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## SCOPE

Consistent with West Jefferson Medical Center's (WJMC) mission of providing care to needy and underserved persons in a manner that preserves the dignity of the individual, this Charity Care Policy describes the policies and procedures relating to the provision of charity care to persons who are unable to pay for all or a portion of their bill. No individual will be denied medically necessary hospital services based on a demonstrated inability to pay for those services. This Policy applies to all West Jefferson Medical Center ("WJMC") Patient Business Services personnel and persons applying to WJMC for assistance.

## PURPOSE

To describe WJMC's policy related to the provision of charity care to persons who are unable to pay for all or a portion of their bill. WJMC is committed to providing high quality healthcare for patients who seek services, including those individuals in the WJMC community who lack the means to pay for such services. It is not the intention of WJMC to collect amounts that exceed an individual's ability to pay. This policy sets forth the policy, process and guidelines by which such patients can access Charity and Care.

## POLICY

WJMC is committed to providing charity care to persons who have healthcare needs and are uninsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality affordable healthcare services and to advocate for those who are most in need, WJMC strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

Charity Care, or other financial assistance, is not considered a substitute for personal responsibility. It is the responsibility of the patient to actively participate in the financial assistance screening process. Patients who do not provide the requested information necessary to completely and accurately assess their financial situation or who do not cooperate with efforts to secure Governmental Health Care Coverage will not be eligible for Charity Care or other financial assistance.

This policy will be available to all patients on a non-discriminatory basis.

## DEFINITIONS

**Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations

**Charity:** For purposes of this policy, "charity" refers to healthcare services provided without charge or at a discount to qualifying patients.

**Assets:** Assets include any item of economic value owned by a patient and/or his or her family, especially that which can be converted to cash. Assets are the owned value of all tangible and

intangible property, (personal and/or business related) including, but not limited to the primary residence, stocks, bonds, securities, and other investments including IRAs, cash on hand, checking accounts, savings accounts, money market accounts, accounts receivable, inventory, personal and office furnishings and equipment, real estate, automobiles, and other property. Patient are normally expected to utilize or “spend down” non-essential assets to meet their medical expenses and generally will not be considered eligible under this Policy when the value of non-essential assets exceeds the levels set forth in this policy.

**Family:** A group of two (2) or more persons, related by birth, marriage, or adoption who live together; all such related persons are considered as members of one family. For instance, if an older married couple, their daughter and her husband and two children and the older couple’s nephew all live in the same house or apartment, they would be considered members of a single family. This policy uses the “family” concept and will apply the poverty guidelines separately to each distinct and separate family within a household if the household includes more than one family unit. Persons claimed on a patient’s income tax return may be considered a dependent for purposes of this Policy.

**Household:** A household consists of all the persons who occupy a housing unit, whether they are related to each other or not. If a family and an unrelated individual, or two unrelated individuals, are living in the same housing unit, they would constitute two family units, but only one household.

**Income:** For purposes of determining financial eligibility under this Policy, family income includes total cash receipts before taxes from all sources. Income includes money wages and salaries, distributions, draws, including tips, before any deductions; net receipts from non-farm self-employment; net receipts from farm self-employment; payments from social security including disability, railroad retirement, unemployment compensation, strike benefits from union funds, workers’ compensation, veterans’ payments, public assistance (including Medicaid, WIC, Aid to Families, Social Security Supplemental Income and non-federally-funded general assistance or general relief money payments), training stipends and other educational assistance; survivor payments; taxable amounts of individual retirement accounts; alimony, child support, and military family allotments or support from an absent family member or someone not living in the household; private pensions, government employee pensions (including military retirement pay), and insurance or annuity payments; dividends, interest, rental income, royalties, receipts from estates or trusts, settlements such as from an accident gambling or lottery winnings; business income; taxable refunds, credits or offsets of State and local income taxes and other miscellaneous sources. Non-tangible deductions from income such as depreciation will generally not be considered for the purpose of arriving at family income.

## PROCEDURES

**Services Eligible Under this Policy:** The following services are eligible for charity:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically necessary services, evaluated on a case by case basis at WJMC’s discretion.

Certain exclusions may apply, which include, but are not limited to, elective services, balances covered by other funding sources including liability insurance, and failure to cooperate in securing alternative funding sources.

