	Regulatory Compliance Policy	No. COMP-RCC 4.56
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		Retires Policy Dated: 12-16-11
		Previous Versions Dated: 10-01-11

I. SCOPE:



This policy applies to (1) Tenet Healthcare Corporation and its wholly-owned subsidiaries and affiliates (each, an “Affiliate”); (2) any other entity or organization in which Tenet Healthcare Corporation or an Affiliate owns a direct or indirect equity interest greater than 50%; and (3) any hospital or healthcare facility in which Tenet Healthcare Corporation or an Affiliate either manages or controls the day-to-day operations of the facility (each, a “Tenet Facility”) (collectively, “Tenet”).

II. PURPOSE:

The purpose of this policy is to ensure consistent application of Tenet’s Compact with Uninsured Patients (the “Compact”). This policy, together with Regulatory Compliance policy COMP-RCC 4.57 Cash Pay Rates, is part of Regulatory Compliance policy COMP-RCC 4.53 Financial Assistance for Uninsured Patients. This policy shall apply except to the extent it is inconsistent with any applicable state or federal law, in which case such state or federal law shall control.

III. DEFINITIONS:

- A. **“Compact Rate”** means the pricing provided to Uninsured Patients under the Compact, as set forth herein.
- B. **“Emergent Services”** shall mean any service which is rendered to a patient:
 1. Presenting to the emergency room and determined to have a medical condition that without immediate medical attention would result in serious harm to the patient, whether or not the patient is admitted to the Facility or treated and released, or
 2. Presenting as a direct admission with a medical condition that without immediate medical attention would result in serious harm to the patient.
- C. **“Federal health care program”** means any plan or program that provides health benefits, whether directly, through insurance, or otherwise, which is funded directly, in whole or in part, by the United States Government, including but not limited to: Medicare, Medicaid/MediCal, managed Medicare/Medicaid/MediCal, TriCare/VA/CHAMPUS, SCHIP, Indian Health Services, Health Services for Peace Corp Volunteers, Federal Employees Health Benefit Plan, Railroad Retirement Benefits, Black Lung Program, Services Provided to Federal Prisoners, Pre-Existing Condition Plans (PCIPs) and Section 1011 Requests.
- D. **“Gross Charge”** means the list price on a Tenet Facility’s chargemaster.

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- E. **“Health Insurance Policy”** means any Federal health care program, personal or group health policy or plan, whether fully insured or self-funded, which has as its primary purpose the reimbursement, in whole or in part, of medical services provided to a covered Patient.

- F. **“Managed Care Payor”** means any contracted or non-contracted Payor which pays, or is expected to pay, benefits to the Facility under a Health Insurance Policy. The term Managed Care Payor does not include any Federal health care program, even if the Federal health care program is a Managed Care Payor. For example, managed Medicare and managed Medicaid/MediCal, are not Managed Care Payors for the purpose of this policy.

- G. **“Managed Care Rates”** mean the arms-length negotiated rates between the Tenet Facility and any Managed Care Payor in place at the Facility at the time services are provided.

- H. **“Patient”** shall mean any person who receives treatment at a Tenet Facility.

- I. **“Payor”** shall mean any person or entity financially responsible for reimbursement of a Patient’s medical expenses, including, but not limited to, a Managed Care Payor or Federal health care program.

- J. **“Uninsured”** means a Patient at a Tenet Facility who has no Health Insurance Policy in force at any time during which the Patient receives treatment at a Tenet Facility.

IV. POLICY:



Tenet Facilities shall implement Tenet’s Compact with Uninsured Patients to ensure that Uninsured Patients are treated fairly; receive pricing at the Facility’s Compact Rate in effect at the time services are rendered; are offered reasonable payments and payment schedules; and receive fair legal treatment of unpaid balances. At all times, the above activities shall be conducted with sensitivity to the patient’s health, privacy and dignity.

V. PROCEDURE:

- A. Commitment to Fair Treatment



All Tenet employees shall treat Uninsured Patients fairly and with respect during and after their treatment, and regardless of their ability to pay for the services they receive.

- B. Who May Access the Compact Rates

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The following shall apply in determining who may access the Compact Rates:

1. The Compact Rates are available to Patients who are Uninsured, regardless of income level.
 2. Uninsured Patients shall only be eligible for the Compact Rate when receiving treatment at a Tenet Facility for Emergent Services.
 3. The Compact Rate shall not be offered to Patients until it has been determined that the Patient qualifies for the Compact Rate. A patient who is otherwise Uninsured but receives Emergent Services as a result of a motor vehicle accident is not eligible for the Compact Rate until it is determined that there is no liability coverage that is responsible for payment of the patient's Emergent Services.
 4. A Federal health care program beneficiary is not Uninsured, and is therefore, **not** eligible for the Compact Rate under any circumstances.
- C. Services that are Subject to a Compact Rate
1. Compact Rates apply only to Emergent Services, as defined in this policy.
 2. The Compact Rate for Emergent Services shall be a rate no higher than any applicable Managed Care Rate at the Tenet Facility.
- D. Approval Process for Compact Rates
1. The Tenet Facility's CFO shall propose the Compact Rates for the Facility each year. The Compact Rate proposed by the CFO shall be a rate no higher than any applicable Managed Care Rate at the Tenet Facility. Therefore, the Compact Rate for a given Emergent Service may vary from Facility to Facility and may change each year.
 2. Any proposed Compact Rate shall be submitted to the Facility's Regional Vice President of Finance for approval. All information related to the Compact Rate shall be sent with the request for approval. Such request for approval shall be in the format and content as specified by the Regional Vice President of Finance.
 3. All Compact Rates must be reviewed periodically, but at a minimum, on an annual basis. As part of the approval process, all information related to the establishment of the Compact Rate should be updated and submitted in the manner required by the Regional VP of Finance.

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E. Offering the Compact Rate

The following shall apply for any patient who wishes to access the Compact Rates:

1. The Compact Rate is subject to a reasonable payment plan.
2. No interest shall be charged in connection with any payment plan that is established and agreed to by the patient within one hundred and twenty (120) days of the time of discharge. For payment plans that are agreed to after the period of 120 days following discharge, interest rates shall not exceed the allowable interest rate under applicable state law or 10% per annum, whichever is lower.
3. The Compact Rate is not inclusive of any professional fee generated by the performance of the services furnished, unless the Tenet Facility has an authorized contract to include the professional fee within the Compact Rate.
4. The Compact Rate is not meant to overlap with other policies and should not be used in conjunction with other policies.

F. Document Retention

Tenet Facilities that offer Compact Rates shall retain all documentation related to the establishment of the Compact Rate pursuant to this policy for a period consistent with Tenet's general document retention guidelines. (See Administrative Policy AD 1.11 Records Management and its Records Retention Schedule.)

G. Responsible Person

The Tenet Facility Chief Financial Officer is responsible for assuring that all individuals adhere to the requirements of this policy, that these procedures are implemented and followed at the Tenet Facility, and that instances of noncompliance with this policy are reported to the Compliance Officer.

H. Enforcement

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will be subject to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.