

J.C. Blair Memorial Hospital

Policy # ADMIN -30

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Effective Date: 3/2/2017

Title Charity Care and Financial Assistance Policy

Policy Statement:

It is the policy of J.C. Blair Memorial Hospital to consider each patient's ability to pay for his or her medical care by providing a level of charity care and financial assistance to uninsured patients requiring medically necessary health care services based on financial eligibility criteria. J.C. Blair Memorial Hospital is committed to treating patients who have financial needs with the same dignity and consideration that is extended to all of its patients consistent with the Mission of the J.C. Blair Health System.

Procedure Guidelines: I.

Definitions:

- A. Charity Care means the ability to receive free care.** Patients who are uninsured for a medically necessary service, who are ineligible for governmental or other insurance coverage, and who have family income below or equal to 250% of the Federal Poverty Level will be eligible to receive free care. In addition, those patients who are insured and do not have family income in excess of 250% of the Federal Poverty Level will also be eligible for charity care for their patient financial responsibility related to medically necessary services under indigent care criteria.
- B. Financial Assistance means the ability to receive care at a discounted rate.** Patients who are uninsured for medically necessary services and ineligible for governmental or other insurance coverage, and who have family incomes in excess of 250%, but not exceeding 400%, of the Federal Poverty Level; will be eligible to receive Financial Assistance in the form of a partial discount off charges that results in average amounts expected to be reimbursed from Medicare and all private health insurance payers.
- C. Uninsured Patient** means an individual who does not have any third-party health care coverage through a third party insurer, an ERISA plan, Federal Health Care Program (including Medicare, Medicaid, SCHIP and TRICARE), Workers' Compensation, Medical Savings Accounts or other coverage for all or any part of the bill. Patients who have exhausted their health insurance benefit coverage will be considered uninsured.
- D. Presumptive Charity Care/Financial Assistance** refers to an uninsured individual that is presumed eligible for Charity Care (or Financial Assistance) when adequate information is provided by the patient or through other sources that allows J.C. Blair to determine that the patient qualifies.

E. Medically Necessary Health Care Services as defined by PA Medical Assistance is a service, item, procedure or level of care that is:

- (1) Compensable under the MA Program.
 - (2) Necessary to the proper treatment or management of an illness, injury or disability.
 - (3) Prescribed, provided or ordered by an appropriate licensed practitioner in accordance with accepted standards of practice. This may exclude cosmetic and bariatric surgery.
- II. Notice of availability of this program is posted at patient registration sites within the hospital and on the System Internet site. A plain language summary is available upon request in all registration areas of JC Blair.
 - III. Patients are required to apply for Medical Assistance with their state of residence prior to being considered for charity care or financial assistance. For those patients whose place of residence is in the Commonwealth of Pennsylvania, assistance will be provided by the Hospital. Availability of hospital endowment funds will also be considered.
 - IV. For those patients that are "Plain People" (i.e. Amish, Old Order Mennonite, and Conservative Mennonites), a separate procedure is provided as their belief system prohibits them from receiving any assistance from the government. They are not required to apply for Medical Assistance, and because of their desire to pay something, will be offered no more than a 50% discount and would not qualify for free care under the charity care definition.
 - V. Patients expressing financial hardship are given the opportunity to apply for charity care/financial assistance by completing the **Financial Aid Application** (see Attachment A) either in writing or over the phone with a Financial Aid Representative or Financial Counselor, and providing the minimum required documentation as noted below:
 - A. Pay stubs for past 30 days
 - B. Bank statements (checking & savings) for past 30 days
 - C. Copy of last filed Federal tax return including all schedules
 - D. Copy of notice received from Social Security Administration indicating monthly benefit
 - E. Copy of notice received from Bureau of Unemployment for weekly benefit
 - F. Copy of any pension payments that are received monthly
 - G. Notice of current Medical Assistance denial or approval (if applicable)
 - H. If household has no income, letters from persons who are assisting with daily living expenses
 - VI. Income for purposes of comparison to the Federal Poverty Levels below will be calculated based on household income for the past 30 days unless unavailable, and in those cases, will be based on last Federal tax return.

