

**ADMINISTRATIVE POLICY
CHARITY CARE**

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DEPARTMENT OF HEALTH
Center for Health Statistics

Department: Financial Counseling
Policy Number: XXXXX
Effective Date: December 1, 2005
Revision Date:

POLICY:

The Charity Care Policy is intended to ensure that residents of Washington State who are at or near the federal poverty level receive appropriate hospital-based medical services at a cost that is based on their ability to pay up to and including care without charge. Charity care will be granted to all eligible persons regardless of race, color, religion, sex, sexual orientation or national origin in accordance with WAC Chapter 246-453 and RCW 70.170. The Charity Care Policy applies to both inpatient and outpatient hospital services which includes both facility and professional fees.

UW Medicine will make a good faith effort to provide every patient with information regarding the availability of charity. UW Medicine will post signs in Admitting, Financial Counseling, Emergency Department and Outpatient Registration that will notify the public of the Charity Care Policy. Eligibility for Charity Care requires that patients must fulfill all requirements and expectations as outlined in the Charity Care Policy.

Definitions:

1. **Charity Care** – "Charity care" means appropriate hospital-based medical services provided to indigent persons
2. **Emergent Medical Condition** – "Emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that the absence of immediate medical attention could reasonably be expected to result in:

(a) Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;

(b) Serious impairment of bodily functions;

(c) Serious dysfunction of any bodily organ or part.

With respect to a pregnant woman who is having contractions the term shall mean:

(d) That there is inadequate time to effect a safe transfer to another hospital before delivery; or

(e) That transfer may pose a threat to the health or safety of the woman or the unborn child;

3. **Appropriate Hospital-Based Medical Services** – "Appropriate hospital-based medical services" means those hospital 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 purpose of this definition, "course of treatment" may include mere observation or, where appropriate, no treatment at all
4. **Income** - "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;
5. **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;

ELIGIBILITY CRITERIA

Charity Care eligibility excludes:

1. Persons coming to Washington State solely seeking medical services;
2. Non-Appropriate hospital based medical and dental care;
3. Treatments provided by experimental and/or investigational protocols.

Exceptions to Washington State residency included in the Charity Care Policy are:

1. All patients who have an Emergent medical condition.
2. Refugees, asylees, and those seeking asylum that possess and can present INS documentation.

Should charity eligibility be apparent, UW Medicine may choose to waive requirements, documentation and verification. Examples of such cases are as follows:

- Patients or guarantors who have declared bankruptcy and have included the UWMC debt with the bankruptcy.
- Patients or guarantors who are deceased with no estate in probate.
- Patients or guarantors determined to be homeless.
- Accounts returned by the collection agency as uncollectible due to any of the above reasons.

UW Medicine staff discretion will be exercised in situations where factors such as social or health issues exist. Such issues will be documented to support charity consideration.

Charity Care will be made available only after all other sources of funding have been exhausted or denied. This includes but is not limited to:

- group or individual insurance,
- worker's compensation,
- Medicare,
- Medicaid,
- Basic Health Plan,
- Crime Victims,
- third party liability (examples would be but are not limited to auto accident, personal liability and/or home owners insurance),
- diagnosis related funding programs, or
- any other circumstances in which another person or entity may have legal responsibility to pay for the cost of medical services.

All sources of income are subject to establishing eligibility for charity.

Patients who are non-compliant during any part of the application process will forfeit their ability to qualify for charity.

FINANCIAL CRITERIA

UW Medicine will provide charity care for full charges for any patient/guarantor whose gross family income is at or below 200% of the current federal poverty guidelines.

UW Medicine will provide charity care using a sliding fee scale for any patient/guarantor whose gross family income is between 200% and 300% of the current federal poverty guidelines after all funding possibilities available to the patient/guarantor have been exhausted or denied and personal financial resources and/or assets have been reviewed for possible funding to pay for billed charges.

When documented circumstances indicate severe financial hardship, UW Medicine may elect to write off billed charges as charity for persons whose family income exceeds 300% of the current federal poverty guidelines.

Any patient financial obligation remaining after the charity assessment will be requested at the time of service. If the patient is unable to pay, a payment arrangement can be considered.

PROCEDURE:

Responsible Party: Financial Counseling

Guidelines/Steps

Persons may request an application for charity at anytime. The application consists of a Confidential Financial Information form and Confidential Financial Information Form Instructions which lists documentation that is required as part of the charity assessment process. Additional documentation may be required.

Eligibility for charity care is reviewed based on the following schedule:

Patient Type	Frequency of Review	Action
IP	Each admission	Full review of application
OP > \$10,000	Every visit	Full review of application
High Dollar >\$10,000	Each visit	Full review of application

Persons who submit an application for charity and who are initially determined to be eligible for charity are allowed ten calendar days to complete the application process. This application, along with full disclosure of their financial status with supporting documentation, will be considered in final determination of eligibility.

