

CHARITY CARE

SCOPE:

- All Staff

PURPOSE:

- Shriners Hospitals for Children (SHC), Spokane is committed to providing care to children with neuromusculoskeletal conditions, burn injuries and certain other special healthcare needs regardless of the families' ability to pay.
- To implement standards and requirements which identify and qualify patients for Charity Care. Ensure that all eligible patients are considered according to a set standard without prejudice or bias.
- Utilizing the same criteria, policy and process, identify financially needy patients who may be eligible for public assistance or grant programs in lieu of full Charity Care. Provide Shrine Assistance to patients who do not qualify for Charity Care, regardless of the families' ability to pay.

DEFINITIONS:

- Charity Care: Charity care includes all appropriate hospital based medical services. This includes the following services provided to a patient, based on financial need:
 - a. Medically necessary services, evaluated on a case-by-case basis at SHC's discretion to include both inpatient hospital, outpatient hospital, physician and other professional service;
 - b. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
 - c. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
 - d. Transportation, housing, and other services associated with the provision of medically necessary health care services
- Family: "Family" means a group of two or more persons related by birth, marriage, or adoption who live together; all such related persons are considered as members of one family (WAC 246-453-010(18)).
- Family Income: "Family Income" means total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to the individual (WAC 246-453-010(17)).
- Appropriate hospital (physician)-based medical services: "Appropriate hospital (physician) – based medical services" means those hospital (physician) services which are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. For purposes of this section, "course of treatment" may include observation or, where appropriate, no treatment at all (WAC 246-453-010(7)).
- Shrine Assistance Adjustment: The Shrine Assistance Adjustment refers to an administrative adjustment of any coinsurance, deductible, or other amounts that might otherwise be a patient/guardian responsibility.

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POLICY:

Eligibility for Charity Care

All patients will be considered for Charity Care based upon a determination of financial need in accordance with this policy. The granting of Charity Care shall be determined on the financial need of each individual patient, and shall not be impacted by a patient's age, gender, race, social or immigrant status, sexual orientation or religious affiliation, as long as the patient falls within the age and scope of care provided by SHC.

Determination of Financial Need

- 1) Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
 - a) Include an application process, in which the patient or the patient's guardian are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
 - b) Include reasonable efforts by SHC to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs; and
- 2) It is preferred, but not required, that a Charity Care & Transportation and Housing Assistance Application (Appendix A) along with a determination of financial need occur prior to rendering of services. The determination of financial need may be done at any point in the insurance billing and payment cycle.
- 3) The need for Charity Care may be reevaluated at each time of service if the last Charity Care & Transportation and Housing Assistance Application and evaluation was completed more than one year after determination of financial need, or at any time additional information relevant to the eligibility of the patient for Charity Care becomes known or if the patient's or patient's guardian's circumstances change.
- 4) Charity Care & Transportation and Housing Assistance Applications shall be processed promptly and SHC shall notify the patient or applicant in writing within 14 days of receipt of a completed application.

Presumptive Financial Assistance Eligibility

A patient may present or appear eligible for Charity Care, but there is no Charity Care & Transportation and Housing Assistance Application on file. Adequate information may be provided by the patient, their guardian or through other sources, which could provide sufficient evidence to approve the patient for Charity in lieu of a formal application. In certain circumstances, SHC may use outside agencies to determine estimate income amounts for determining financial need, Charity Care approval and/or potential discount amounts in lieu of a Charity Care & Transportation and Housing Assistance Application. Due to the inherent nature of the presumptive circumstances, the patient will be granted a 100% Charity Care adjustment of the account balance.

Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

- a) State-funded prescription programs;
- b) Homeless or received care from a homeless clinic;
- c) Participation in Women, Infants and Children programs (WIC);
- d) Food stamp eligibility;
- e) Free/reduced/discounted school lunch program eligibility;
- f) Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
- g) Low income/subsidized housing is provided as a valid address; and
- h) Parent is deceased with no known estate.

Patient Charity Care Guidelines

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Services eligible under this Policy will be made available on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination (see SHC Means Test – Appendix B), as follows:

- a) Patients whose family income is at or below 300% of the FPL are eligible to receive a full Charity Care discount;
- b) Patients whose family income is above 300% but not more than 400% of the FPL are eligible to receive Charity Care on a sliding scale based on the following amount:
 - i. Family income greater than 300% of the FPL but less than 325% of FPL will be eligible for a 75% Charity Care discount.
 - ii. Family income greater than 325% of the FPL but less than 350% of FPL will be eligible for a 50% Charity Care discount, and
 - iii. Family income greater than 350% of the FPL but less than 400% of FPL will be eligible for a 25% Charity Care discount.
- c) Patients whose family income exceeds 400% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence,; and
- d) Patients whose annual bills exceed 25% of the family income but do not qualify under sections above will be eligible to receive a Charity Care discount in an amount such that the remaining annual bills are equal to 25% of the family income.

