Columbus Regional Health
Simply Better Care™

Document Title: Charity Care	**Page** 1 of 7
Document #:HOSD.RVC.104	
Document Type: Policy	
Department/Area: HOSD Revenue Cycle	
Scope:	
Effective Date: 11/12/2014	

Purpose:

Columbus Regional Healthcare System (CRHS) is committed to providing Charity Care to persons who have health care needs and are uninsured, underinsured, and ineligible for aide from county, state or federal agencies and are otherwise unable to pay for medically necessary care based on their individual financial situations.

Columbus Regional Healthcare System (CRHS) 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 is not considered to be a substitute for personal responsibility and patients are expected to cooperate with CRHS's policies and procedures for obtaining Charity Care and to contribute to the cost of their care based on their individual ability to pay.

Starting January 1, 2014, the Patient Protection and Affordable Care Act of 2010 (PPACA) mandated insurance coverage. Patients with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health and protection of their individual assets.

The granting of Charity Care shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, sexual orientation or religious affiliation.

Policy:

I. Charity Care will only be considered for medically necessary, urgent or emergent services, and not for purely elective services or patient convenience. For example, services that are excluded from this policy are cosmetic surgery, fertility treatment, sterilization procedures and hearing aids. The determination of which services are considered purely elective resides with CRHS.

II. Charity care is only available to residents of CRHS's primary and secondary service areas. The following counties are located within these areas.

a) In Georgia: Muscogee and Harris counties

Note: *Charity care may be extended to residents outside of these areas at the discretion of (CRHS)*.

III. All patients who are unable to pay their medical expenses will be encouraged to apply for Charity Care prior to their procedure/test being performed. A Financial Resource Specialist will be available by appointment to assist with application and provide instructions.

IV. All applicants will be instructed on the availability and eligibility for funds from local, state and federal agencies to ensure exhaustion of all other sources of reimbursement prior to approval for Charity Care. **If a patient refuses to apply for, or follow through with, an application for Medicaid and that patient is likely to be eligible for the assistance; the patient's charity application will automatically be denied**.

V. One source of reimbursement that began January 2014 is the new health insurance exchange that offers subsidies and insurance coverage at discounted rates to eligible individuals between 133% and 400% of the FPL (*varies with family size*). **Applicants who refuse to purchase federally-mandated health insurance during the (enrollment period) or the (special enrollment period) when they are eligible to do so will not be awarded Charity Care**.

***Federal Poverty Income Levels are found in the Federal Register and updated annually.**

VI. You may qualify for federally mandated coverage *outside of* open enrollment (special enrollment) for a period of **60 days** following certain life events. The following life events will generally qualify you under (PPACA):

a) Getting married

b) Having, adopting, or placement of a child

c) Permanently moving to a new area that offers different health plan options

d) Losing other health coverage (for example due to a job loss, divorce, loss of eligibility for Medicaid or CHIP, expiration of COBRA coverage, or a health plan being decertified).

e) **Note:** Voluntarily quitting other health coverage or being terminated for not paying your premiums are not considered loss of coverage. Losing coverage that is not minimum essential coverage is also not considered loss of coverage.

f) For people already enrolled in Marketplace coverage, having a change in income or household status that affects eligibility for tax credits or cost-sharing reductions

VII. Those who are *exempt* from enrolling in the federally mandated Patient Protection and Affordable Care Act of 2010 (PPACA) are as follows:

a) Unauthorized immigrants, who are prohibited from receiving almost all Medicaid benefits and all subsidies through the insurance exchanges;

b) People with income low enough that they are not required to file an income tax return;

c) People who have income below 138 percent of the federal poverty guidelines (commonly referred to as the federal poverty level) and are ineligible for Medicaid because the state in which they reside has not expanded eligibility by 2016 under the option provided in the ACA;

d) People whose premium exceeds a specified share of their income (8 percent in 2014 and indexed over time); and

e) People who are incarcerated or are members of Indian tribes.

VIII. The primary factor in qualifying for Charity Care will be the patient's or guarantor's income level with consideration given to other available assets. Other circumstances that may constitute eligibility for Charity Care are hardship due to unemployment, illness, death and medical indigency.

IX. The Charity Care eligibility period is 60 days prior to and 90 days forward from the application date.

X. (CRHS) reserves the right to modify Charity Care eligibility criteria on a case by case basis as needed. Additionally, Charity Care may be provided without formal application at the discretion of (CRHS).

Presumptive Charity

I. Presumptive charity may also be considered on a case by case basis due to financial hardship or other circumstances demonstrating the guarantor has no ability to pay.

Completion of an Application Requesting Financial Assistance:

I. Gives (CRHS) explicit permission to complete a credit check to evaluate a patient's ability to pay and their eligibility for financial aid. This review utilizes a healthcare industry-recognized model that incorporates public record data to calculate a socio-economic and financial capacity score that includes estimates for income, assets and liquidity. The electronic technology is designed to assess each patient to the same standards and is calibrated against historical approvals.

II. Provides a document to be reviewed by accounting staff after the patient is discharged to determine financial class assignment; and

III. Provides an audit trail in documenting the hospital's commitment to providing Charity Care.

Calculations:

a) Income ÷ poverty guideline for household size = percentage of poverty guideline

b) **Example 1** – You are a single individual with an income of $20,000. The 2014 poverty guideline for a one-person household is $11,670.

- $20,000 ÷ $11,670 = 1.71 - You are at 171 percent of the federal poverty guidelines and likely qualify for the tax credit under the Affordable Care Act.

c) **Example 2** – You are married with 3 kids, and your household's annual income is $150,000. The 2014 poverty guideline for a five-person family or household is $27,910.