While a charity application is in process, UW Medicine will continue to bill the patient as a self-pay patient. However, the patient will not be referred to a collection agency while the charity application is in process.

UW Medicine shall provide final determination within fourteen days of receipt of charity applications and supporting documentation. Supporting documentation includes but is not limited to items listed on the Confidential Financial Information Form Instructions.

Notifications

Approvals or denials for charity applications shall be written and include instructions for appeal or reconsideration. If denied the patient/guarantor may provide additional documentation to UW Medicine or request review by the Chief Financial Officer within 30 days of receipt of the notification of denial. If this review affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

Documentation of Records

All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the charity application form and be retained for seven years.

CHARITY CARE REFERRAL SOURCES

Financial Counseling (FC) Department receives electronic account referrals coded as P14 (Self-Pay), P91 (Unable to interview) and account referrals identifies as high deductible and inadequate coverage from the Financial Clearance Center (FCC), patients, and others.

ACCOUNT ASSIGNMENT

A defined method of assigning charity referrals will be established for distributing work to Financial Counselors (FC). FC are to take complete financial ownership of each individually assigned referral and see the process through final resolution.

PRE-SCREENING

1. Financial Counselors will try to interview patient/contact within the hour of referral assignment. If necessary, the FC will get nursing staff and social workers involved.
2. Financial Counselors screen and interview patients:
 - a. If the FC learns of insurance or the patient/guarantor's financial situation is in excess of Medicaid guidelines, the FC will change the sponsor code to the appropriate insurance code or self-pay code; sends referral and insurance information back to FCC.
 - b. If no insurance, the FC will interview the patient to determine appropriate funding sources:
 - i. Patient Liability (Self-Pay)
 - ii. Medicaid (In and out of state)
 - iii. Charity

APPLICATION PROCESS

1. FC will interview and ensure that the Confidential Financial Information Form (CF) is complete and reference as an indicator to establish potential eligibility for Charity.
 - a. If patient appears eligible based on financial findings of CF:
 - i. If the Medicaid application process was started or completed the following verifications will need to be confirmed as being received.

Otherwise the following verifications will need to be communicated to the patient as needing to be obtained:

1. Personal ID (Driver's License, Photo ID, Passport, Birth certificate)
 2. SS Number
 3. Income verification for last two months (i.e. pay stub, VA benefits, etc.)
 4. Most recent rent/mortgage verification
 5. Most recent utility verification
 6. Cash surrender value of Life insurance policy
 7. Current Bank statement (checking, savings, CD)
 8. Stocks, bonds, IRA
 9. Letter of support and/or other documentation regarding living situation if CF indicates no income or assets.
 10. In the event that the responsible party is not able to provide any of the documentation described above, the hospital shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person.
- ii. Confirm that credit report has been received. If not, obtain credit report.
- b. If patient appears ineligible based on financial findings of CF:
 - i. For documentation purposes complete the Charity Account Review (CAR) form (see instruction sheet for reference)
 - ii. FC contacts patient and communicates denial of charity.
 - iii. FC requests payment for services

APPROVAL PROCESS

Partial Approval:

1. Charity qualification percentage is based on the calculated outcome of the CAR
2. 100% of total charges will be billed to the appropriate sponsor code either insurance or self-pay
3. Remaining balance is moved to the P40 Charity sponsor code and written-off based on the percentage of Charity the patient qualified for.
4. If there is still a Self-pay portion after insurance and Charity amounts are paid then:

Full Approval:

1. Charity qualification percentage is based on the calculated outcome of the CAR
2. Change primary sponsor code to P40 and 100% of total charges will be written-off automatically.

Follow-up & Notification activity matrix:

PATIENT LOCATION	TIME OF FOLLOW-UP ACTIVITY	REQUIRED ACTION	RESPONSIBLE PARTY
In-House / Post Discharge	Within 14 days of receiving completed CF and required verifications	Send patient formal document stating approval or denial of application and notice of appeal process	Financial Counselor
In-House	Within 24 hrs from completion of CF	Contact patient/contact to obtain all verifications outstanding and deliver CF/Medicaid Application Receipt	Financial Counselor
In-House	Every 48hrs until discharged	Contact patient to obtain all verifications outstanding	Financial Counselor
Post Discharge	Within 24hrs following discharge	Send patient formal document stating Charity application is incomplete and giving them a 10-day limit to comply with all application requirements	Financial Counselor
Post Discharge	10 days after sending CF non-compliance letter	Change sponsor code to Self-pay if patient is still non-compliant	Financial Counselor

CROSS REFERENCE:

ATTACHMENT:

REVISIONS:

Date

Chief Operating Officer: _____ Date: _____

Chief Financial Officer: _____ Date: _____

Executive Director: _____ Date: _____