

### Policy/Principles

It is the policy of Indiana Orthopaedic Hospital, LLC (“OrthoIndy” or “Hospital”) to ensure a socially just practice for providing emergency or other medically necessary care at the Hospital pursuant to its Financial Assistance Policy (“FAP”). This Billing and Collection Policy is specifically designed to address the billing and collection practices for Patients who are in need of financial assistance and receive care at the Hospital. This policy applies to each of the following OrthoIndy Hospital locations:

- **OrthoIndy Hospital Brownsburg:** 9070 East 56th Street, Brownsburg, In 46112
- **OrthoIndy Center Grove:** 1579 Olive Branch Park Lane, Suite 100, Greenwood, IN 46143
- **OrthoIndy Hospital Greenwood:** 1260 Innovation Parkway, Suites 135 and 150, Greenwood, IN 46143
- **OrthoIndy Hospital Northwest:** 8400 Northwest Boulevard, Indianapolis, IN 46278
- **OrthoIndy Hospital Westfield:** 246 East 175th Street, Westfield, IN 46074
- **OrthoIndy Carmel Physical Therapy:** 805 West Carmel Drive, Carmel, IN 46032
- **OrthoIndy Fishers:** 10995 North Allisonville Road, Suite 101, Fishers, IN 46038
- **OrthoIndy Northwest Physical Therapy:** 6040 West 84th Street, Indianapolis, IN 46278

This Billing and Collection Policy applies to all emergency and other medically necessary care provided by the Hospital, including employed physician services. This Billing and Collection Policy does not apply to payment arrangements for care that is not “emergency care” and other “medically necessary care” (as those terms are defined in OrthoIndy’s FAP).

### Definitions

For the purposes of this Policy, the following definitions apply:

1. **501(r):** Section 501(r) of the Internal Revenue Code and the regulations promulgated thereunder.
2. **Extraordinary Collection Actions or ECAs:** Any of the following collection activities that are subject to restrictions under 501(r):
  - a. Selling a Patient’s debt to another party, unless the purchaser is subjected to certain restrictions as described below.
  - b. Reporting adverse information about the Patient to consumer credit reporting agencies or credit bureaus.
  - c. Deferring or denying, or requiring a payment before providing, medically necessary care because of a Patient’s nonpayment of one or more bills for previously provided care covered under the FAP.
  - d. Actions that require legal or judicial process, except for claims filed in a bankruptcy or personal injury proceeding. These actions include, but are not limited to,
    - i. placing a lien on the Patient’s property,
    - ii. foreclosing on a Patient’s property,
    - iii. placing a levy against or otherwise attaching or seizing a Patient’s bank account or other personal property,
    - iv. commencing a civil action against a Patient,
    - v. causing arrest or subjection to a writ of body attachment, and
    - vi. garnishing a Patient’s wages.

An ECA does not include any of the following (even if the criteria for an ECA as set forth above are otherwise generally met):

- a. the sale of a Patient’s debt if, prior to the sale, a legally binding written agreement exists with the purchaser of the debt pursuant to which
  - i. the purchaser is prohibited from engaging in any ECAs to obtain payment for the care;
  - ii. the purchaser is prohibited from charging interest on the debt in excess of the rate in effect under section 6621(a)(2) of the Internal Revenue Code at the time the debt is sold (or such other interest rate set by notice or other guidance published in the Internal Revenue Bulletin);

- iii. the debt is returnable to or recallable by the Hospital upon a determination by the Hospital or the purchaser that the Patient is eligible for Financial Assistance; and
  - iv. the purchaser is required to adhere to procedures specified in the agreement that ensure that the Patient does not pay, and has no obligation to pay, the purchaser and the Hospital together more than he or she is personally responsible for paying pursuant to the FAP if the Patient is determined to be eligible for Financial Assistance and the debt is not returned to or recalled by the Hospital;
  - b. any lien that the Hospital is entitled to assert under state law on the proceeds of a judgment, settlement, or compromise owed to a Patient as a result of personal injuries for which the Hospital provided care; or
  - c. the filing of a claim in any bankruptcy proceeding.
3. **FAP:** The Hospital's Financial Assistance Policy, which is a policy to provide Financial Assistance to eligible Patients in furtherance of the Hospital's mission and in compliance with 501(r).
  4. **FAP Application:** The application for Financial Assistance.
  5. **Financial Assistance:** The assistance the Hospital may provide to a Patient pursuant to the Hospital's FAP.
  6. **Hospital:** Indiana Orthopaedic Hospital, LLC which includes 8 locations in Central Indiana.
  7. **Patient:** Those persons who receive emergency and other medically necessary care at the Hospital and the person who is financially responsible for the care of the patient.

