



BUS-10

Subject: Financial Assistance/Charity Care Policy		Effective Date: 5/1/2005	Revision Dates: 9/06,11/07, 7/10
Department: BUSINESS OFFICE		Distribution:	
Prepared/Reviewed by: Diane Blake, CFO		Department Manager Approval: (Date)	
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POLICY

CASCADE MEDICAL CENTER is committed to the provision of health care services to all persons in need of medically necessary care regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of financial assistance and charity care, consistent with the requirements of the Washington Administrative Code (**WAC**), **Chapter 246-453**, are established. These criteria will assist staff in making consistent objective decisions regarding eligibility for financial assistance and charity care while ensuring the maintenance of a sound financial base.

PROCEDURE

Communications to Public:

Information about Cascade Medical Center's financial assistance and charity care policy shall be made publicly available as follows:

- A. A notice advising patients that Cascade Medical Center provides financial assistance and charity care shall be posted in key public areas of Cascade Medical Center, including Admissions, the Emergency Department, Billing and Financial Services.

- B. Both the written notice and the verbal explanation shall be available in any language spoken by more than ten percent of the population in Cascade Medical Center's service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the writing and/or explanation. Cascade Medical Center finds that the following non-English translation(s) of the notice shall be made available in Spanish.

- C. Cascade Medical Center shall train front-line staff to answer financial assistance and charity care questions effectively or direct such inquiries to the appropriate department in a timely manner.
- D. Written notice about Cascade Medical Center's financial assistance and charity care policy shall be made available to any person who requests the information, by mail, either by telephone or in person. Cascade Medical Center's sliding fee schedule, if applicable, shall also be made available upon request.

ELIGIBILITY CRITERIA

- A. Financial assistance and charity care are secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g. auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services.
- B. Patients will be granted financial assistance and charity care regardless of race, creed, color, national origin, sex, sexual orientation, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a disabled person
- C. Financial assistance and charity care for non-emergent services shall be limited to those residing within Cascade Medical Center's designated service area.
- D. Financial assistance and charity care shall be limited to appropriate hospital and outpatient based medical services as defined in **WAC 246-453-010(7)**.
- E. In those situations where appropriate primary payment sources are not available, patients shall be considered for financial assistance and charity care under this policy based on the following criteria:
 - The full amount of uncovered Cascade Medical Center charges will be determined to be charity care for a patient whose gross family income is at or below 100% of the current federal poverty level (consistent with **WAC 246-453**).

- Cascade Medical Center shall provide a sliding scale discount for patients with incomes between 101 and 200 % of the current federal poverty level.

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	PERCENTAGE DISCOUNT FROM CHARGES
101-133%	60%
134-166%	50%
167-200%	40%

- Cascade Medical Center shall also provide a discount to any uninsured patient with incomes between 201 and 300 percent of the federal poverty level.

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	PERCENTAGE DISCOUNT FROM CHARGES
201-233%	20%
234-266%	15%
267-300%	10%

- Percentages meet or exceed those required by Washington state law **WAC 246-453-040 and WAC 246-453-050**

- F. Catastrophic Charity. Cascade Medical Center may write off as charity care, amounts for patients with family income in excess of 300% of the federal poverty level when circumstances indicate severe financial hardship or personal loss.
- G. The responsible party's financial obligation which remains after the application of any sliding fee schedule shall be payable as negotiated between Cascade Medical Center and the responsible party. The responsible party's account shall not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account, and there is no satisfactory contact with the patient.
- H. Cascade Medical Center shall not require a disclosure of the existence and availability of family assets from financial assistance and charity care applicants whose income is less than 100% of the current federal poverty level but may require a disclosure of the existence and availability of family assets from financial assistance and charity care applicants whose income is at or above 101% of the current federal poverty level.

