



## **Friendship Health Payment and Insurance Policies**

### **RATES**

All prevailing room rates and charges for supplemental services or supplies are made available to you at Friendship. Prevailing room charges may be adjusted with proper written advance notice to the patient and/or responsible party. However, a patient may be placed in a private room upon request based upon availability and a signed agreement to pay an additional daily fee. Please refer to the Fee Schedule provided upon admission.

### **FUNDING SOURCES**

#### **Private Pay**

Private pay refers to the patient or patient representative paying all charges. Each private pay admission must be accompanied by an advance thirty (30) day payment prior to or at the time of the admission.

Reservations for any room prior to admission will automatically accumulate daily charges at the current rates. These charges will be deducted from the initial advance payment.

Any credit balance from the initial payment on the account will be applied on the following month's statement.

Applicants entering Friendship financing their own stay for 180 days or less must be prescreened by the appropriate agency prior to entrance to Friendship. For specific Medicaid eligibility guidelines, contact Friendship's Admissions Department or your local Department of Social Services. Once an application has been filed, the guidelines for pending Medicaid recipients must be followed.

#### **Medicare**

Medicare is a federal program established and operated under the Title XVIII of the Social Security Act.

Medicare benefits for in-patient services (Medicare Part A) are restricted to the designated Skilled Nursing Facility (SNF) section of Friendship Health. Medicare requirements and payment to FRIENDSHIP for SNF Care are subject to frequent change. To utilize Medicare benefits, eligibility must be established and verified by Friendship.

Medicare Part A is primarily an inpatient hospital insurance program and does not pay for custodial or intermediate level nursing home care. Medicare Part A only covers services meeting the skilled level of care as defined in the Medicare program's regulations. The reason a patient's stay in FRIENDSHIP may be covered for a short period of time is because the patient is receiving a skilled level care related to an acute illness and hospitalization. These regulations specify that skilled nursing home care must be preceded by a three day qualifying hospital stay and meet certain time line restrictions under the Medicare program. Medicare Part A benefits will only be provided as long as the treatment being received continues to meet Medicare's

definition of skilled service and in no case will the coverage exceed a maximum of 100 days related to any one spell of illness. During a Part A Medicare stay, the program will pay 100% of covered charges during the first 20 days of care. Starting with the 21<sup>st</sup> day of care, a per diem coinsurance amount is due from the patient. Throughout the entire Medicare benefit period any charge for services not covered by the Medicare program (such as barber and beauty shop services, etc.) will be the personal responsibility of the patient. Once a skilled level of service is no longer required, Medicare coverage will cease and any continued stay at FRIENDSHIP must be paid from the patient's personal resources, other insurance benefits, or Medicaid depending on eligibility.

Medicare benefits for outpatient services (Medicare Part B) are available for the Part B beneficiary. FRIENDSHIP will bill Medicare, when applicable, for the following services provided to the patient while in-house: Physical Therapy, Speech Therapy, Occupational Therapy, X-Ray and Enteral (Tube Feeding Therapy). Generally, the Part B Program will cover 80% of total charges, less the annual deductible. The patient will be responsible for the deductible and the remaining 20% of charges. If Friendship's Business Office has been provided with the additional information regarding supplemental insurance coverage, the facility will bill the supplemental carrier on behalf of the patient. Any charges not paid by the supplemental insurance carrier are the responsibility of the patient.

Please contact Friendship's Business Office if you have any questions concerning the processing of claims, or if you or your representative needs assistance in securing a change in permanent address from the Social Security Administration to ensure that Medicare Benefit Notices are mailed to you directly at Friendship.

#### Insurance Coverage

Generally, private insurance plans are a contract between the patient and the insurance company. Friendship will file claims for private insurance coverage on behalf of the patient; however the patient remains primarily responsible for the payment of all charges billed to a commercial insurance carrier. Questions about the status of insurance coverage should be directed to the Friendship Business Office.

Friendship verifies insurance coverage as a courtesy to its patients based on information provided by the patient and/or the patient representatives. The coverage information obtained by Friendship is subject to change based on changes in a patient's medical or financial status, policy limits, coverage lapses and erroneous information. Therefore, patients and their representatives are encouraged to educate themselves by contacting their insurance companies directly as the Friendship verification process DOES NOT RELEASE THE PATIENT FROM HIS/HER LEGAL RESPONSIBILITY TO PAY ALL CHARGES DEEMED TO BE THE PATIENT'S RESPONSIBILITY BY ANY THIRD PARTY INSURANCE.

#### Contractual and Other Funding

To utilize these types of funding (managed care, hospice and Veterans benefits) eligibility and contractual payment must be established and verified by Friendship. Please consult with Friendship's Business Office for current information.

#### Medicaid

Medicaid is a state-federal sponsored program designed and operated under the auspices of Title XIX of the Social Security Act. Financial eligibility in the Medicaid

program is determined by the Department of Social Services of the city or county in which the applicant resides or the permanent place of residence. You must seek and obtain eligibility in the Medicaid program prior to utilizing this method as the source of payment for services.

At the time of Admission, the Medicaid recipient is responsible for the patient's personal pay amount established by the city or county Department of Social Services. All charges for services not covered by the Medicaid program such as non-routine barber and beauty shop charges, telephone and television will be the responsibility of the patient.

To utilize Medicaid as a method of payment upon admission or at any time after admission, eligibility must be verified by Friendship. If eligibility is not established, the applicant will be considered private pay and will follow private pay admission guidelines. During any period when a Medicaid application is pending, the patient is responsible for payment of the private pay charges.

Contact the Admissions Department for assistance if you have questions.