- $150,000 ÷ $27,910 = 5.37 - You are at 537 percent of the federal poverty guidelines and are unlikely to qualify for the tax credit under the Affordable Care Act.

***Federal Poverty Income Levels are found in the Federal Register and updated annually.**

Procedure:

I. Team members should screen patient/guarantor in advance to determine if the patient/guarantor is financially able to pay 50% deposit and set up payment arrangements. If so, deposit should be collected and financial arrangements should be made with the patient/guarantor. If the patient/guarantor is not financially able to pay a 50% deposit and commit to making interest free payments, then team members should refer patient/guarantor to a Financial Resource Specialist before services may be rendered.

II. If a team member determines after screening a patient that he/she may have Medicare and/or Medicaid coverage, this information must be verified to determine present or future eligibility for Medicare and/or Medicaid coverage.

III. During the screening if it is determined that the patient/guarantor is not just medically indigent, due to not having insurance, but may be disabled and/or burdened with a long term or chronic illness, then patient/guarantor should be referred to current Medicaid/SSI vender for processing.

IV. It is critical that patients are screened in advance appropriately in regard to any individual policies or liability information. If another party may be responsible for reimbursement on services rendered, they would be primary to assistance from the CRHS's Charity Care program**.**

V. Any patient who is eligible for any county, state or federal (PPACA) programs must apply and be either approved for assistance or denied before CRHS's Charity Care program may help with any bills that may incur.

VI. If other resources or programs are available to assist with payment of the patient's hospital bill, they must cooperate with these services. If they do not pursue all other payment options, their Charity Care application will not be considered. These sources may include money available through insurance sources, including but not limited to money available from third parties liable for injury to the patient. We reserve the right to reinstate these charges should we discover any failure on the patient's part to cooperate with or pursue any other services offered or should we discover any information given to us was false.

VII. The patient's qualification for Charity Care will be revaluated when the following occur:

a) Subsequent rendering of significant healthcare services

b) Income change

c) Family size change

d) When any part of the patient's account is written off as a bad debt or is in collections

e) At least every 90 days

XI. Candidates for Charity Care must complete an application within 10 working days of receipt. Proof of income should be attached as well as the following documents: three (3) current payroll stubs, current year federal tax return, child support and if not currently employed (written documentation from employer, proof of unemployment/worker's compensation/social security or letter of support from the provider of that supports).

XII. The (PPACA) expands Medicaid coverage to individuals will a family income up to 100% of the FPL. However, the State of Georgia has opted out of this expansion. Therefore, patients whose family income falls at or below 100% of the FPL will continue to be eligible for Charity Care.

XIII. In certain circumstances, there may be patients whose income is greater than 100% of the FPL, but are not eligible to purchase the new federally-mandated insurance coverage. Patients who fall into this category may be eligible for Charity Care if they meet the income and asset requirements.

XIV. Charity Care applications will be reviewed for primarily for income and secondarily for (asset ownership). The following criteria may be a factor in the approval decision:

i. **Home Property**: Total equitable value of home property must not exceed $100,000. Please note: if there is a life estate on a home, it will not be counted as an asset for purposes of eligibility.

ii. **Non-Home Real and Taxable Personal Property**: Total equitable value of non-home real and taxable personal property must not exceed $10,000.

iii. **Liquid Assets**: Total value of liquid assets must not exceed $1,000

XV. Any reasonable method to verify **income** information necessary to establish eligibility may be used. Documents may include, but are not limited to the following:

a) Pay stubs

b) Employee W-2 forms

c) Federal income tax return

d) Self-employment bookkeeping records

e) Statements from employer

XVI. Any reasonable method to verify ***other*** **types of income (assets)** necessary to establish eligibility may be used. Documents may include, but are not limited to the following:

a) Social Security award letter

b) Unemployment compensation letter

c) Pensions award notice

d) Veterans Administration award notice

e) Support and alimony papers evidenced by court order, divorce or separation papers, contribution check

XVII. Upon satisfactory completion of the application, which includes submitting proof of income and/or support, it will be reviewed by the Financial Resource Specialist and recommended for approval or denial. Recommended approvals will be reviewed by the Financial Resource Center Manager for a final decision. Further approval requirements are based on the account balance and are as follows:

a) Balances less than $1,000 will not require Manager approval and will auto process

b) Balances between $1,000 and $25,000 require Financial Resource Center Manager approval only;

c) Balances between $25,000 and $50,000 require the approval of the Sr. Director Revenue Cycle;

d) Balances greater than $50,000 require the approval of the CFO.

XVIII. Patients who were denied charity may be eligible for other discounts offered by Columbus Regional HealthCare System. Further information regarding discounts and their eligibility criteria can be provided by the Financial Resource Center. If not eligible for a discount, interest-free payment arrangements will be available.

XIX. Applicants will have the opportunity to appeal any Charity Care denial or partial charity decision. If an appeal is requested, the decision will be reviewed by the Sr. Director of Revenue Cycle and/or CFO as appropriate. A written notification of the outcome of the re-review will be issued to the patient within 14 days of the request.

XX. The charity care award will be applied to eligible candidates in the following manner:

a) An approved application for charity care will cover any future accounts with dates of service up to 90 days from the date of the application. At the expiration of 90 days, the patient must reapply and provide all relevant documentation for continued charity status.

Attachments:

Signatures:

DISCLAIMER: Personnel should not use guidelines as a substitute for the exercise of good judgment as it is recognized that a guideline may not be uniformly appropriate.