ECHN Eastern Connecticut Health Network

# EASTERN CONNECTICUT HEALTH NETWORK
# POLICY AND PROCEDURE

**TITLE:** **Financial Assistance / Charity Care** **Policy: 500**

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## TOPIC

Financial Assistance / Charity Care

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

## PURPOSE

To identify those patients that qualify for charitable assistance and to complete write-off procedures that are in keeping with state and federal regulations.

A. ECHN is committed to providing financial assistance to persons who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation.
B. It is the policy of ECHN to provide Financial Assistance based on indigence or high medical expenses for patients who meet specified financial criteria and request such assistance. The purpose of the following policy is to describe how applications for Federal Assistance should be made, the criteria for eligibility, and the steps for processing each application.
C. Financial assistance may be extended when a review of a patient's individual financial circumstances has been conducted and documented. This should include a review of the patient's existing medical expenses and obligations (including any accounts having gone to bad debt except those accounts that have gone to lawsuit and a judgment has been obtained) and any projected medical expenses and obligations (including any accounts having gone to bad debt except those accounts that have gone to lawsuit and a judgment has been obtained) and any projected medical expenses. Financials Assistance Applications may be offered to patients whose accounts are with a collection agency and will apply only to those accounts on which a judgment has not been granted.
D. Race, gender, sexual orientation, religious or political affiliation, social or immigration status will not be taken into consideration.
E. To further ECHN's commitment to their mission to provide healthcare to patients seeking emergency care, ECHN will utilize an abbreviated application for financial assistance for their uninsured patients being seen in the Emergency Room. The patients eligible for this financial assistance must not be eligible for any other insurance benefits or have exhausted their insurance benefits, and do not have active medical assistance coverage.

## POLICY:

In order to provide the level of aid necessary to the greatest number of patients in need, and protect the resources needed to do so, the following guidelines apply:

A. Patient
   a. Services are provided under charity care only when deemed medically necessary and after patients are found to have met all financial criteria based on the disclosure of proper information and documentation.
   b. Any patient who believes that they are qualified may apply for financial assistance under the hospitals' charity care policy or discount policy.
   c. Patients are expected to contribute payment for care based on their individual financial situation; therefore, each case will be reviewed separately.
   d. Charity Care is not considered an alternative option to payment and patients may be assisted in finding other means of payment or financial assistance before approval for charity care.

e. Uninsured patients who are believed to have the financial ability to purchase health insurance may be encourage to do so in order to ensure healthcare accessibility and overall well-being.

B. Hospital
   a. ECHN will maintain an understandable, written financial assistance policy, clearly stating the eligibility criteria.
   b. ECHN will ensure that all financial assistance policies will be applied consistently.
   c. In applying the Financial Assistance policy, ECHN will assist the patent in determining if he/she is eligible for government- sponsored programs.

C. COMMUNICATION:
   a. Notices regarding availability of Charity Care at ECHN will be posted in public places around the hospital, on patient bills, and on our website.

**PROCEDURE**

a. Services Eligible Under This Policy
   i. The following healthcare 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 ECHN's discretion.

b. Eligibility for Charity Care
      1. Eligibility for Charity Care will be based on an individuals assessment of financial need.
      2. Requires an application process.
      3. We expect cooperation from patients and guardians.
      4. May rely upon publicly available information and resources to determine the financial resources of the patient or a potential guardian.
      5. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
      6. The need for financial assistance shall be re-evaluated every six months or at any time additional information relevant to the eligibility of the patient for charity care becomes known.

c. Presumptive Financial Assistance Eligibility
   i. There are instances when a patient may appear eligible for charity care discounts, but are unable to provide supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance such as
      1. State-funded prescription programs;
      2. Patient is homeless or received care from a homeless clinic;
      3. Patient files bankruptcy
      4. Participation in Women, Infants and Children programs (WIC);
      5. Patient is eligible for assistance under the Crime Victims Act or Sexual Assault Act
      6. Food stamp eligibility;
      7. Subsidized school lunch program eligibility;
      8. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
      9. Low income/subsidized housing is provided as a valid address; and
      10. Patient is deceased with no known estate.

