



ADMINISTRATIVE POLICY

- SUBJECT:** Charity Care
- POLICY:** Hannibal Regional Healthcare System will consider all patients who are uninsured, under-insured or unemployed potential candidates for charitable assistance. Eligible individuals will receive prompt financial counseling. Charitable services will be provided without an expectation of payment.
- PURPOSE:** To provide medically necessary services to eligible individuals who are uninsured or under-insured, and do not have adequate financial resources to pay for healthcare services.

ADMINISTRATIVE RESPONSIBILITY:

The Vice President - Finance is responsible for administering and interpreting this policy.

DEFINITIONS:

Charity: The delivery of services without an expectation of payment.

Charity Care: Medically necessary healthcare services provided to a financially eligible patient.

Charity Care Review Committee: An appointed committee of three members of the System that receives recommendations for consideration of Charity Care. Membership of the Charity Care Review Committee shall consist of the Group Director - Patient Financial Services, the financial counselor responsible for the account and a third member of the System team appointed annually by the Vice President of Finance. The Committee shall meet as necessary to conduct its business.

Charity Care Sub-Committee: A sub-committee that consists of the Patient Accounts Financial Counselors. The sub-committee investigates and recommends patient accounts to the Charity Care Review Committee for Charity Care consideration.

Medically Necessary Care: Care deemed necessary by the ordering physician for the treatment of a patient, the omission of which could adversely affect the patient's condition.

GENERAL STATEMENTS:

1. Consideration of requests for Charity Care will not be based upon a patient's race, color, gender, sexual orientation, age, religion, national origin nationality, place of residence, or handicap.
2. Eligibility to receive Charity Care will be determined through the objective review of a completed Application for Charity Care and any additional information directly relevant to the determination of eligibility.

3. Patients eligible for Charity Care must meet one or more of the following criteria for consideration:
 - a. Insured patients with coverage that is inadequate to pay for healthcare services and do not have the ability to pay the balance.
 - b. Uninsured patients that do not have the ability to pay for healthcare services.
 - c. Patients with a family income at or below 200% of the Federal Poverty Guideline.
 - d. Patients with a spendable income allowance that is less than 5% of the balance owed the System on a month-to-month basis. Spendable income allowance is defined as income available for payment after consideration for the following:
 1. Mortgage or Rent Expenses
 2. Utilities
 3. Car payments or transportation costs
 4. Food
 5. Uninsured medications
 6. Child support and daycare
 7. Insurance payments for auto, health and property
 - e. Total assets available to pay healthcare expenses less than \$2,000 with the following exceptions:
 1. Home equity
 2. Auto equity
 3. Life Insurance equity
 - f. A demonstrated inability to borrow the funds needed to eliminate the account balance.
4. An Application for Charity Care will be deemed complete only if the following information is provided:
 - a. Valid personal identification (state issued photo ID, birth certificate, passport, Social Security card, or Alien Registration Card)
 - b. Proof of annual gross income (Photocopy of most recently filed Federal Income Tax forms, paycheck stubs or other proof of income)
 - c. A recent statement of assets to include all bank and investment accounts.
 - d. A completed Financial Information Profile.
5. Additional factors considered in the Charity Care review process may include any or all by the following:
 - a. Credit reports.
 - b. Proof of incarceration.
 - c. Prior charity care approvals.
 - d. Previous collection experience.
 - e. Collection agency recommendation based on collection experience.

PROCEDURE

1. Any patient who is identified as uninsured, unemployed, under-insured or who otherwise appears to be unable to pay for medically necessary services shall be referred by their financial counselor to the Charity Care Sub-Committee for consideration. Any team member or provider may refer a patient for assistance through the System's financial

- counselors. If a patient is unable to personally meet with their financial counselor, a guardian or authorized representative of the patient can meet with the counselor to discuss the application process.
2. An initial assessment of the patient's financial resources will be performed by a financial counselor to determine the patient's potential eligibility for Charity Care. The assessment will include a review of the patient's apparent eligibility for other sources of coverage. The patient will be assisted in applying for support if an alternative source of coverage is identified.
 3. Following a determination of potential eligibility, the patient or an authorized representative of the patient, will provide the financial counselor with all information necessary to validate the patient's eligibility for Charity Care.
 4. Upon receipt of the necessary information, a determination of apparent Charity Care eligibility shall be made by the financial counselor responsible for the account and a written recommendation for consideration by the Charity Care Sub-Committee shall be prepared.
 5. The Charity Care Sub-Committee will receive and consider the recommendation of the financial counselor responsible for the account and approve or deny the recommendation.
 6. The Charity Care Review Committee will receive and consider the recommendation from the Charity Care Sub-Committee and either accept, modify or deny the recommendation.
 7. The Group Director - Patient Financial Services is responsible for implementation of the Charity Care Review Committee's actions.



C. Todd Ahrens
President and Chief Executive Officer

F 1-103 April 14, 2014
Leadership Council Review: 04/04/14, May 2017, May 2020

HRHS Policy Committee
Reviewed: 04/26/17, 04/10/2020
Revised:
Replaces: F 107 Charity Care, 1.0111 (9/90), Charity Care/Bad Debt, Uncompensated Care
Reference: