the amount owed on any account registered as Voluntary Self Pay.

9. Financial Assistance is only applicable to Medically Necessary Care as defined in this policy. Financial Assistance is not applicable to convenience items, private room accommodations or non-essential cosmetic surgery. Non-hospital charges will remain the responsibility of the patient. In the event a question arises as to whether an admission is an "Elective Admission" or a "Medically Necessary Admission," the patient's admitting physician shall be consulted and the matter will also be directed to the physician advisor appointed by the hospital.

10. Each affiliate will determine final eligibility for Financial Assistance within thirty (30) business days of the day when the application was satisfactorily completed and submitted.

11. Documentation of the final eligibility determination will be made on all (open-balance) patient accounts. A determination notice will be sent to the patient.

12. A determination of eligibility for Financial Assistance based on the submission of a Financial Assistance Application will remain valid for a period of six (6) months for all necessary JHM affiliate services provided, based on the date of the determination letter. Patients who are currently receiving Financial Assistance from one JHM affiliate will not be required to reapply for Financial Assistance from another affiliate.

13. All determinations of eligibility for Financial Assistance shall be solely at the discretion of the JHHS affiliate.

Exception

The Director of Patient Financial Services (or affiliate equivalent) may make exceptions according to individual circumstances.

FREE OR REDUCED COST CARE FINANCIAL ASSISTANCE GRID

TABLE FOR DETERMINATION OF FINANCIAL ASSISTANCE ALLOWANCES

Effective 3/1/16

# of Persons in Family	Income Level*	Upper Limits of Income for Allowance Range				
1	**$ 23,760**	$ 26,136	$ 28,512	$ 30,888	$ 33,264	$ 35,640
2	**$ 32,040**	$ 35,244	$ 38,448	$ 41,652	$ 44,856	$ 48,060
3	**$ 40,320**	$ 44,352	$ 48,384	$ 52,416	$ 56,448	$ 60,480
4	**$ 48,600**	$ 53,460	$ 58,320	$ 63,180	$ 68,040	$ 72,900
5	**$ 56,880**	$ 62,568	$ 68,256	$ 73,944	$ 79,632	$ 85,320
6	**$ 65,160**	$ 71,676	$ 78,192	$ 84,708	$ 91,224	$ 97,740
7	**$ 73,460**	$ 80,806	$ 88,152	$ 95,498	$ 102,844	$ 110,190
8*	**$ 81,780**	$ 89,958	$ 98,136	$ 106,314	$ 114,492	$ 122,670
**amt for each mbr	$8,320	$9,152	$9,984	$10,816	$11,648	$12,480
Allow ance to Give:	100%	80%	60%	40%	30%	20%

* 200% of Poverty Guidelines

** For family units with more than eight (8) members.

EXAMPLE:

Annual Family Income	$55,000
# of Persons in Family	4
Applicable Poverty Income Level	48,600
Upper Limits of Income for Allowance Range	$58,320 (60% range)

($55,000 is less than the upper limit of income; therefore patient is eligible for Financial Assistance.)

Appendix A-1

Presumptive Financial Assistance Eligibility

There are instances when a patient may appear eligible for financial assistance, but there is no financial assistance form on file. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, JHHS reserves the right to use outside agencies in determining estimate income amounts for the basis of determining financial assistance eligibility and potential reduced care rates. Once determined, due to the inherent nature of presumptive circumstances, the only financial assistance that can be granted is a 100% write off of the account balance. Presumptive Financial Assistance Eligibility shall only cover the patient's specific date of service and shall not be effective for a six (6) month period. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

- Active Medical Assistance pharmacy coverage
- QMB coverage/ SLMB coverage
- Homelessness
- Medical Assistance and Medicaid Managed Care patients for services provided in the ER beyond the coverage of these programs
- Maryland Public Health System Emergency Petition patients
- Participation in Women, Infants and Children Programs (WIC)*
- Supplemental Nutritional Assistance program (SNAP) or Food Stamp eligibility *
- Households with children in the free or reduced lunch program*
- Low-income household energy assistance program participation*
- Eligibility for other state or local assistance programs which have financial eligibility at or below 200% of FPL
- Patient is deceased with no known estate
- The Access Partnership Program at Hopkins (see FIN057 for specific procedures)
- Patients that are determined to meet eligibility criteria established under former State Only Medical Assistance Program
- The Pregnancy Care Program at JHBMC (see FIN053 for specific procedures)

*These life circumstances are set forth in COMAR 10.37.10.26 A-2. The patient needs to submit proof of enrollment in these programs within 30 days of treatment unless the patient requests an additional 30 days.

APPENDIX B
MEDICAL FINANCIAL HARDSHIP ASSISTANCE GUIDELINES

Purpose

These guidelines are to provide a separate, supplemental determination of Financial Assistance. This determination will be offered to all patients who apply for Financial Assistance.

Medical Financial Hardship Assistance is available for patients who are not eligible for Financial Assistance under the primary section of this policy, but for whom:
1.) Medical Debt incurred over a twelve (12) month period exceeds 25% of the Family Income creating Medical Financial Hardship; and
2.) who meet the income standards for this level of Assistance.

For those patients who are eligible for reduced cost care under the Financial Assistance criteria and also qualify under the Medical Financial Hardship Assistance Guidelines, JHHS shall apply the reduction in charges that is most favorable to the patient.

Medical Financial Hardship is defined as Medical Debt for medically necessary treatment incurred by a family over a twelve (12) month period that exceeds 25% of that family's income.

Medical Debt is defined as out of pocket expenses for medical costs for Medically Necessary Care billed by the Hopkins hospital to which the application is made, the out of pocket expenses mentioned above do not include co-payments, co-insurance and deductibles, unless the patient is below 200% of Federal Poverty Guidelines.

The patient/guarantor can request that such a determination be made by submitting a Medical Financial Hardship Assistance Application (Exhibit C), when submitting JHM/Financial Assistance Application, also known as the Maryland State Uniform Financial Assistance Application (Exhibit A), and the Patient Profile Questionnaire (Exhibit B). The patient guarantor must also submit financial documentation of family income for the twelve (12) calendar months preceding the application date and documentation evidencing Medical Debt of at least 25% of family income.

Once a patient is approved for Medical Hardship Financial Assistance, Medical Hardship Financial Assistance coverage shall be effective starting the month of the first qualifying service and the following twelve (12) calendar months. It shall cover those members of the patient's Immediate Family residing in the same household. The patient and the Immediate Family members shall remain eligible for reduced cost Medically Necessary Care when seeking subsequent care at the same hospital for twelve (12) calendar months beginning on the date on which the reduced cost Medically Necessary Care was initially received. Coverage shall not apply to Elective Admissions or Elective or cosmetic procedures. However, the patient or the patient's immediate family member residing in the same household must notify the hospital of their eligibility for the reduced cost medically necessary care at registration or admission.

General Conditions for Medical Financial Hardship Assistance Application:

1. Patient's income is under 500% of the Federal Poverty Level.
2. Patient has exhausted all insurance coverage.
3. Patient account balances for patients who chose to register as voluntary self pay shall not counted toward Medical Debt for Medical Financial Hardship Assistance.
4. Patient/guarantor do not own Liquid Assets *in excess of $10,000 which would be available to satisfy their JHHS affiliate bills.
5. Patient is not eligible for any of the following:
    - Medical Assistance

- Other forms of assistance available through JHM affiliates

6. Patient is not eligible for The JHM Financial Assistance Program or is eligible but the Medical Financial Hardship Program may be more favorable to the patient.

7. The affiliate has the right to request patient to file updated supporting documentation.

8. The maximum time period allowed for paying the amount not covered by Financial Assistance is three (3) years.

9. If a federally qualified Medicaid patient required a treatment that is not approved by Medicaid but may be eligible for coverage by the Medical Financial Hardship Assistance program, the patient is still required to file a JHHS Medical Financial Hardship Assistance Application but not to submit duplicate supporting documentation.

Factors for Consideration

The following factors will be considered in evaluating a Medical Financial Hardship Assistance Application:

- Medical Debt incurred over the twelve (12) months preceding the date of the Financial Hardship Assistance Application at the Hopkins treating facility where the application was made.
- Liquid Assets (leaving a residual of $10,000)
- Family Income for the twelve (12) calendar months preceding the date of the Financial Hardship Assistance Application
- Supporting Documentation

Exception

The Director or designee of Patient Financial Services (or affiliate equivalent) may make exceptions according to individual circumstances.

Evaluation Method and Process

1. The Financial Counselor will review the Medical Financial Hardship Assistance Application and collateral documentation submitted by the patient/responsible party.

2. The Financial Counselor will then complete a Medical Financial Hardship Assistance Worksheet (found on the bottom of the application) to determine eligibility for special consideration under this program. The notification and approval process will use the same procedures described in the Financial Assistance Program section of this policy.

MEDICAL HARDSHIP FINANCIAL GRID

Upper Limits of Family Income for Allowance Range

TABLE FOR DETERMINATION OF FINANCIAL ASSISTANCE ALLOWANCES

Effective 3/1/16

# of Persons in Family	Income Level**		
# of Persons in Family	300% of FPL	400% of FPL	500% of FPL
1	**$ 35,640**	$ 47,520	$ 59,400
2	**$ 48,060**	$ 64,080	$ 80,100
3	**$ 60,480**	$ 80,640	$ 100,800
4	**$ 72,900**	$ 97,200	$ 121,500
5	**$ 85,320**	$ 113,760	$ 142,200
6	**$ 97,740**	$ 130,320	$ 162,900
7	**$ 110,190**	$ 146,920	$ 183,650
8*	**$ 122,670**	$ 163,560	$ 204,450
Allow ance to Give:	50%	35%	20%

*For family units with more than 8 members, add $12,480 for each additional person at 300% of FPL, $16,640 at 400% at FPL; and $20,800 at 500% of FPL.

Exhibit A

Johns Hopkins
3910 Keswick Road, Suite S-5100
Baltimore, MD 21211

JOHNS HOPKINS
MEDICINE

Maryland State Uniform Financial Assistance Application

Information About You

Name _____
First Middle Last

Social Security Number _____-____-_____ Marital Status: Single Married Separated
US Citizen: Yes No Permanent Resident: Yes No

Home Address _____ Phone _____

_____

_____ _____
City State Zip code Country

Employer Name _____ Phone _____

Work Address _____

_____
City State Zip code

Household members:

Name	Age	Relationship

Have you applied for Medical Assistance Yes No
If yes, what was the date you applied? _____
If yes, what was the determination? _____

Do you receive any type of state or county assistance? Yes No

Exhibit A

I. Family Income

List the amount of your monthly income from all sources. You may be required to supply proof of income, assets, and expenses. If you have no income, please provide a letter of support from the person providing your housing and meals.

	Monthly Amount
Employment	_____
Retirement/pension benefits	_____
Social security benefits	_____
Public assistance benefits	_____
Disability benefits	_____
Unemployment benefits	_____
Veterans benefits	_____
Alimony	_____
Rental property income	_____
Strike benefits	_____
Military allotment	_____
Farm or self employment	_____
Other income source	_____
Total	_____

II. Liquid Assets

	Current Balance
Checking account	_____
Savings account	_____
Stocks, bonds, CD, or money market	_____
Other accounts	_____
Total	_____

III. Other Assets

If you own any of the following items, please list the type and approximate value.

Home	Loan Balance _____		Approximate value	_____
Automobile	Make _____	Year _____	Approximate value	_____
Additional vehicle	Make _____	Year _____	Approximate value	_____
Additional vehicle	Make _____	Year _____	Approximate value	_____
Other property			Approximate value	_____
		Total		_____

IV. Monthly Expenses

	Amount
Rent or Mortgage	_____
Utilities	_____
Car payment(s)	_____
Credit card(s)	_____
Car insurance	_____
Health insurance	_____
Other medical expenses	_____
Other expenses	_____
Total	_____

Do you have any other unpaid medical bills? Yes No

For what service? _____

If you have arranged a payment plan, what is the monthly payment? _____

If you request that the hospital extend additional financial assistance, the hospital may request additional information in order to make a supplemental determination. By signing this form, you certify that the information provided is true and agree to notify the hospital of any changes to the information provided within ten days of the change.

_____ _____

Applicant signature Date

_____

Relationship to Patient

EXHIBIT B PATIENT FINANCIAL SERVICES PATIENT PROFILE QUESTIONNAIRE

HOSPITAL NAME: _____

PATIENT NAME: _____

PATIENT ADDRESS: _____
(Include Zip Code)

MEDICAL RECORD #:_____

1. What is the patient's age? _____
2. Is the patient a U.S. citizen or permanent resident? Yes or No
3. Is patient pregnant? Yes or No
4. Does patient have children under 21 years of age living at home? Yes or No
5. Is patient blind or is patient potentially disabled for 12 months or more from gainful employment? Yes or No
6. Is patient currently receiving SSI or SSDI benefits? Yes or No
7. Does patient (and, if married, spouse) have total bank accounts or assets convertible to cash that do not exceed the following amounts? Yes or No
   Family Size:
   Individual: $2,500.00
   Two people: $3,000.00
   For each additional family member, add $100.00
   (Example: For a family of four, if you have total liquid assets of less than $3,200.00, you would answer YES.)
8. Is patient a resident of the State of Maryland? Yes or No
   If not a Maryland resident, in what state does patient reside? _____
9. Is patient homeless? Yes or No
10. Does patient participate in WIC? Yes or No
11. Does household have children in the free or reduced lunch program? Yes or No
12. Does household participate in low-income energy assistance program? Yes or No
13. Does patient receive SNAP/Food Stamps? Yes or No
14. Is the patient enrolled in Healthy Howard and referred to JHH Yes or No
15. Does patient currently have?
    Medical Assistance Pharmacy Only Yes or No
    QMB coverage/ SLMB coverage Yes or No
16. Is patient employed? Yes or No
    If no, date became unemployed. _____
    Eligible for COBRA health insurance coverage? Yes or No

