Washington State 2008

Charity Care in Washington Hospitals

June 2010

Washington State Department of Health

Center for Health Statistics
Hospital and Patient Data Systems

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Foreword

The 1989 Legislature enacted RCW 70.170.060 which prohibits any Washington hospital from denying patients access to care based on inability to pay or adopting admission policies which significantly reduce charity care. The charity care law requires each hospital to develop a charity care policy and a bad debt policy.

The Department of Health is responsible for rule making and monitoring related to charity care and is required to report to the Legislature and Governor on an annual basis.

This report presents financial and utilization data submitted by Washington hospitals in their fiscal year 2008 Hospital Year-end Reports and 2009 Annual Budget Submittals. These data may be used to:

- Assess the impact of uncompensated health care on hospital charges and continued access to health care in a community.

- Conduct research or seek information on uncompensated health care.

Executive Summary

This report describes charity care provided by all licensed hospitals in Washington during fiscal year (FY) 2008. RCW 70.170 defines charity care as "necessary inpatient and outpatient hospital health care rendered to indigent persons..." A person is considered indigent if their family income is at or below 200 percent of the federal poverty level. Hospitals report charity care as billed charges written off and as a percentage of total patient service revenue and of adjusted revenue.

Washington hospitals recorded $668 million in total charity care charges for 2008, which is an increase of 13.1 percent above 2007 and a 30.1 percent increase above the 2006 levels. Charity care for 2008 was 2.2 percent of total hospital revenue and 4.4 percent of "adjusted revenue" (adjusted revenue is total revenue minus Medicare and Medicaid charges in order to focus on each hospital's non-Medicare, non-Medicaid charges).

Total charity care charges have increased from 1998 to the present. The growth in charity care has slowed since the increase from 2003 to 2004, which was the largest increase in charity care recorded since data reporting began. When adjusted for inflation, charity care charges in Washington are rising faster than both the consumer price index and the producer price index.

Across the state, 37 hospitals each provided more than $3 million of charity care in FY 2008, which accounted for 93.1 percent of charity care statewide. Regionally, King County provides the largest dollar amount of charity care, with Harborview Medical Center alone providing 18 percent of the statewide total. Hospitals in rural areas of the state report less charity care in proportion to their total adjusted revenue than do urban hospitals. Rural hospitals also have a higher proportion of revenue from Medicare and Medicaid, resulting in a smaller base of private sector payers to whom charity care would apply.

Charity Care Defined

Washington State law (RCW 70.170.020) defines charity care as necessary hospital health care rendered to indigent persons, when the persons are unable to pay for the care or pay the deductibles or co-insurance amounts required by a third-party payer (Appendix 1). A person in need of care is considered indigent if family income is at or below 200 percent of the federal poverty level. Charity care means appropriate hospital-based medical services provided to indigent persons. This is distinct from bad debt, which according to department rules means uncollectible amounts, excluding contractual adjustments, arising from failure to pay by patients whose care has not been classified as charity care.

In March 1991, the Department of Health adopted rules that define uniform procedures, data requirements and criteria for identifying patients receiving charity care. These rules also defined residual bad debt.

Charity Care Policy and Reporting Requirements

Since 1991, Washington hospitals have been required to maintain a charity care policy on file with the Center for Health Statistics in the Department of Health. Each policy includes:

- Definitions describing terms the hospital uses in its charity care policy;
- Procedures the hospital uses to determine a patient's ability to pay for health care services and to verify financial information submitted by the patient;
- Sliding fee schedule for individuals whose annual family income is between 100 and 200 percent of the federal poverty level, adjusted for family size; and
- Procedures used to inform the public about charity care available at that hospital.

Charity care policies for Washington hospitals are available on the department Web site: http://www.doh.wa.gov.

In addition to the charity care policy, each hospital reports annually to the department its total charges for charity care and bad debt within 180 days of the close of the hospital's fiscal year. This data is reported as part of the hospital's year-end financial report. Hospitals also provide an estimate of charity care 30 days prior to the start of their fiscal year in their annual budget submittal.