- VII. In instances when an uninsured patient may appear eligible for a charity care/financial assistance discount, but lacks documentation to support it, consideration will be given based on circumstances presented income data for Presumptive Charity Care/Financial Assistance. This will include, but not limited to; no income, participation in Women's Infants and Children's programs (WIC), food stamp eligibility, other state or local assistance programs that are unfunded (e.g. Medicaid spend-down), information from family or friends, low income housing provided as valid address, patient deceased with no known estate, eligible for state funded prescription program, and credit bureau soft credit checks that are only seen by the patient/guarantor. Individuals who qualify under Presumptive Charity Care/Financial Assistance will be notified of the discount being provided and will be able to apply for a higher level discount through this policy.
- VIII. A completed Financial Aid Application will be forwarded to the Patient Financial Support department. When the application is received, the staff will review and determine if the application is complete and the documentation supports Charity Care or Financial Assistance eligibility. If all the necessary documentation is not received, the applicant will be notified by phone and/or written notice and collection efforts will proceed with proper notice of any extraordinary collections action to be taken, such as reporting to consumer credit reporting agencies, in accordance with Credit and Collection policy.
- IX. Charity Care patients will receive a 100% discount of the charges. The Financial Assistance partial discounts are set forth below.
- A. Charges for the purpose of the Charity Care and Financial Assistance policy are defined as the normal amounts that would be billed to patients with insurance coverage for a like service and/or procedure.
 - B. For purposes of the Charity Care and Financial Assistance policy the normal amounts generally billed (AGB) to patients who qualify under this policy will be an average of the amount expected to be reimbursed from Medicare and all private health insurance payors of J.C. Blair Memorial Hospital.
 - C. The average amounts expected to be reimbursed from Medicare and all private health insurance payors to be applied under this policy will be annually reviewed and if necessary updated utilizing the look-back method that includes all claims.
- X. All applicants, who apply for charity care and have provided all the necessary documentation, are notified of final determination via telephone or by letter within 30 days of receipt.
- XI. Patients who do not provide the requested information necessary to completely and accurately assess their financial situation and/or who do not cooperate with efforts to secure governmental health care coverage will not be eligible for Charity Care or Financial Assistance, with exception to the Plain People as described in Section IV. However, such cooperation is not a precondition to the receipt of medically necessary treatment, especially emergency care in accordance with EMTALA regulations.

XII. The Charity Care and Financial Assistance discount guidelines are as follows:

% of Federal Poverty Levels	Discount Category	Discount % on Normally Billed Charges
0% – 250%	Charity Care	100%
251% - 300%	Financial Assistance	80%
301% - 400%	Financial Assistance	60%

XIII. In addition to comparing the income amounts to the Federal Poverty Levels, total resources available will be reviewed. This includes an analysis of assets (only those convertible to cash and unnecessary for daily living), liabilities, and income and expenses. Charity Care or Financials Assistance may not be offered to those patients that have sufficient assets to pay and the liquidation of those assets would not cause undue hardship.

XIV. For patients who qualify for financial assistance and receive a discount at least at the ABG level and takes advantage of a prompt pay discount, the Hospital will count the prompt pay discount as Charity Care/Financial Assistance for purposes of financial reporting.

XV. Uninsured patients whose income is in excess of 400% of the Federal Poverty Limit may be eligible for a discount of charges at the discretion of the Director of Patient Financial Support. The discounts applied to charges for this specific class of patients, uninsured with incomes greater than 400% of the Federal Poverty Limit, are not considered as either Charity Care or Financial Assistance as defined in Sections I, VII, XII, & XIV of this policy. The Director of Patient Financial Support will determine the appropriate charges for this patient class.

XVI. Applications outside of these guidelines may be approved based upon extraordinary circumstances with the documented approval of the Director of Patient Financial Support.

XVII. Approval for charity care allowance will be based on the following criteria:

Up to \$5,000	Financial Aid Representative
\$5,001 - \$50,000	Supervisor, Patient Financial Customer Relations
> \$50,001	Director, Patient Financial Support

XVIII. The determination of charity care will include all services provided up to a year prior to approval date and be effective for six months from the date of approval. Subsequent re-evaluation will be done at the request of the patient/responsible party.

XIX. In the case of subsequent determinations, a refund will be provided for any amount over \$10, paid by an eligible individual for care, which exceeds the discounted amount owed.

- XX. Individuals who do not apply for Financial Assistance or applicants eligible for only partial discount will be required to establish reasonable payment arrangements with the Hospital on the balance of their account in accordance with Credit and Collection policy. Those that do not will be subject to collections efforts that will include the use of an outside collection agency and subsequent reporting to consumer credit reporting agencies with proper notification. It is the patient's responsibility, or their guarantor, to provide a correct address at the time of registration to ensure mailed statements and notifications are received. A copy of this policy can be obtained by calling the Patient Financial Support. If your last name begins with A-K call (814)643-8844 and L-Z call (814)643-8495.
- XXI. Except in the case of those individuals within 250% of the Federal Poverty Levels, this policy does not apply to patients who are insured or underinsured; for example, it is not the intent of this policy to provide free or discounted care to patients who have health insurance with high deductibles or coinsurance.
- XXII. With the individual insurance mandates that have taken effect as part of the Affordable Care Act and the expansion of the Medicaid program in PA, refusal or unwillingness on the patient's part to enroll in a subsidized insurance plan could impact the level of financial assistance provided through this policy.
- XXIII. Determinations made by the Hospitals, in regard to percentage discount, will also be recognized by Community Life Team and all the physician office practices owned by J.C. Blair Health System and Pinnacle Health Cardiovascular Institute.
- XXIV. The listing attached reflects the providers delivering emergency and medically necessary care that are covered by this policy, and which are not.

Attachment:

A: Financial Assistance Application

Review Date(s):

Revision Date(s):