PROCESS FOR ELIGIBILITY DETERMINATION

A. Initial Determination:

1. Cascade Medical Center shall use an application process for determining eligibility for financial assistance and charity care. Requests to provide financial assistance and charity care will be accepted from sources such as physicians, community or religious groups, social services, financial services personnel, and the patient, provided that any further use or disclosure of the information contained in the request shall be subject to the Health Insurance Portability and Accountability Act privacy regulations and Cascade Medical Center's privacy policies. All requests shall identify the party that is financially responsible for the patient ("responsible party").
2. The initial determination of eligibility for financial assistance and charity care shall be completed at the time of admission or as soon as possible following initiation of services to the patient.
3. Pending final eligibility determination, Cascade Medical Center will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with Cascade Medical Center's efforts to reach a final determination of sponsorship status.
4. If Cascade Medical Center becomes aware of factors which might qualify the patient for financial assistance or charity care under this policy, it shall advise the patient of this potential and make an initial determination that such account is to be treated as qualified to receive financial assistance or charity care.

B. Final Determination:

1. Prima Facie Write-Offs. In the event that the responsible party's identification as an indigent person is obvious to Cascade Medical Center personnel, and Cascade Medical Center can establish that the applicant's income is clearly within the range of eligibility, Cascade Medical Center will grant charity care based solely on this initial determination. In these cases, Cascade Medical Center is not required to complete full verification or documentation. (In accordance with WAC 246-453-030(3)).

Financial assistance and charity care forms, instructions, and written applications shall be furnished to the responsible party when financial assistance or charity care is requested, when need is indicated, or when financial screening indicates potential need.

2. During the initial request period, the patient and Cascade Medical Center may pursue other sources of funding, including Medical Assistance and Medicare. The responsible party will be required to provide written verification of ineligibility for all other sources of funding. Cascade Medical Center may not require that a

patient applying for a determination of indigent status seek bank or other loan source funding.

3. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.
4. In the event that the responsible party is not able to provide any of the documentation described above, Cascade Medical Center shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person. (WAC 246-453-030(4)).

Cascade Medical Center will allow a patient to apply for charity care at any point from pre-admission to final payment of the bill, recognizing that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in a need for financial assistance or charity care services. If the change in financial status is temporary, Cascade Medical Center may choose to suspend payments temporarily rather than initiate charity care.

C. Time Frame for Final Determination and Appeals.

1. Each financial assistance and charity care applicant who has been initially determined eligible for charity care shall be provided with at least fourteen (14) calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her charity care application prior to receiving a final determination of sponsorship status.
2. Cascade Medical Center shall notify the applicant of its final determination within fourteen (14) days of receipt of all application and documentation material.
3. The responsible party may appeal a denial of eligibility for charity care by providing additional verification of income or family size to the Financial Counselor within thirty (30) days of receipt of notification.
4. The timing of reaching a final determination of charity care status shall have no bearing on the identification of charity care deductions from revenue as distinct from bad debts, in accordance with **WAC 246-453-020(10)**.

- D.** If the patient or responsible party has paid some or all of the bill for medical services and is later found to have been eligible for financial assistance or charity care at the time services were provided, he/she shall be reimbursed for any amounts in excess of what is determined to be owed. The patient will be reimbursed within thirty (30) days of receiving the financial assistance or charity care designation.

E. Adequate Notice of Denial:

1. When an application for financial assistance and charity care is denied, the responsible party shall receive a written notice of denial which includes:
 - a. The reason(s) for the denial;
 - b. The date of the decision; and
 - c. Instructions for appeal or reconsideration.

2. When the applicant does not provide requested information and there is not enough information available, Cascade Medical Center to determine eligibility, the denial notice also includes:
 - a. A description of the information that was requested and not provided, including the date the information was requested;
 - b. A statement that eligibility for charity care cannot be established based on information available to Cascade Medical Center; and
 - c. That eligibility will be determined if, within thirty days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.

3. The Business Office Supervisor and the Chief Financial Officer will review all appeals. If this review affirms the previous denial of financial assistance and charity care, written notification will be sent to the responsible party and the Department of Health in accordance with state law.

F. If a patient has been found eligible for financial assistance or charity care and continues receiving Clinic and ancillary services for an extended period of time Cascade Medical Center shall re-evaluate the patient's eligibility for financial assistance and charity care at least quarterly to confirm that the patient remains eligible Cascade Medical Center may require the responsible party to submit a new financial assistance and charity care application and documentation.

DOCUMENTATION AND RECORDS

- A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.

- B. Documents pertaining to financial assistance and charity care shall be retained for five (5) years.