D. ASSESSMENT PROCESS

1. The application must be fully completed and signed by the patient / responsible party
2. Proof of income for applicant (and spouse if applicable) is verified by two forms of documentation which could include:
    a. Last four pay stubs
    b. Previous Year Federal Income Tax Form
    c. Previous Year W-2 Form
    d. Social Security Statement
    e. Unemployment Benefit Statement
3. Other documentation that may be required:
    a. Proof of disability compensation
    b. For Medicare patients a copy of their social security benefits, pension and retirement benefits and/or bank statements showing deposits
    c. Workers compensation deposits

i. The level of Charity Care provided will be determined based on the Federal Poverty Level in effect (please refer to the current year's sliding scale).

ii. Once a patient has been granted financial assistance, that patient shall not receive any future bills based on undiscounted gross charges.

E. PRESUMPTIVE PRACTICES FOR CHARITY CARE PATIENTS

a. Internal and external collection policies and procedures will take into account the extent to which a patient is qualified for charity care or discounts. In additional, patients who qualify for partial discounts are required to make a good faith effort to honor payment agreements with ECHN, including payment plans and discounted hospital bills. ECHN is committed to working with patients to resolve their accounts, and at it discretion, may provide extended payment plans to eligible patients. ECHN will not pursue legal action for non-payment of bills against charity care patients who have cooperated with the hospital to resolve their accounts and have demonstrated their income and/or assets are insufficient to pay medical bills.

b. During the eligibility process, other forms of financial assistance will be considered such as Medicare and Medicaid.

## DEFINITIONS

The following terms are meant within this policy to be interpreted as follows:

a. Charity Care means free or discounted health care services rendered by a hospital to persons who cannot afford to pay, including but not limited to, care to the uninsured patient or patients who are expected to pay all or part of a hospital bill based on income guidelines and other financial criteria set forth in statute or in the hospital's charity care policies on file at OCHA.

b. Emergency Care: Immediate care which is necessary to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions, and serious dysfunction of any organs or parts.

c. Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal revenue Services rules, if the patient claims someone as a dependant on their income tax return, they may be considered a dependent for purposed of the provision of financial assistance.

d. Family Income: family income is determined using the census Bureau definition, which uses the following income when computing federal poverty guidelines.

i. Includes earnings, unemployment compensation, workers' compensation, Social security, Supplemental security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income form estates, trusts, educational assistance, alimony, child support, assistance form outside the household, and other miscellaneous sources.

ii. Noncash benefits (such as food stamps and housing subsidies) do not count.

iii. Determined on a before-tax basis

If a person lives with a family, includes the income of all family members (non-relatives, such as housemates do not count)

e. Medically Necessary: hospital services or care rendered (both inpatient and outpatient) to a patient in order to diagnose, alleviate, correct, cure or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity.
f. Presumptive: other financial assistance, not charity care.
g. Underinsured: Patients who carry insurance of have third party assistance to help pay for medical services, but who accrue or have the likelihood of accruing out-of-pocket expenses which exceed their financial ability.
h. Uninsured: means a patient who is without health insurance for whom the payer responsible for payment of the bill for hospital services rendered is the patient, the patient's parent or guardian or another responsible person, who is not a third party payer and who is not subsequently reimbursed by another payer for the cost of any of the services rendered to the patient. A patient shall not be classified an uninsured patient, is such subsequent reimbursement takes place.
i. Urgent Care: Services necessary in order to avoid the onset of illness or injury, disability, death, or serious impairment or dysfunction if treated within 12 hours.

ATTACHMENTS: A

INDIVIDUAL RESPONSIBLE FOR REVISION: Director Patient Financial Services

ORIGINATED: 07/29/02 REVISION DATE: 8/1/05
8/3/07
9/20/10
11/26/12
04/15/13

# Eastern Connecticut Health Network

ECHN will provide assistance for those patients who fall within the guidelines below.

To be eligilbe to receive uncompensated care, your family must be at or below the following current guidelines.