Two health maintenance organization hospitals (Group Health Central and Group Health Eastside [closed in April 2009]) are not included in this report since health care charges are prepaid through member subscriptions and therefore uncompensated health care is generally not incurred. State-owned psychiatric hospitals, federal Veterans Affairs hospitals, and federal military hospitals are also excluded. This report is based on data collected from 94 licensed Washington hospitals for their fiscal years ending in 2008.

Department of Health Role in Monitoring Charity Care

The Department of Health's role is to monitor the distribution of charity care among hospitals, the relative need for charity care in hospital service areas, and trends in private and public health coverage. It also shall prepare reports that identify any problems in distribution. The department will also receive and review documentation from hospitals regarding the final denial of charity care to a patient and also respond to patients complaints about their charity care application process.

The Office of Health Care Survey section of the agency includes the following specific steps during the annual onsite licensing survey to support the charity care mandates:

1. Monitor each hospital for compliance with RCW 70.170.060(3) regarding the required admissions policies, practices, and transfer activities.
2. Verify that a hospital's charity care policy required by both RCW 170.170.060(5) and WAC 246-453-070 is current and has been reported to the Hospital and Patient Data Systems (HPDS) section.
3. Assure each hospital prominently displays a notice concerning the waiver/reduction of fees for people meeting the WAC 246-453-020(2) criteria during the survey process.
4. Check to see that each hospital provides a written explanation of any waiver or reduction of fees provided when a person meets the criteria established in WAC 246-453-020(2).
5. Verify that each hospital requiring an application process for determining eligibility for charity care complies with WAC 246-453-020(5).
6. Substantiate that each hospital complies with WAC 246-453-060 regarding the provision of true emergency care.

Charity Care Nationally and in Other States

There is no national community hospital charity care policy or requirement. Some states require hospitals to provide charity care, while others do not. Some of these states have a program in which the hospitals can apply for partial reimbursement of the funds forgiven.

In 1986, Congress enacted the Emergency Medical Treatment and Labor Act (EMTALA) to ensure public access to emergency services regardless of ability to pay. Section 1867 of the Social Security Act imposes specific obligations on Medicare-participating hospitals that offer emergency services to provide a medical screening examination when a request is made for examination or treatment for an emergency medical condition, including active labor, regardless of an individual's ability to pay. Hospitals are then required to provide stabilizing treatment for patients with emergency medical conditions. If a hospital is unable to stabilize a patient within its capability, or if the patient requests, an appropriate transfer should be implemented. Washington's charity care law is much broader and includes non-emergency and non-labor medical care as eligible for charity care.

Comparing Hospitals' Charity Care Contributions

Comparing one hospital's charity care contribution with another is not an easy exercise. Hospitals sometimes support their communities through free or low-cost services, such as health screenings and awareness campaigns, which are not easily quantifiable and are not included in their reported uncompensated health care charges.

Comparisons based solely on data included in this report can result in misleading findings. A high level of charity care may just as easily reflect demographic conditions in a service area (income level, unemployment rate, etc.) as the charitable mission of a hospital. On the other hand, a low level of charity care might reflect a relative absence of need for charity care in a hospital's service area rather than a lack of commitment to serve the community. This report makes no judgments about any individual hospital's provision of charity care. Department of Health does not have established a standard for the "appropriate" amount of charity care that hospitals should provide.

A hospital is limited in the amount of uncompensated health care it can provide and remain a financially healthy institution. Ultimately, if enough charges are uncompensated, whether attributed to bad debt expense or to charity care, the facility will face operating losses. Hospitals may attempt to recover uncompensated health care by shifting costs to other payers, subsidizing uncompensated charges with non-operating revenue (e.g., endowments, parking lots, gift shops), or increasing prices for hospital services.

Charity Care Charges in Washington Hospitals

Charity care expenditures grew steadily from 1989, when hospital rate setting was eliminated, until 1993. From 1993 until 1997, that growth stabilized then declined. Charity care began to increase again in 1998 and continued to rise through 2008. Charity care for 2008 increased (13 percent), which is a smaller rate than the increase experienced in 2007 (15 percent). However, as a percent of adjusted revenue, charity care has been stable (between 4.48 and 4.36 percent) for the past four years.

