

**ORGANIZATION WIDE**

**FUNCTION: Management of Information**

**CHARITABLE AND FINANCIAL ASSISTANCE POLICY**

**PURPOSE:** To provide guidelines for charitable care and financial assistance to uninsured and under-insured patients who do not have adequate financial resources to pay for necessary hospital services. Schneck Medical Center recognizes its obligations as a tax-exempt charity provider of healthcare and will provide medically necessary hospital services to all patients regardless of their ability to pay.

**DEFINITIONS:** HCI-Health Care for the Indigent  
CHCJC-Community Health Center of Jackson County  
CSA- Community Services Administration  
Charitable assistance – Hospital services provided to patients at no charge.  
Financial assistance – Hospital services provided to patients at a rate that is less than full charges

**EQUIPMENT:** The Meditech system, personal computer, reports generated out of the Meditech computer system

**PROCEDURE:**

**1. GENERAL POLICY**

1.1 It is the policy of Schneck Medical Center to provide services to all patients regardless of their ability to pay. Patients and/or the persons responsible for payment of hospital services will receive notice of the hospital's charitable and financial assistance program prior to, or following, the provision of service. Such notice will describe the patients' rights under this policy.

**2. CHARITABLE ASSISTANCE PROGRAM**

2.1 Individuals eligible for, or receiving, Supplemental Social Security Income will be considered eligible for charitable assistance services, provided they have no other sources of payment, such as health insurance, Hospital Care for the Indigent, liability claims, and provided they request charity services within forty-five (45) days from the date of discharge, or from the date their account(s) receives a self-pay classification.

2.2 Individuals who are clients of the CHCJC, as evidenced by a valid CHCJC identification card, will be considered eligible for charitable assistance, provided they have no other sources of payment, such as health insurance, Hospital Care

for the Indigent, or liability claims, and provided they request charity services within forty-five (45) days from the date of discharge, or from the date their account(s) receives a self-pay classification.

- 2.3 All other persons who apply for charity (not covered under 2.1 or 2.2) will be required to complete a financial disclosure statement, setting forth specific details of income and expenses. Verification of the information to be given may be requested by the Patient Financial Services staff. The decision to grant charity to these applicants will be based on the following criteria, using the most current CSA Poverty Income Guidelines available.
  - A. Persons, or families, whose annual gross income is at or below 200% of the current CSA Poverty Income Guidelines will be granted full charitable assistance.
  - B. Accounts with balances between \$250.00 and \$500.00, a FPL of 200% and below, and not eligible for Medicaid will be considered eligible for 100% charitable assistance. The Advisory Board’s Self Pay Compass tools will be used to determine each patient’s FPL category and Medicaid eligibility.

**3. FINANCIAL ASSISTANCE PROGRAM**





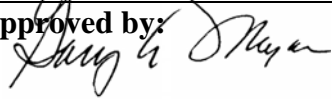
- 3.1 For those not eligible for charitable assistance as outlined above, the Hospital recognizes that financial hardships may exist. Therefore, financial assistance will be granted to individuals provided they have an annual gross income above 200%
- 3.2 The current CSA Poverty Income Guidelines, but less than 300% of the guidelines. Financial assistance will be calculated as a percentage of total eligible charges according to the following schedule:

<u>% of CSA Poverty Guidelines</u>	<u>% of Financial Assistance on Eligible Charges</u>
201% to 225%	80%
226% to 250%	60%
251% to 275%	40%
276% to 300%	20%
300% +	0%

A family will be considered the patient and all other persons living in the residence that constitute one taxable unit.

- 3.3 The annual gross income figure used to determine eligibility for charity will be the last three (3) months income multiplied by four (4). An exception to this may be made, if in the opinion of the Director of Patient Financial Services, the three-month income is not reflective of the applicant’s true ability or inability to meet his/her obligation. In this event, the income figure used will be that which is most reflective of the applicant’s true ability or inability to meet his/her obligations.

- 3.4 Approved applications are considered valid for services rendered up to six months following the application date.
- 3.5 An individual whose annual gross income exceeds 300% of the current CSA Poverty Income Guidelines will be excluded from the consideration for assistance unless unusual circumstances exist. In this event, the decision to grant assistance will be made by the Director of Patient Financial Services and the Vice President of Fiscal Services. Conversely, if an individual qualifies for charitable or financial assistance under 2.3 or 3.1, but due to unusual circumstances has the ability to pay, the decision to deny charity or financial assistance will be made by the Director of Patient Financial Services and the Vice President of Fiscal Services.
- a. In the event an individual has assets, other than income, sufficient to satisfy his/her obligations, the decision to grant or deny charity or financial assistance will be made by the Director of Patient Financial Services and the Vice President of Fiscal Services.
- 3.6 Individuals who wish to apply for charitable or financial assistance must complete and submit a financial disclosure statement within forty-five (45) days from the date of discharge or the date the account(s) becomes self-pay, whichever occurs later, unless unusual circumstances exist. In this event, the decision to grant or deny charitable assistance will be based on the financial information provided.
- 3.7 The following situations will exclude an individual from eligibility for charity or financial assistance:
- a. An individual's failure to apply for outside assistance, or failure to provide information which would lead to the discovery of the availability of outside assistance; i.e., Hospital Care for the Indigent, or Medicaid eligibility. An exception to the foregoing may be made, if in the opinion of the Director of Patient Financial Services, extenuating circumstances exist(ed).
- b. An individual's failure to secure health insurance made available to him/her at group premium rates by his/her employer, union.
- c. Any individual who fails to respond to the offer of charity care or financial assistance, and his/her account is transferred to a collection firm.
- 3.8 Any individual denied charity or financial assistance in part or in total will be notified that he/she has the option of appealing his/her case to the Director of Patient Financial Services and the Vice President of Fiscal Services. Such appeal must be received no later than thirty (30) days from the date of notification of denial.

<b>Proposed by:</b> 	<b>Title: Director, Patient Financial Services</b>	<b>Date: 6/15/09</b>
<b>Reviewed by:</b> 	<b>Title: Chairperson, Policy and Procedure Committee</b>	<b>Date 6/15/09</b>
<b>Reviewed by:</b>	<b>Title: Director, Patient &amp; Volunteer Services</b>	<b>Date: 6-19-09</b>
<b>Reviewed by:</b> 	<b>Title: Director, Patient Registration</b>	<b>Date: 19 June 2009</b>
<b>Approved by:</b> 	<b>Title: Vice President Fiscal Services</b>	<b>Date: 6/15/09</b>
<b>Approved by:</b> 	<b>Title: President/ CEO</b>	<b>Date:</b>
<b>Approved by:</b> <b>I.J. Chadwell</b>	<b>Title: Chairman- Board of Trustees</b> <b>Approved by board action</b>	<b>Date:</b>