**Family Gross Income Levels**

## Annual Guidelines

| 2013 Federal Poverty Guidelines | 125% | 150% | 175% | 200% | 250% | 300% | 400% |
|---|---|---|---|---|---|---|---|
| % of Write Off | 100% | 90% | 80% | 70% | 60% | 50% | 40% |
| Family Size | | | | | | | |
| 1 | $ 14,362.50 | $ 17,235.00 | $ 20,107.50 | $ 22,980.00 | $ 28,725.00 | $ 34,470.00 | $ 45,960.00 |
| 2 | $ 19,387.50 | $ 23,265.00 | $ 27,142.50 | $ 31,020.00 | $ 38,775.00 | $ 46,530.00 | $ 62,040.00 |
| 3 | $ 24,412.50 | $ 29,295.00 | $ 34,177.50 | $ 39,060.00 | $ 48,825.00 | $ 58,590.00 | $ 78,120.00 |
| 4 | $ 29,437.50 | $ 35,325.00 | $ 41,212.50 | $ 47,100.00 | $ 58,875.00 | $ 70,650.00 | $ 94,200.00 |
| 5 | $ 34,462.50 | $ 41,355.00 | $ 48,247.50 | $ 55,140.00 | $ 68,925.00 | $ 82,710.00 | $ 110,280.00 |
| 6 | $ 39,487.50 | $ 47,385.00 | $ 55,282.50 | $ 63,180.00 | $ 78,975.00 | $ 94,770.00 | $ 126,360.00 |
| 7 | $ 44,512.50 | $ 53,415.00 | $ 62,317.50 | $ 71,220.00 | $ 89,025.00 | $ 106,830.00 | $ 142,440.00 |
| 8 | $ 49,537.50 | $ 59,445.00 | $ 69,352.50 | $ 79,260.00 | $ 99,075.00 | $ 118,890.00 | $ 158,520.00 |

**Add $4,020 for each additional family member

## Monthly Guidelines

| 2013 Federal Poverty Guidelines | 125% | 150% | 175% | 200% | 250% | 300% | 400% |
|---|---|---|---|---|---|---|---|
| % of Write Off | 100% | 90% | 80% | 70% | 60% | 50% | 40% |
| Family Size | | | | | | | |
| 1 | $ 1,196.88 | $ 1,436.25 | $ 1,675.63 | $ 1,915.00 | $ 2,393.75 | $ 2,872.50 | $ 3,830.00 |
| 2 | $ 1,615.63 | $ 1,938.75 | $ 2,261.88 | $ 2,585.00 | $ 3,231.25 | $ 3,877.50 | $ 5,170.00 |
| 3 | $ 2,034.38 | $ 2,441.25 | $ 2,848.13 | $ 3,255.00 | $ 4,068.75 | $ 4,882.50 | $ 6,510.00 |
| 4 | $ 2,453.13 | $ 2,943.75 | $ 3,434.38 | $ 3,925.00 | $ 4,906.25 | $ 5,887.50 | $ 7,850.00 |
| 5 | $ 2,871.88 | $ 3,446.25 | $ 4,020.63 | $ 4,595.00 | $ 5,743.75 | $ 6,892.50 | $ 9,190.00 |
| 6 | $ 3,290.63 | $ 3,948.75 | $ 4,606.88 | $ 5,265.00 | $ 6,581.25 | $ 7,897.50 | $ 10,530.00 |
| 7 | $ 3,709.38 | $ 4,451.25 | $ 5,193.13 | $ 5,935.00 | $ 7,418.75 | $ 8,902.50 | $ 11,870.00 |
| 8 | $ 4,128.13 | $ 4,953.75 | $ 5,779.38 | $ 6,605.00 | $ 8,256.25 | $ 9,907.50 | $ 13,210.00 |

If you feel you may be eligible, you may request free or discounted services at the Patient Financial Services Office. A financial application will be provided to the applicant upon request. The Hospital will make a final determination of your eligibility for uncompensated services.

When Third Party coverage is available (Medicare or Medicaid) all applicable benefits must be applied first. Refusal to take resonable actions necessary to obtain these available funds can exclude the granting of uncompensated services.

Source: Federal Register Vol 78, No. 16, January 24, 2013, pp. 5182-5183.
**Updated 2/03/13

# Notice of Availability for Uncompensated Care

Eastern Connecticut Health Network, Inc. will provide assistance for those patients who fall within the guidelines below.

