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		Effective Date:	01-19-11
		Retires Policy Dated:	
		Previous Versions Dated:	

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 of 50% or more; 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 provide guidelines regarding the circumstances under which Tenet Facilities may make Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) premium payments on behalf of patients who have had a “qualifying event,” as defined by COBRA.

III. DEFINITIONS:

- A. “**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1986, under which covered employees and their qualified beneficiaries have the opportunity to continue health insurance coverage under company health and dental plans for specified periods of time when a “qualifying event” would normally result in the loss of eligibility. Continued coverage under the company health plan requires the payment of a premium by the individual.
- B. “**Eligible Patients,**” for purposes of this policy only, mean patients who have no active health insurance coverage, but who are eligible for COBRA benefits. Eligible Patients do not include individuals who are currently covered under Medicare or any other federal health care program. Eligible Patients do not include physicians¹ or a physician’s immediate family member.²
- C. “**Qualifying Events**” include the resignation, termination of employment, or death of an employee. Reduction of an employee’s hours, divorce or legal separation, or a dependent child who no longer meets eligibility requirements are also potential qualifying events.

¹ Physician means a duly licensed and authorized doctor of medicine or osteopathy, doctor of dental surgery or dental medicine, doctor of podiatric medicine, doctor of optometry, or chiropractor.

²Immediate Family Member means husband or wife; birth or adoptive parent, child, or sibling; stepparent, stepchild, stepbrother, or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; and spouse of a grandparent or grandchild.


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IV. POLICY:

- A. Tenet Facilities may make COBRA premium payments on behalf of Eligible Patients, if such payments are made in accordance with the terms of this policy. Such premium payments shall not be considered a payment or gift to a patient under Tenet’s [Standards of Conduct](#) or [Regulatory Compliance policy COMP-RCC 4.50 Offering Free or Discounted Goods and Services to Individuals](#), nor shall the requirements of [Law Department policy L-6 Hospital Medicare and/or Medicaid Inpatient Assistance](#) apply to the premium payments.
- B. Tenet Facilities may not make COBRA premium payments on behalf of patients who are not Eligible Patients.

V. PROCEDURE:

- A. Tenet Facility Implementation
 - 1. At patient registration or at patient bedside screening, if the patient indicates a recent change in health insurance status due to what may constitute a “qualifying event:”
 - a. A registrar, patient access representative, medical eligibility representative or case manager will perform the appropriate screens to determine if the patient is currently a federal program beneficiary or beneficiary under other commercial coverage benefits.
 - b. If a patient is found to not be a current federal program beneficiary or beneficiary under other commercial coverage benefits, a registrar, responsible patient access representative, medical eligibility representative or case manager will also assist the patient in obtaining employer health benefit information, and with the patient’s permission, will contact the patient’s employer to obtain COBRA eligibility information, including identification of the COBRA qualifying event, date of qualifying event, benefit coverage information, premium amounts, and payment deadlines. *(See Attachment A: Consent to Determine Eligibility for COBRA Benefits.)*
 - 2. The patient access representative, medical eligibility representative or Director of Revenue Analysis (DRA) will present this information to the Tenet Facility Chief Financial Officer (CFO) to obtain approval for the premium payment. The premium payment may be made by the Tenet

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Facility on behalf of the Eligible Patient to the extent the CFO determines making such payment is financially prudent. (*See Attachment B: CFO Financial Decision Making Tool*). The COBRA premium payment may not be furnished directly to the Eligible Patient.

3. Payment information shall be scanned into VIWeb.
4. The costs of COBRA premium payments may not be included, directly or indirectly, in any federal health care program cost report or claim or otherwise shifted to any federal health care program. These costs should be allocated to a non-allowable cost center.

B. Auditing and Monitoring


Each Tenet Facility will implement a process to annually audit the eligibility and payment elements of this policy. Audit Services will include the policy and the Tenet Facility's audit process in the scope of its facility audits.

C. Responsible Person

The Tenet Facility CFO is responsible for ensuring that all individuals adhere to the requirements of this policy. If the CFO is unable to create adherence to this policy, the CFO shall immediately report the non-adherence to this policy to the Hospital Compliance Officer.

