 JOHNS HOPKINS MEDICINE JOHNS HOPKINS HEALTH SYSTEM	The Johns Hopkins Health System Policy & Procedure	<i>Policy Number</i>	FIN113
	<i>Subject</i>	<i>Effective Date</i>	12-01-07
	POLICY ON PATIENT WAIVERS OF CO- PAYMENTS AND DEDUCTIBLES	<i>Page</i>	1 of 2
		<i>Supersedes</i>	04-20-05

POLICY

This policy applies to The Johns Hopkins Health System Corporation (JHHS) and the following affiliated entities: The Johns Hopkins Hospital (JHH), Johns Hopkins Bayview Medical Center, Inc. (JHBMC), Howard County General Hospital (HCGH), Johns Hopkins Community Physicians, Inc. (JHCP), and Johns Hopkins Home Care Group (JHHCG).

Purpose

The majority of patients at each of The Johns Hopkins Health System (JHHS) Corporation's affiliates have health care benefits either under a private health insurance policy or a federal health care program (e.g. Medicare and Medicaid) which usually places out-of-pocket expense obligations on patients such as coinsurance and/or deductibles. Waivers of such amounts under certain circumstances may subject the JHHS affiliate to liability. The purpose of this policy is to establish standards and controls over the waiver of patient co-payments and deductibles in order to comply with both federal and state requirements.

General Requirements


The JHHS affiliate works within the terms and conditions of each patient's insurance policy. Accordingly, regardless of who the insurer is, the affiliate's general policy is to bill for all applicable out-of-pocket amounts and to make good faith efforts to collect such amounts. All arrangements involving waivers of coinsurance and deductible amounts must be approved by the Chief Compliance Officer, and if applicable, reviewed by legal counsel prior to implementation.

Under no circumstances will the JHHS affiliate engage in any of the following activities with respect to the waiver of coinsurance and deductibles:

- Advertise to the general public that Medicare, Medicaid or private insurance is accepted as payment in full.
- Advertise to the general public that patients will incur no out-of-pocket expenses.
- Collect coinsurance and deductibles only where the beneficiary has Medicare or Medicaid supplemental insurance coverage.
- Charge Medicare or Medicaid beneficiaries higher amounts than those charged to other persons for similar services (i.e., to offset the waiver of coinsurance and deductible amounts).
- Fail to collect coinsurance and deductibles from a specific group of Medicare or Medicaid patients, such as the Medicare patients of a particular doctor, for reasons unrelated to indigence or managed care contracting, in order to obtain referrals.

Procedures

If the JHHS affiliate determines that a patient is financially unable to pay any out-of-pocket amounts, the affiliate will cease any billing or collection efforts with respect to these out-of-pocket obligations of the patient. Writing-off patient co-payments and deductibles may only be granted, in whole or in part, upon demonstrated financial need of the patient. Patients who claim they cannot financially pay any amounts owed will be evaluated for financial hardship under The Johns Hopkins Health System (JHHS) Corporation's Financial Assistance Program as defined in the JHHS Finance Policies and Procedures Manual, Policy No. FIN034.

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Decisions to commit the JHHS affiliate to write-off any coinsurance and/or deductible amounts owed by a patient shall be made on a case-by-case basis by either administrative leadership, the JHHS Senior Director of Patient Financial Services for Hospital patient accounts, by the JHCP's Sr. Director of Business Operations for JHCP accounts, the Director of Finance at JHHCG or by their respective designees, who are responsible for ensuring that any request for such a write-off, is approved in accordance with this policy. In order to ensure that decisions to write-off coinsurance and/or deductible amounts are based upon uniform, objective criteria, and to verify that such write-offs are granted in accordance with the affiliate's charitable intent, each patient who desires forgiveness of any coinsurance and/or deductible amounts must complete the JHHS Financial Assistance Application or the "Application for Financial Hardship and Fee Adjustment" form. (JHBMC, Community Psychiatry) Completed financial applications shall be submitted in accordance with the Financial Hardship policy (FIN034)

Decisions to write-off coinsurance and deductible amounts are based upon the financial information supplied by the patient in the JHHS Financial Assistance Application. If a request for forgiveness of coinsurance and/or deductible amounts is approved, the Senior Director of Patient Financial Services, JHHS, the JHCP's Sr. Director of Business Operations for JHCP accounts, the Director of Finance at JHHCG or their respective designees, shall notify the recipient and inform him or her as to the nature and scope of the allowance. In JHBMC Community Psychiatry the patient is informed by the clinical staff that a fee adjustment has been approved.

It is important to note that the automated process of writing-off relatively small account balances does not constitute the waiver of deductibles and coinsurance.

REFERENCES

JHHS Finance Policies and Procedures Manual

- Policy No. FIN033 – Installment Payments
- Policy No. FIN034 – JHHS Financial Assistance Program
- Policy No. FIN063 – Self-Pay Collections


SPONSOR

Senior Director, Patient Finance (JHH, JHBMC, HCGH)
 Senior Director of Finance (JHCP)
 CFO (JHHCG)

REVIEW CYCLE

Three (3) years

APPROVAL


 Vice President of Finance/CFO and Treasurer, JHHS

7-9-09
 Date