EXHIBIT C MEDICAL FINANCIAL HARDSHIP APPLICATION

HOSPITAL NAME: _____

PATIENT NAME: _____

PATIENT ADDRESS: _____
(Include Zip Code)

MEDICAL RECORD #:_____

Date: _____

Family Income for twelve (12) calendar months preceding date of this application: _____

Medical Debt incurred at The Johns Hopkins Hospital (not including co-insurance, co-payments, or deductibles) for the twelve (12) calendar months preceding the date of this application:

Date of service	Amount owed
_____	_____
_____	_____
_____	_____
_____	_____

All documentation submitted becomes part of this application.
All the information submitted in the application is true and accurate to the best of my knowledge, information and belief.

_____ Date: _____
Applicant's signature

_____
Relationship to Patient

For Internal Use:

Reviewed By: _____Date:_____

Income: _____ 25% of income=_____

Medical Debt: _____ Percentage of Allowance: _____

Reduction: _____ Balance Due: _____

Monthly Payment Amount: _____ Length of Payment Plan: _____months

	The Johns Hopkins Hospital **Pharmacy, Outpatient Retail** **Finance**	*Policy Number*	FIN013
		Effective Date	07/08/2014
		Approval Date	07/08/2014
	Subject **Medication Assistance**	*Page*	1 of 2
		Supercedes	07/01/2011

Keywords: **medication assistance, ch**arity care, vouchers, Social Work,

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I. OBJECTIVES

A. **Outpatient pharmacy will** take part in Johns Hopkins Medicine initiatives that assist patients and families in **seeking access to take-ho**me medication.

II. INDICATIONS FOR USE

A. **Outpatient pharmacy lea**dership and staff will not discriminate on the basis of socioeconomic status. This policy **outlines how outpatient p**harmacy collaborates with groups both internal and external to Johns Hopkins Medicine **to assist patients accessin**g take-home medications in the event the patient is unable to afford medication costs.

III. RESPONSIBILITY

Patients	• Patients are accountable for informing health care providers of their need for assistance in accessing take-home medications. • Patients are accountable for providing supporting documentation as required (ex. proof of income).
Department of Social Work	• Responsible for authorizing the use of charity funds for medication access.

IV. PROCEDURE

A. Potential opportunities are available to patients seeking financial aid or assistance with take-home medication costs.
   1. Charity Assistance Programs
      1. All patients presenting to outpatient pharmacy who need assistance with a take home medication will be referred to the Department of Social Work. A member of the Department of Social Work completes a screening process that may include verifying insurance status and discussing patient finances before funds are assigned to a patient. Charity assistance program funds will be authorized by the Department of Social Work.
      2. Prescription quantities covered by Charity Assistance Programs may differ from those ordered by the prescriber.

2. Patient Assistance Programs (PAP)
    1. Pharmaceutical companies are responsible for establishing enrollment criteria for each medication available through a PAP. Eligibility criteria may be based upon the current Federal Poverty Level (FPL), the number of dependents in a household, or the total income per household.
    2. PAP medication may only be dispensed to the patient for whom it was authorized.
    3. PAP medication may never be re-sold.
3. Low Cost Generic Drug Plan
    1. Outpatient pharmacy offers a generic drug discount list that contains commonly prescribed generic medications available to uninsured patients.
    2. The drug discount list is maintained at http://www.insidehopkinsmedicine.org/pharmacy/11_medication_list.pdf.
    3. The low cost generic drug plan may only be used by uninsured patients.

B. Co-payment Assistance for Patients with Medicaid or Medicaid MCO Coverage

i. In the event a patient with Medicaid or Medicaid MCO Coverage does not have access to funds for their co-payment(s), the patient could be eligible for a co-payment(s) waiver. In order to be eligible for a co-payment(s) waiver, the patient must complete a Patient Profile Questionnaire or have a previously completed Patient Profile Questionnnaire on file.

V. DEFINITIONS

Charity Assistance Programs	Charity Assistance programs consist of grants, philanthropic donations, and other funds designated for assisting patients in obtaining prescription medication.
Patient Assistance Programs (PAP's)	Through PAP's, pharmaceutical companies provide select brand-name medications to patients with limited income and resources. Eligibility criteria for PAP may include current Federal Poverty Level (FPL) guidelines, number of dependants in the household, or the total income per household.
Low Cost Generic Drug Plans	Commonly prescribed generic medications (medications no longer under patent and available from multiple manufacturer(s) for various disease states are available in quantities from one to three months at pharmacies.