### **ROUTINE BILLINGS**

After admission, the rates for all services are computed on a daily basis and will be billed monthly.

As part of the daily per diem rate, Friendship will furnish the room, meals, 24-hour professional nursing care; care planning, linens, housekeeping, activities and social services.

Additional charges billed by Friendship include, but are not limited to, barber and beauty services, medical supplies and equipment, special treatments, and oxygen. Current rates are provided at the time of admission and are available upon request. Failure to make timely payments will result in the imposition of late charges and may result in additional collection charges and/or discharge for nonpayment, as described in the Business Contract (Admission Agreement).

All appropriate payments are due on the 10th day of the month.

Should you have any questions concerning a bill received from Friendship, please contact our Business Office.

### Physician

Financial arrangements for all physician services should be made directly with your attending physician. Friendship is not responsible for the physician's billings or third party insurance claims for any physician services.

### Pharmacy

Pharmacy services are contracted to Friendship Health through Friendship Pharmacy. Pharmacy charges are routinely billed directly to the patient or the responsible party by the pharmacy except when provided by third party programs. Please remember that not all medications are covered by third party programs.

Friendship Pharmacy prepares its own statements itemizing medications delivered to each patient. Bills are due and payable upon receipt.

When a new patient enters Friendship as a skilled care patient under Medicare Part A, the medications are covered by Medicare Part A. When a patient no longer meets Medicare skilled nursing requirements, medications are no longer covered by Medicare Part A.

The Medicare Part D program provides coverage for most medications for persons who elect to participate in the program. Generally, persons who are covered by either Medicare Part A or Part B can elect coverage. Upon admission to Friendship patients will be asked to identify their Part D coverage or choose a Part D carrier. The Part D program does permit beneficiaries to change carriers upon admission to or discharge from a nursing home. The patient shall be responsible for medications not covered by Part D and any deductibles under the program.

The Medicaid program pays the cost of most medications not covered by Part D for patients whose stay is covered by the Medicaid program.

Friendship maintains a formulary of specific preferred medications. The pharmacy follows this formulary in dispensing medications with the consent of the patient's attending physician. Any medications (prescription or over-the-counter) not covered by the Medicare Part D or the Medicaid program will be billed to the patient.

In all other cases the patient is primarily responsible for the pharmacy bill. If a patient has pharmacy insurance coverage or a discount card, the pharmacy will bill those carriers first on behalf of the patient. A copy of all insurance cards must be provided to the pharmacy before the carriers can be billed.

No drugs may be ordered by Friendship without a physician's order. All medications for Friendship are procured in accordance with current Friendship rules and regulations concerning pharmaceuticals.

No medications may be brought into Friendship unless they are first examined by the facility's contract pharmacy, and repacked to conform to the facility distribution system. A handling fee for each individual medication will be billed to the patient on a monthly basis for any medications from a source other than the contract pharmacy.

Discharged patients will be permitted to take the unused medications home only in compliance with facility policies at the time of discharge.

In the event that you may have questions concerning your pharmacy charges, our Pharmacy Billing Office will be available to assist you. Charges for pharmaceuticals are not routinely established by Friendship.

### **GENERAL REFUNDS**

Refunds on all general service accounts billed by Friendship are made by our Business Office.

**Refunds cannot be made until all outstanding charges have been paid.** Refunds of any amounts paid in excess of the outstanding charges which have been incurred will be made by Friendship as expeditiously as possible and in no event more than sixty (60) days after the end of the month in which such excess was determined.

### **PATIENT FUND ACCOUNTS**

A secured, interest bearing Patient Fund Account is available for the safekeeping of the patient's personal funds. Upon written authorization of the patient, Friendship holds, safeguards and manages all personal funds deposited with Friendship in an account that is separate from any of FRIENDSHIP's operating accounts. An accounting of such funds is maintained by Friendship's Business Office.

Access to information concerning finances within the Patient's Fund Account is available to the patient or his/her legal representative during designated business hours.

A statement showing deposits and disbursements, as well as interest earned, is furnished to the patient at least on a quarterly basis.

**Keeping significant sums of money or other valuables in patients' rooms is strongly discouraged.** We cannot be responsible for missing funds not placed in the Patient Fund Account.

If you are a Medicaid recipient, we will notify you if the amount in your account increases to within \$200 of the SSI resource limit for one person. If that amount, in addition to the value of your other non-exempt resources, reaches the SSI resource limit for one person, you may lose your eligibility for Medicaid or SSI.

### **PATIENT FUND WITHDRAWALS**

No funds may be withdrawn from a Patient Fund Account without the written authorization of the patient and/or legal responsible party.

We will make every possible effort to accommodate your needs. Calling in advance will help assure the availability of appropriate personnel and hopefully prevent delays and associated problems.

The Patient Fund Account of a patient may not be overdrawn.

### **PATIENT FUND REFUNDS**

Any refunds of Patient Fund Accounts necessitated by the discharge of the patient will be made by Friendship's Business Office.

Upon receipt of a written request by the patient or responsible party, the balance in the Patient Fund Account will be refunded to the appropriate party/individual within ten (10) business days. If no request is made, any balance remaining will be refunded to the appropriate party/individual within thirty (30) days from the date of discharge.

Upon the death of a patient with a patient fund deposited with Friendship, the Center will refund within thirty (30) days of the date of death to the executor or administrator of the patient's estate any balance remaining in the Patient Fund Account as well as a final accounting of those funds.

Any refunds for Medicaid Beneficiaries are governed by the Department of Medical Assistance Services. Please contact Friendship's Business Office for more specific information.