## Billings and Collection Practices

In the event of nonpayment by a Patient for services provided by the Hospital, the Hospital may engage in actions to obtain payment, including, but not limited to, attempts to communicate by telephone, email, and in-person, and one or more ECAs, subject to the provisions and restrictions contained in this Billing and Collection Policy. The Revenue Cycle Department has final authority to determine that the Hospital has made reasonable efforts to determine financial assistance eligibility and that the Hospital may engage in ECAs.

Pursuant to 501(r), this Billing and Collection Policy identifies the reasonable efforts the Hospital must undertake to determine whether a patient is eligible under its FAP for Financial Assistance before it engages in an extraordinary collection action or ECA. Once a determination is made, the Hospital may proceed with one or more ECAs, as described herein.

1. **FAP Application Processing:** Except as provided below, a Patient may submit a FAP Application at any time with respect to emergency and other medically necessary care received from the Hospital. Determinations of eligibility for Financial Assistance will be processed based on the following general categories.
  - a. **Complete FAP Applications:** In the case of a Patient who submits a complete FAP Application, the Hospital shall, in a timely manner, suspend any ECAs to obtain payment for the care, make an eligibility determination, and provide written notification, as provided below.
  - b. **Notice and Process Where No Application Submitted:** Unless a complete FAP Application is submitted, the Hospital will refrain from initiating ECAs for at least 120 days from the date the first post-discharge billing statement for the care is sent to the Patient. In the case of multiple episodes of care, these notification provisions may be aggregated, in which case the timeframes would be based on the most recent episode of care included in the aggregation. Before initiating one (1) or more ECA(s) to obtain payment for care from a Patient who has not submitted a FAP Application, the Hospital shall take the following actions:
    - i. Provide the Patient with a written notice that indicates Financial Assistance is available for eligible Patients, identifies the ECA(s) that are intended to be taken to obtain payment for the care, and states a deadline after which such ECA(s) may be initiated that is no earlier than 30 days after the date the written notice is provided;
    - ii. Provide the Patient with the plain language summary of the FAP; and
    - iii. Make a reasonable effort to orally notify the Patient about the FAP and the FAP application process.
  - c. **Incomplete FAP Applications:** In the case of a Patient who submits an incomplete FAP Application, the Hospital shall notify the Patient in writing about how to complete the FAP Application and give the Patient thirty (30) calendar days to do so. Any pending ECAs shall be suspended during this time, and the written notice shall (i) describe the additional information and/or documentation required under the FAP or the FAP Application that is needed to complete the application, and (ii) include appropriate contact information.

2. **Restrictions on Deferring or Denying Care:** In a situation where the Hospital intends to defer or deny, or require a payment before providing, medically necessary care, as defined in the FAP, because of a Patient's nonpayment of one or more bills for previously provided care covered under the FAP, the Patient will be provided a FAP Application and a written notice indicating that Financial Assistance is available for eligible Patients.
3. **Determination Notification**
  - a. **Determinations:** Once a completed FAP Application is received on a Patient's account, the Hospital will evaluate the FAP Application to determine eligibility and notify the Patient in writing of the final determination within forty-five (45) calendar days. The notification will include a determination of the amount for which the Patient will be financially responsible to pay. If the application for the FAP is denied, a notice will be sent explaining the reason for the denial and instructions for appeal or reconsideration.
  - b. **Refunds.** The Hospital will provide a refund for the amount a Patient has paid for care that exceeds the amount the Patient is determined to be personally responsible for paying under the FAP, unless such excess amount is less than \$5.00.
  - c. **Reversal of ECA(s):** To the extent a Patient is determined to be eligible for Financial Assistance under the FAP, the Hospital will take all reasonably available measures to reverse any ECA taken against the Patient to obtain payment for the care. Such reasonably available measures generally include, but are not limited to, measures to vacate any judgment against the Patient, lift any levy or lien on the Patient's property, and remove from the Patient's credit report any adverse information that was reported to a consumer reporting agency or credit bureau.
4. **Appeals:** The Patient may appeal a denial of eligibility for Financial Assistance by providing additional information to the Hospital within fourteen (14) calendar days of receipt of notification of denial. All appeals will be reviewed by the Hospital for a final determination. If the final determination affirms the previous denial of Financial Assistance, written notification will be sent to Patient.

**Collections:** Upon conclusion of the above procedures, the Hospital may proceed with ECAs against uninsured and underinsured Patients with delinquent accounts, as determined in the Hospital's procedures for establishing, processing, and monitoring Patient bills and payment plans.

Subject to the restrictions identified herein, the Hospital may utilize a reputable external bad debt collection agency or other service provider for processing bad debt accounts, and such agencies or service providers shall comply with the provisions of 501(r) applicable to third parties.