Communication of the Charity Care Program to Patients and the Public

Notification about Charity Care assistance available from Shriners Hospitals for Children, which shall include a telephone number, shall be disseminated by Shriners Hospitals for Children by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in admitting and registration departments, hospital business offices, and patient financial services offices that are located on facility campuses, and at other public places as Shriners Hospitals for Children may elect. Information shall also be included on facility websites. Such information shall be provided in the primary languages spoken by the population serviced by Shriners Hospitals for Children. Referral of patients for Charity Care assistance may be made by any member of the Shriners Hospitals for Children staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for Charity Care may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

All patients will be asked to indicate, as part of the financial counseling process, whether the family's annual income exceeds 400 percent of the Federal Poverty Level. Financial counseling staff will explain that the question is being asked to determine whether the patient may be eligible for certain internal & external financial assistance programs. Patients and families will be notified that care at SHC is provided regardless of ability to pay and their response will not affect the services they receive from Shriners Hospitals for Children.

PROCEDURE:

- 1) Registrar identifies patient as in need of financial assistance.
 - a) Documents status in SHIS
 - b) Refers patient to Hospital Financial Counselor
- 2) Patients are considered in financial need if their annual household income is below 400 percent of the Federal Poverty Level. This is determined by completing the SHC Means Test. Completion of the SHC Means Test includes obtaining the signature of the patient or guardian. This document is then scanned in Front End Scanning.
- 3) Hospital Financial Counselor interviews patient, family or legal guardian.

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- a) Through pre-determined questions, evaluates if patient will potentially qualify for State/Federal Assistance/Funding, SHC Charity Care or Shrine Assistance.
- 4) Hospital Financial Counselor advises patient, family or legal guardian of appropriate documentation required to qualify them for either outside funding, SHC Charity Care or Shrine Assistance. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of charity care sponsorship status (WAC 246-453-030(2));
 - a) A “W-2” withholding statement
 - b) Pay stubs
 - c) An income tax return from the most recently filed calendar year
 - d) Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance
 - e) Forms approving or denying unemployment compensation
 - f) Written statements from employers or welfare agencies
- 5) Hospital Financial Counselor advises patient to return signed documents back to Financial Counselor or to Headquarters for processing within at least fourteen calendar days of interview or scheduled care/procedure or such time as the person’s medical condition may require, or such time as may reasonably be necessary to secure and to present documentation as described within WAC 246-453-030 prior to receiving a final determination of sponsorship status.
 - a) Financial Counselor sends documents to HQ or
 - b) Patient sends documents to HQ
- 6) The Patient Financial Services Department at Headquarters evaluates documentation to determine appropriate funding within 14 days of receipt of a completed application. This includes:
 - a) Applying for State/Federal funding on patient’s behalf, if appropriate, and/or
 - b) Reviewing and processing the Charity Care & Transportation and Housing Application in preparation for submitting it for approval and/or
 - c) If a patient does not qualify for Charity Care, submitting account for a Shine Assistance Adjustment
 - d) Patients applying for Charity Care sponsorship must be notified of their final determination of sponsorship status within 14 calendar days.
- 7) The Patient Financial Services Department at Headquarters updates SHCIS with appropriate primary payor for State/Federal funding.
- 8) Once approval and signatures are obtained, account balances will be adjusted to zero for an approval period of one (1) year.
- 9) Patient accounts will be updated to reflect Charity Care or Shrine Assistance.
 - a) Prior to approval anniversary, patient will be advised of re-certification process and patient must re-apply for assistance.
- 10) The Revenue Integrity Department at Headquarters will conduct periodic audits to ensure compliance with policy and process defined above.

REFERENCES:

- The poverty guidelines may be formally referenced as “the poverty guidelines and updated periodically in the *Federal Register* by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).
- Washington Administrative Code (WAC) 246-453

HELP: For questions regarding this policy, contact Shriners Hospitals for Children® – Spokane @ (509) 455-7844.

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Appendix A

See HQ Charity Care and Transportation Assistance Application

Appendix B

See HQ SHC Means Test

DEPT RESPONSIBLE FOR REVIEW:

- Revenue Cycle – Patient Financial Services