D. 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.

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VI. REFERENCES:

- [U.S. Department of Labor Guidance, Continuation of Health Coverage - COBRA](#)
- [Standards of Conduct](#)
- [Regulatory Compliance policy COMP-RCC 4.50 Offering Free or Discounted Goods and Services to Individuals](#)
- [Law Department policy L-6 Hospital Medicare and/or Medicaid Inpatient Assistance](#)

VII. ATTACHMENTS:

- Attachment A: Consent to Determine Eligibility for COBRA Benefits
- Attachment B: CFO Financial Decision Making Tool

CONSENT TO DETERMINE ELIGIBILITY FOR COBRA BENEFITS

Patient's Name: _____		
Last	First	Middle
Home Address: _____ _____		
Home Telephone: _____		Date of Birth: _____
<p>SPECIFY INFORMATION TO BE DISCLOSED: The information that may be disclosed under this Consent shall be limited to information that may be necessary to determine your eligibility for health insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), including the fact that you have received, or are currently receiving, health care services from [ORGANIZATION].</p>		
<p>RECIPIENT: The parties to whom [ORGANIZATION] may disclose the limited information described above include: _____ _____ _____.</p>		
<p>PURPOSE: [ORGANIZATION] will be disclosing the limited information described above in order to determine your eligibility for health insurance coverage pursuant to COBRA, under which covered employees and their qualified beneficiaries have the opportunity to purchase continued health insurance coverage under company health and dental plans for specified periods of time when a "qualifying event" would normally result in the loss of eligibility.</p>		

<p>I have read and understand the terms of this Consent and I have had an opportunity to ask questions about this disclosure of my health information. By my signature, I hereby, knowingly and voluntarily consent to [ORGANIZATION] disclosing my information, as described above.</p>	
_____	_____
Signature of Patient	Date

Note: If Patient is a minor or is otherwise unable to sign this Consent, obtain the following signatures:

_____ Signature of Authorized Personal Representative	_____ Relationship to Patient	_____ Date
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Section 1 Patient Information

Patient Name

Patient Address

Patient Number

Section 2 Service and Financial Information

Approximate Service Date

Inpatient or Outpatient

Description of Services to be provided

Approximate Billable Revenue (Contracted Rate)	(A)	30,000	
Approximate Cost of Services	(B)	15,000	
Estimated Patient Payments	(C)	500	
Estimated Bad Debt	(D)=(A)-(C)	29,500	
Estimated Net Financial Impact - Profit (Loss)	(E)=(A)-(B)-(D)	(14,500)	(1)

Section 3 Financial Analysis with COBRA Assumptions

Approximate Billable Revenue (Contracted Rate)	(A)	30,000	
Approximate Cost of Services	(B)	15,000	
Cost of COBRA premiums	(C)	4,000	
Estimated Patient Payments (copays, deductibles, etc)	(D)	500	
Estimated Insurance Payments	(E)	24,000	
Estimated Bad Debt	(F)=(A)-(D)-(E)	5,500	
Estimated Net Financial Impact - Profit (Loss)	(G)=(A)-(B)-(F)	5,500	(2)

Section 4 COBRA Information

Company which COBRA benefits are available
(Premium payment options is not available if COBRA benefits provided by Tenet)

Contact information to verify COBRA eligibility and premiums due
 (obtain copies of COBRA notices, premium statements and other information to verify coverage, amount, etc)

COBRA benefits available through (name of insured)

Patient's relationship to insured

COBRA benefit tier required (e.g. Employee Only, Employee + Spouse or Employee + Child)

COBRA benefits (e.g. PPO/EPO, deductible, coinsurance, etc)

What is the expected duration of services at Tenet

Status of current COBRA eligibility (e.g. Initial election, lapse in monthly payments, within appeal period)

Coverage level required	Employee Only
Retro payments due	2,000
Payments required to extend through date of service	1,000
Payments required to maintain coverage through final service/discharge date	1,000
Estimate total cost of providing COBRA payments on behalf of patient/insured	4,000

Section 5 CFO Financial Review and Approval

Estimated net financial impact of providing COBRA payments	20,000	(2)-(1)
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Other financial considerations and/or secondary benefits

CFO recommendation Approved _____ Denied _____
 Approved with modification _____

CFO Name _____

CFO Signature _____
 Date: _____