To be eligible to receive uncompensated care, your family must be at or below the following current guidelines.

## Family Gross Income Levels

| 2013 Federal Poverty Guidelines | 125% | 150% | 175% | 200% | 250% | 300% | 400% |
|---|---|---|---|---|---|---|---|

| % of Write Off | 100% | 90% | 80% | 70% | 60% | 50% | 40% |
|---|---|---|---|---|---|---|---|
| Family Size | | | | | | | |
| 1 | 14,363 | 17,235 | 20,108 | 22,980 | 28,725 | 34,470 | 45,960 |
| 2 | 19,388 | 23,265 | 27,143 | 31,020 | 38,775 | 46,530 | 62,040 |
| 3 | 24,413 | 29,295 | 34,178 | 39,060 | 48,825 | 58,590 | 78,120 |
| 4 | 29,438 | 35,325 | 41,213 | 47,100 | 58,875 | 70,650 | 94,200 |
| 5 | 34,463 | 41,355 | 48,248 | 55,140 | 68,925 | 82,710 | 110,280 |
| 6 | 39,488 | 47,385 | 55,283 | 63,180 | 78,975 | 94,770 | 126,360 |
| 7 | 44,513 | 53,415 | 62,318 | 71,220 | 89,025 | 106,830 | 142,440 |
| 8 | 49,538 | 59,445 | 69,353 | 79,260 | 99,075 | 118,890 | 158,520 |

Add $4,020 for each additional member

| Patient Responsibility | 0% | 10% | 20% | 30% | 40% | 50% | 60% |
|---|---|---|---|---|---|---|---|

If you feel you may be eligible, you may request free or discounted services at the Patient Financial Service Office. Requests may be made prior to admission, during the stay or at time of discharge. A financial evaluation form and application will be provided for the applicant upon request. The Hospital will make a final determination of your eligibility for uncompensated services.

When Third Party coverage is available (Medicare, State, Medicaid LIA, etc) all applicable benefits must be applied first. Patient convenience items such as private room differentials are not covered.

Refusal to take reasonable actions necessary to obtain these available benefits can exclude the granting of uncompensated services.

Source – Federal Register Income Poverty Guidelines

Revised 2/04/2013

# ECHN Financial Assistance Program for Emergency Room Services

## Financial Assistance Gross Family Income Levels

2013 Federal Poverty Guidelines

| Family size | 125% | 150% | 175% | 200% | 250% | 300% | Over 300% |
|---|---|---|---|---|---|---|---|
| 1 | 14,363 | 17,235 | 20,108 | 22,980 | 28,725 | 34,470 | |
| 2 | 19,388 | 23,265 | 27,143 | 31,020 | 38,775 | 46,530 | |
| 3 | 24,413 | 29,295 | 34,178 | 39,060 | 48,825 | 58,590 | |
| 4 | 29,438 | 35,325 | 41,213 | 47,100 | 58,875 | 70,650 | |
| 5 | 34,463 | 41,355 | 48,248 | 55,140 | 68,925 | 82,710 | |
| 6 | 39,488 | 47,385 | 55,283 | 63,180 | 78,975 | 94,770 | |
| 7 | 44,513 | 53,415 | 62,318 | 71,220 | 89,025 | 106,830 | |
| 8 | 49,538 | 59,445 | 69,353 | 79,260 | 99,075 | 118,890 | |

4,020 for each additional family member

| | Plan A | Plan B | Plan C | Plan D | Plan E | Plan F | Plan G |
|---|---|---|---|---|---|---|---|
| Discount | 100% | 90% | 80% | 70% | 60% | 50% | 40% |
| Patient responsibility | 0% | 10% | 20% | 30% | 40% | 50% | 60% |
| Point of service payment | $0 | $50 | $75 | $100 | $100 | $100 | $125 |
| Max Bill | $0 | $75 | $150 | $200 | $300 | $400 | $500 |
| Patient balance with point of service payment | 0 | $25 | $75 | $100 | $200 | $300 | $375 |

Pay Plan Option - sign contract 2 ($100) 3 ($100) 3 ($125)

**Updated 2/4/13