**Eligibility for Charity:** Eligibility for charity will be considered for those individuals who are uninsured, ineligible for any governmental health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of charity shall be based on an individualized determination of financial need and shall not take into account age, gender, race, social, sexual orientation or religious affiliation.

1. To determine eligibility, the patient/guarantor must complete the Financial Assistance Application Form (the "Application") and provide documentation of all family income and assets to support the request. Documentation required includes the two (2) most recent pay stubs; verification from all employers; most recent W-2 forms for the last calendar year; and completed and filed tax return; proof of any other type of income received and bank statements, and any other personal financial and other information relevant to a determination of financial need. WJMC reserves the right to review all information received, as well as publically available data sources, including the review of the applicant's credit history, all other resources available to the patient; and the patient's outstanding accounts receivable for prior services rendered and the patient's payment history for purposes of processing the Application.
2. The indigent and charity care programs are effective with the date of adoption of the Charity Care policy and only accounts that were incurred on or after that date will be eligible for consideration.
3. Complete Applications will be submitted by the patient/guarantor to the Financial Counselor or Patient Business Services.
4. The patient will be screened for alternative programs of financial assistance (Medicare, Medicaid, COBRA, etc), assisted to apply to such program(s) and, if alternate programs are available, determined ineligible prior under this Policy prior to the processing of his/her Application.
5. If the patient being reviewed was approved as eligible for indigent or charity care within the six (6) months immediately prior to the current review, he/she is considered eligible under this Policy at the time of the current review unless there is a change in financial circumstances, such as income or family status. Patients requesting assistance under this Policy for healthcare services rendered six (6) or more months after submission of an Application must reapply and submit a new Application.
6. Should a patient be deceased, a copy of the death certificate must be attached to the Application and verification of family income and estate information documented. If the deceased patient has no estate and any responsible party's family income satisfies the criteria of this Policy, the account will be considered a charity care account. Accounts where the estate has not been opened are not eligible under this Policy until the estate is settled.
7. All documentation and information requested within this Policy must be submitted in its entirety and the Application signed by the patient/guarantor in order for an Application to be complete. Under no circumstances shall an incomplete Application be processed or otherwise subject to this Policy. Failure to cooperate or otherwise provide information necessary to

complete a financial assessment may result in a negative determination. The account may be reconsidered upon receipt of the required information.

8. Services eligible for this Policy do not include any physician fees or fees of outside vendors (including, but not limited to hospital based physicians).
9. Patients are not eligible for financial assistance under this Policy if the patient: a) has previously been denied financial assistance or had their financial assistance terminated as a result of the patient's concealment of income or assets or submission of false or fraudulent information; b) refuses to provide the requested documentation or provides incomplete information; c) fails to apply in good faith for alternate programs of financial assistance once identified; d) fails to comply with his or her payment arrangements with WJMC; or e) is otherwise uncooperative.
10. Applications for indigent or charity care must be requested within thirty (30) days of discharge/treatment and completed within 60 days of discharge/treatment.
11. Final determination as to eligibility should be made promptly following submission of a complete Application. Payments made prior to approval of an Application will not be refunded.
12. The Patient Business Services Manager of Special Services (or designee) will be responsible for notifying the patient in writing of the determination.
13. Any account involving a friend, neighbor or acquaintance or family member of or other person known to the Financial Counselor or Patient Accounts Director must be brought to the attention of the Senior Director, Revenue Cycle.
14. Applicants ineligible under this Policy for reasons other than listed in Paragraph 9 above, may qualify for prompt payment discount or for an extended payment plan.
15. Applicant confidentiality will be maintained in keeping with applicable WJMC policies, procedures and guidelines.
16. A patient who qualifies for anything other than free care must cooperate with WJMC to establish a reasonable payment plan for the balance due and make a good faith effort to honor the payment plan.
17. The Senior Director, Revenue Cycle must approve Indigent discounts up to \$5000 and additional approval from the Chief Administrative Officer (CAO) or Chief Executive Officer (CEO) is required for discounts \$5001 and greater.
18. Approved discounts will be submitted to Patient Business Services Customer Services Manager to key in adjustments to the patient's account.
19. Completed Applications will be maintained within the Patient Business Services Department along with a log of such accounts.
20. The CEO or CAO must approve any exceptions to this Policy.
21. WJMC reserves the right to modify or revoke any prior determination of eligibility if WJMC determines information relied upon was in error or for actions described in Paragraph 9 above.

**Patient Indigent and Charity Care Guidelines:** Services eligible under this policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to the federal poverty guidelines in effect at the time of the determination as follows:

1. Patients whose family income is at or below 100% of the then-current federal poverty limit and less than \$25,000 in total assets (not including the primary residence) are eligible to receive free care (100% reduction from charges).

2. Patients whose family income is above 100% but not more than 200% of the then-current federal poverty limit and less than \$25,000 in total assets (not including the primary residence) are eligible to receive a discount on billable charges based on the following sliding fee scale:

% of Poverty Guidelines	Discount %
101% - 125%	80% of billed charges
126% - 150%	65% of billed charges
151% - 175%	50% of billed charges
176% - 200%	40% of billed charges
3. Patients whose family income exceeds 200% of the then current federal poverty limit may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of WJMC.
4. In no event will patients eligible under this Policy be charged more for emergency or medically necessary care than the amounts generally billed to those with insurance covering such care.

**Presumptive Financial Assistance Eligibility:** There are instances when a patient may appear eligible for an indigent care discount, but there is no financial assistance form on file. Often there is adequate information provided by the patient or through external data sources which could provide sufficient evidence to provide the patient with assistance under this Policy.

External data sources: In the event that there is no written documentation to support a patient’s eligibility under this Policy, WJMC may use outside sources for estimating family income and potential discounts under this Policy such as the patient’s eligibility for the following programs in conjunction with our system, Self Pay Compass, which includes charity probability scoring data:

1. State-funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children Program (WIC);
4. Food stamp eligibility;
5. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down); and
6. Patient is deceased with no known estate or responsible party.

Patients who are incarcerated may be considered eligible in the event the State and Parish has made a determination that the State and Parish are not responsible for charges and the inmate/patient is responsible for the bill. Charges incurred while in custody are usually paid through the State or Parish and would not qualify for this Policy.

**Confidentiality:** The need for charity care may be a sensitive and deeply personal issue for recipients. Confidentiality of information and preservation of individual dignity shall be maintained for all who seek charitable services. Orientation of staff and the selection of personnel who will implement this policy and procedure should be guided by these values. No information obtained in the patient's charity care application may be released unless the patient gives expressed permission for such release, except to bona fide governmental agencies requesting aggregate data.

**Communication of the Charity Program to Patients and the Public:** Notification about the WJMC charity and indigent care programs shall be disseminated by various means, which may include the following: Notices posted at all points of patient check-in, information provided to the patient at the time of registration, communication received from hospital business offices and patient financial services offices that are located on facility campuses and information on the WJMC website. A statement regarding potential eligibility will also be included on the statements for uninsured patients. Referrals of patients for charity care may be made by any member of the WJMC staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

**Collection Policies:** It is the responsibility of the patient/guarantor to apply for financial assistance in order to identify themselves as eligible for consideration under this Policy. Once an Application (meeting the requirements noted above) is received, accounts will not be pre-listed to a collection agency while the Application is being processed and no extraordinary collection practices (including lawsuits, liens on residences, attachments or other similar collection actions) will take place during the processing of the Application. Patients that do not cooperate or attempt, in good faith, to pay the portion of their bill that is their responsibility may be referred to an outside collection agency. Collection efforts may include, but are not limited to, reporting to credit agencies, lawsuits, liens, attachments, or wage garnishments. WJMC's legal counsel may be consulted as necessary to confirm the extent, nature, and availability of resources, as well as to evaluate the suitability of securing payment from such resources through formal legal processes (e.g., promissory note, security agreement, confession of judgment, institution of civil action).

**Review and Monitoring:** WJMC shall review its Hospital Charity Care Policy annually and WJMC Compliance Committee shall approve all revisions.

Charity Care reports will be produced on a periodic basis that identify Charity Care activity by clinical service as well as other measures to ensure compliance with policy guidelines.

**Regulatory Requirements:** In implementing this Policy, WJMC shall comply with all other federal, state and local laws, rules and regulations that may apply to activities conducted pursuant to the Policy, including WJMC's obligations under the Emergency Medical Treatment and Active Labor Act ("EMTALA") which requires WJMC to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under this Policy.

**Right to Modify this Policy:** WJMC reserves the right to modify or change this Policy at any time.

**Approved By:** Wells, Stephanie