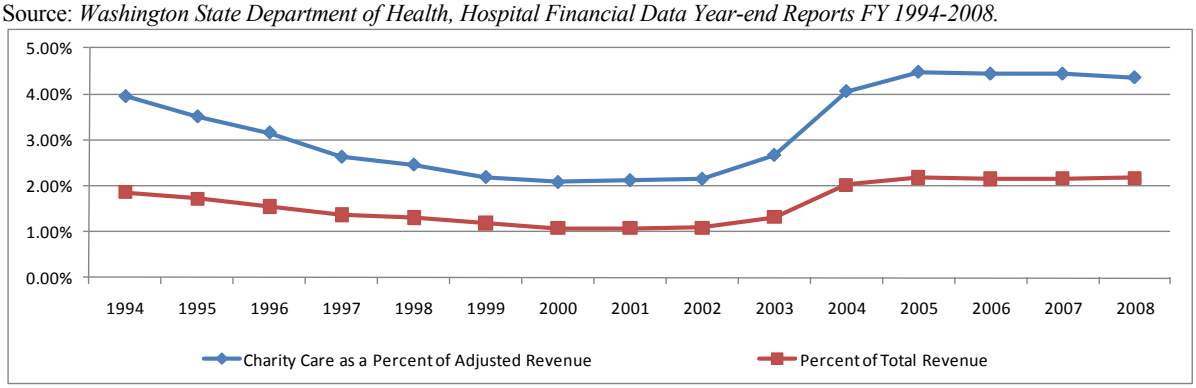
Charity care charges increased from $590 million in FY 2007[1] to $668 million in FY 2008. This represents a 13 percent increase from 2007 to 2008. Table 1 summarizes the statewide provision of charity care from 1994 through 2008. This table also presents charity care charges as a percentage of total revenue and adjusted revenue (excluding Medicare and Medicaid). Total revenue is the sum of billed charges for all patient services. Statewide charity care charges increased by 516 percent over the past 10 years, while statewide revenues increased by 271 percent. Since 1997, fluctuations in statewide operating margins, a profitability measure, have not adversely affected the amount of charity care provided in Washington.

[1] Not all hospitals have a fiscal year that coincides with the calendar year. Among the 94 hospitals in Washington, there are six different fiscal calendars. As a result, we cannot provide data based on the calendar year. Information contained in this report for fiscal year (FY) 2008 includes hospital data that pertains to the year that ended March 31st, April 30th, June 30th, September 30th, October 31st or December 31st, 2008, depending on each hospital's fiscal calendar.

Table 1. Overview of Hospital Charity Care in Washington, 1994-2008

Year	Total Revenue	Adjusted Revenue	Statewide Charity Care	Percent of Total Revenue	Percent of Adjusted Revenue	Operating Margin
1994	6,013,233,056	2,836,757,950	111,947,855	1.86%	3.95%	3.70%
1995	6,393,992,319	3,141,574,942	110,172,746	1.72%	3.51%	4.70%
1996	6,831,863,277	3,351,784,781	105,767,242	1.55%	3.16%	4.10%
1997	7,466,307,575	3,874,390,027	102,008,794	1.37%	2.63%	4.00%
1998	8,283,508,258	4,406,201,947	108,371,473	1.31%	2.46%	2.30%
1999	9,495,164,654	5,131,945,589	112,577,000	1.19%	2.19%	2.00%
2000	11,009,631,695	5,736,296,849	119,081,863	1.08%	2.08%	1.30%
2001	12,559,409,550	6,374,245,419	135,140,421	1.08%	2.12%	2.20%
2002	14,594,866,236	7,361,696,909	158,602,333	1.09%	2.15%	2.50%
2003	16,563,214,722	8,206,850,864	218,716,343	1.32%	2.67%	3.70%
2004	18,703,650,129	9,291,039,218	377,659,433	2.02%	4.06%	3.28%
2005	21,176,047,382	10,276,084,173	460,789,979	2.18%	4.48%	4.40%
2006	23,729,471,286	11,486,408,669	509,804,329	2.15%	4.44%	4.11%
2007	27,296,487,390	13,304,319,466	590,294,087	2.16%	4.44%	5.19%
2008	30,706,080,081	15,303,068,991	667,580,294	2.17%	4.36%	5.20%

Source: *Washington State Department of Health, Hospital Financial Data Year-end Reports FY 1994-2008.*



The hospital accounting concept of "adjusted revenue" subtracts Medicare and Medicaid charges from total patient care revenue to allow meaningful comparisons of hospital levels of charity care. Medicare and Medicaid have specifically prohibited hospitals from billing patients for the difference between the billed charges and Medicare and Medicaid's prospectively determined payment levels. Because hospitals cannot bill Medicare or Medicaid patients for the difference of payment received, these patients cannot be charity care patients. The private payer base differs widely among hospitals as a percentage of business. Therefore, the use of adjusted revenue allows for a comparison of hospital charity care as a percentage of privately sponsored patient revenue. Operating margin is the percent of operating revenue left over after operating expenses are subtracted.

Charity Care Patient Count in Washington

Historically, data reported to the Department of Health didn't include the number of patient visits for which charity care was granted. Therefore, the agency had been unable to report whether the number of charity care cases was going up, down, or remaining the same over time. The department is currently requesting that hospitals report the number of charity care patient visits, along with the associated charges. For fiscal year 2008, 58 of the possible 94 hospitals reported this information. These hospitals reported 178,259 patient visits in which they provided charity care. Partial write-offs to charity are included in this count.

Inflation Adjusted Charity Care Amounts

Figure 1 on the following page shows Washington hospitals' inflation-adjusted charity care over time. Figure 1 displays charity care amounts in unadjusted or nominal dollars and in inflation-adjusted dollars. Inflation-adjusted charity care amounts allows the reader to see changes in charity care from year to year, accounting for the general tendency for all prices to increase over time. Inflation-adjusted dollars are often called "real" dollars, because they show changes in relative values, rather than changes in cost. The Consumer Price Index (CPI) adjusted dollars reflect inflation at the consumer level[2]. In other words, CPI changes reflect changes in the overall prices of goods and services. The Producer Price Index (PPI) adjusted amount is only for hospital care and reflects the changes in the selling prices received by hospitals for their services[3]. The base year for both inflation indices is 1997.

Under all measures, charity care increased sharply starting in 2003, even when the CPI and PPI show low inflation rates. Prior to 2004 charity care had a stable rate. It's unclear why the rates seem to have increased so dramatically. One possibility is that hospitals have increased the amount of their charity care, perhaps as much as doubled it in a few years. However, factors other than just an increase in care may account for some of the large swing.

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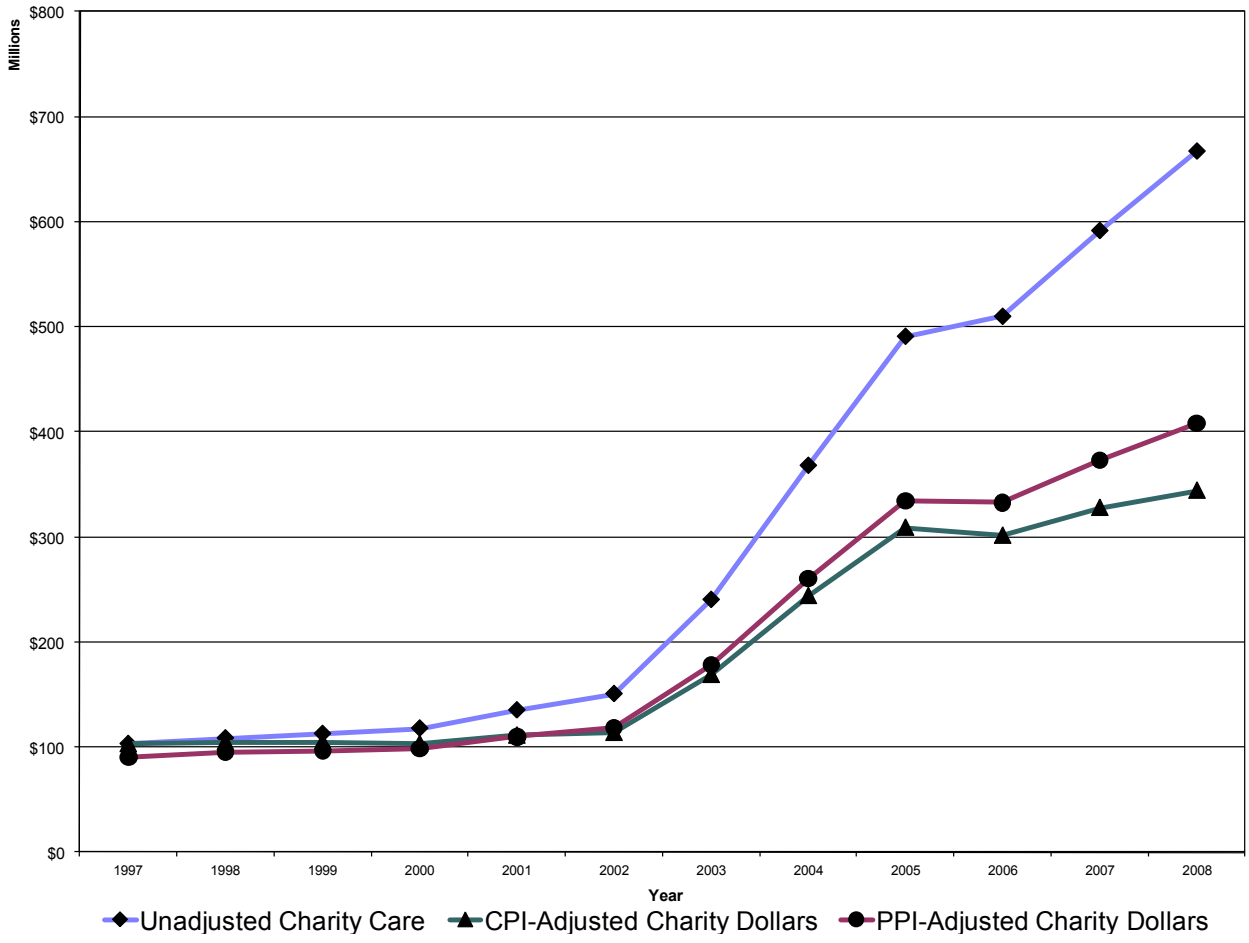
[2] The Consumer Price Index (CPI), published by the US Department of Labor, Bureau of Labor Statistics (BLS), is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. (Source: US Department of Labor, Bureau of Labor Statistics)

[3] The BLS also publishes the Producer Price Index (PPI). The PPI is a family of indices that measures the average change over time in selling prices received by domestic producers of goods and services. PPIs measure price change from the perspective of the seller. This contrasts with other measures, such as the Consumer Price Index (CPI), that measure price change from the purchaser's perspective. Sellers' and purchasers' prices may differ due to government subsidies, sales and excise taxes, and distribution costs. The PPI used in this chart is specific to general medical and surgical hospitals. (Source: see above)

Figure 1. Inflation Adjusted Provision of Charity Care



Top Providers of Charity Care

The majority of the state's charity care comes from relatively few hospitals. Thirty-seven urban hospitals each reported $3 million or more and together provided $621 million in charity care. In other words, 38 percent of the hospitals provided 93 percent of the charity care in FY 2008 (see Table 2 on the next page). Looking at all the hospitals, the amount of charity care individual hospitals provided ranged from $0 to $120 million, which reflects differences in their size, types of services provided, provisions for charity care in their mission statements, and the characteristics of surrounding communities.

Table 2.Washington Hospitals Reporting More than $3 Million in Charity Care FY 2008

Hospital Name	Charity Care Billed Dollars 2004	2005	2006	2007	2008	2007-2008 Percent Change
Harborview Medical Center	93,480,000	98,243,000	112,188,000	124,390,000	120,352,000	-3.2%
Providence Regional Medical Center Everett	26,588,306	31,811,074	31,335,712	36,332,041	45,069,711	24.0%
Swedish Health Services	15,935,042	23,087,910	21,473,336	28,820,080	35,341,645	22.6%
Providence Saint Peter Hospital	16,496,058	22,949,168	29,724,540	30,535,691	33,969,925	11.2%
Saint Joseph Medical Center	10,799,099	16,917,321	23,093,412	24,181,715	29,139,138	20.5%
Southwest Washington Medical Center	13,219,527	15,390,405	14,313,645	23,439,609	26,303,244	12.2%
Providence Sacred Heart Medical Center	16,859,991	14,527,167	21,004,353	16,115,756	24,110,190	49.6%
Providence Centralia Hospital	9,993,967	14,550,041	11,447,322	14,150,505	22,162,300	56.6%
Tacoma General Allenmore Hospital	12,808,831	18,612,298	18,148,276	25,496,810	21,813,947	-14.4%
Swedish Medical Center Cherry Hill	6,333,442	9,763,471	10,399,358	12,499,950	18,002,432	44.0%
University Of Washington Medical Center	12,174,473	14,932,682	17,000,103	15,983,605	17,956,619	12.3%
Peacehealth Saint John Medical Center	6,833,412	8,307,987	9,692,944	11,658,148	15,377,133	31.9%
Saint Clare Hospital	5,773,527	8,928,033	10,916,194	11,135,378	15,007,075	34.8%
Seattle Childrens Hospital	8,930,545	7,495,603	8,660,000	12,927,000	14,261,000	10.3%
Kadlec Medical Center	5,185,481	8,792,402	9,593,283	12,191,001	13,755,738	12.8%
Peacehealth Saint Joseph Hospital	5,924,551	9,266,567	9,445,262	12,921,335	13,292,795	2.9%
Harrison Medical Center	4,298,219	4,429,302	6,509,360	7,651,989	13,064,088	70.7%
Legacy Salmon Creek Hospital	Not Open	Not Open	2,985,950	9,205,220	12,910,761	40.3%
Highline Medical Center	3,786,110	6,654,998	4,914,119	8,962,739	11,074,643	23.6%
Saint Francis Community Hospital	6,993,925	9,634,814	10,931,445	11,421,117	10,877,734	-4.8%
Yakima Valley Memorial Hospital	3,638,462	4,999,185	7,724,744	9,227,813	10,476,443	13.5%
Virginia Mason Medical Center	3,924,442	9,879,932	8,149,650	8,806,690	9,970,153	13.2%
Providence Holy Family Hospital	4,927,455	5,503,638	6,839,416	7,451,687	9,752,810	30.9%
Valley Medical Center	6,629,913	14,172,017	13,387,438	12,691,187	8,874,603	-30.1%
Good Samaritan Hospital	4,847,916	7,592,284	8,163,974	6,333,011	8,394,723	32.6%
Northwest Hospital & Medical Center	4,314,658	2,850,807	3,181,842	3,840,786	6,872,998	78.9%
Stevens Hospital	3,002,628	4,220,740	3,450,170	5,334,972	6,635,068	24.4%
Overlake Hospital Medical Center	4,848,470	3,600,859	5,074,086	5,451,760	5,884,487	7.9%
Central Washington Hospital	2,835,320	3,248,927	5,474,835	5,514,945	5,540,544	0.5%
Yakima Regional Medical And Cardiac Center	5,190,569	8,205,425	7,296,260	3,394,837	5,417,762	59.6%
Providence Saint Mary Medical Center	1,655,680	2,667,772	2,299,146	5,079,952	5,108,925	0.6%
Kennewick General Hospital	944,771	1,455,335	2,048,453	3,791,366	4,798,404	26.6%
Skagit Valley Hospital	3,635,518	4,303,447	3,002,750	3,641,809	4,645,113	27.5%
Valley General Hospital	850,474	2,429,860	3,523,518	4,986,959	4,468,446	-10.4%
Evergreen Hospital Medical Center	5,782,194	6,885,415	6,388,160	6,278,194	4,230,096	-32.6%
Deaconess Medical Center	3,471,252	3,169,286	4,004,874	4,337,666	3,604,615	-16.9%
Samaritan Hospital	1,099,678	1,694,597	2,308,055	2,692,200	3,096,381	15.0%
Sub-Group Totals	344,013,906	431,173,769	476,093,985	548,875,523	621,613,689	13.3%
Statewide Totals	367,934,831	460,789,979	509,804,328	590,294,087	667,580,294	13.1%
Sub-Group Percent of Statewide Total	93.5%	93.6%	93.4%	93.0%	93.1%	
Hospitals with greater than $3 Million	31	31	33	36	37	
Hospital with less than $3 Million	65	65	63	60	57	

Source: *Washington State Department of Health, Financial Data Year-end Reports, FY2004-2008.*

Appendix 2 lists each hospital's charity care as dollar amounts and as a percentage of total patient service revenue and adjusted revenue. Statewide charity care in FY 2008 averaged 4.4 percent of adjusted revenue, which is nearly identical to the FY 2007 and 2006 average.

Charity Care by Hospital and Region

Tables 3 and 4 group hospitals into five geographic regions. Four of the five regions are groups of 13 to 21 hospitals in contiguous counties. The fifth region, King County, is the state's largest population center and has a concentration of 21 hospitals. The 2008 proportions of charity care show wide variations among different areas of the state. Table 3 shows the amount of charity care provided by hospitals in each region per 1,000 residents.

Figure 2. Washington State – Five Geographic Regions.

Table 3. Charity Care Charges by Region, per 1,000 residents: 2004-2008

Hospital Region	2004	2005	2006	2007	2008
King County	$98,960	$117,199	$123,695	$139,099	$ 143,950
King County w/o Harborview Med Ctr	$46,687	$ 62,870	$ 62,567	$ 72,269	$ 80,075
Puget Sound	$45,089	$ 54,618	$ 57,950	$ 67,209	$ 77,569
Southwest Washington	$52,745	$ 68,948	$ 75,320	$ 94,056	$114,456
Central Washington	$36,198	$ 49,380	$ 57,472	$ 62,296	$ 69,489
Eastern Washington	$48,496	$ 48,270	$ 62,387	$ 62,753	$ 77,046
Statewide	$61,231	$ 73,651	$ 79,962	$ 90,982	$101,339
Source: *Washington State Department of Health, Hospital Financial Data Year-end Reports, FY 2004-08*					
Office of Financial Management – Population Estimates, FY 2004-2008					

Table 3 shows that charity care amounts in Washington ranged from a low of $69,489 per 1,000 residents in Central Washington, to a high of $143,950 per 1,000 King County Residents. The statewide average is $101,339 in charity care provided per 1,000 Washington residents. Among these regions, King County provides the largest dollar amount of charity care. However, this picture changes when Harborview Medical Center's $120 million in charity care (18.0 percent of the statewide total) is excluded**.**

Table 4. Overview of Hospital Charity Care by Region, FY 2008

2008 REGION	REVENUE CATEGORIES (DOLLARS) CHARITY CARE	TOTAL REVENUE	(LESS) MEDICARE REVENUE	(LESS) MEDICAL ASSISTANCE REVENUE	ADJUSTED REVENUE	CHARITY CARE % OF TOTAL REV	% OF ADJ REV
King County	271,230,407	12,257,696,041	3,611,737,368	1,686,109,407	6,959,849,266	2.2%	3.9%
% of state total	40.6%	39.9%	33.3%	36.9%	45.5%		
% of region total revenue			29.5%	13.8%	56.8%		
Puget Sound	174,584,087	8,639,287,561	3,251,304,794	1,392,458,703	3,995,524,064	2.0%	4.4%
% of state total	26.2%	28.1%	30.0%	30.5%	26.1%		
% of region total revenue			37.6%	16.1%	46.2%		
Southwest	117,557,364	3,791,446,234	1,545,491,925	557,070,107	1,688,884,202	3.1%	7.0%
% of state total	17.6%	12.3%	14.3%	12.2%	11.0%		
% of region total revenue			40.8%	14.7%	44.5%		
Central	51,755,671	2,702,774,853	1,011,642,030	477,091,520	1,214,041,303	1.9%	4.3%
% of state total	7.8%	8.8%	9.3%	10.4%	7.9%		
% of region total revenue			37.4%	17.7%	44.9%		
Eastern	52,452,765	3,314,875,392	1,412,764,044	457,341,192	1,444,770,156	1.6%	3.6%
% of state total	7.9%	10.8%	13.0%	10.0%	9.4%		
% of region total revenue			42.6%	13.8%	43.6%		
State Totals	667,580,294	30,706,080,081	10,832,940,161	4,570,070,929	15,303,068,991	2.2%	4.4%
% of region total revenue			35.3%	14.9%	49.8%		

Source: *Washington State Department of Health, Hospital Financial Data Year-end Reports, FY 2008.*

Rural and Urban Area Charity Care

Historically rural[4] hospitals tend to provide less charity care than their urban counterparts and they tend to be more dependent on Medicare and Medicaid, as shown in Table 5. Most rural hospitals are small. Two-thirds have fewer than 50 available beds.

In fiscal year 2008, charity care was less than one percent of total revenue (and less than two percent of adjusted revenue) for 15 of the 44 rural hospitals. Among the four categories of urban and rural hospitals, Large Town Rural hospitals provided the most charity care as a percentage of adjusted revenue (5.1 percent) during FY 2008. Rural hospitals derived 54 percent of their total revenue from Medicare and Medicaid discounted payments in FY 2008. This indicated a more limited base for shifting charity care charges to other payers in rural hospitals than in urban hospitals, which have 50 percent Medicare/Medicaid payment. The entire listing by hospital is in Appendix 3.

[4] "Rural" is defined in this report as outside the boundaries of a Metropolitan Statistical Area. Three general types of rural areas reflect the relative isolation from principal health care delivery sites experienced by the resident population:

1. **Small town/isolated rural,** which are areas with a population less than 10,000
2. **Rural urban fringe,** which are areas not urbanized but 30% of the population commute to an urban area
3. **Large town,** which are rural areas with a population between 10,000 and 50,000

Table 5. Rural/Urban Charity Care, FY 2008

2008	Charity Care % of Adjusted Revenue	Medicare & Medicaid as a % of Total Revenue
Rural Hospitals (44)	4.85%	54.44%
Small Town/Isolated Rural (25)	4.57%	58.15%
Rural Urban Fringe (5)	2.70%	54.79%
Large Town (14)	5.07%	53.32%
Urban (50)	4.35%	50.10%
All Hospitals (94)	4.39%	50.47%

Source: Washington State Department of Health, Hospital Fianancial Data Year-end Reports, FY 2008

Poverty and Uncompensated Care

Uncompensated care (including both charity care and bad debt) tends to go to those who are the most financially needy. Table 6 shows the total uncompensated care delivered by county in FY 2008 as compared to the percentage of the county population in poverty. The poverty figures come from the U.S. Census Bureau[5]. The average amount of uncompensated care per person by county is also displayed. Generally, the largest amounts of uncompensated care are in urban areas where the large hospitals are located. There does not appear to be a strong relationship between the poverty percentages and average amount of uncompensated care.

[5] Source: U.S. Census Bureau, Data Integration Division, Small Area Estimates Branch, Small Area Income & Poverty Estimates for 2008 http://www.census.gov//did/www/saipe/county.html

Table 6. 2008 Uncompensated Care by Hospitals in the County Compared to Poverty

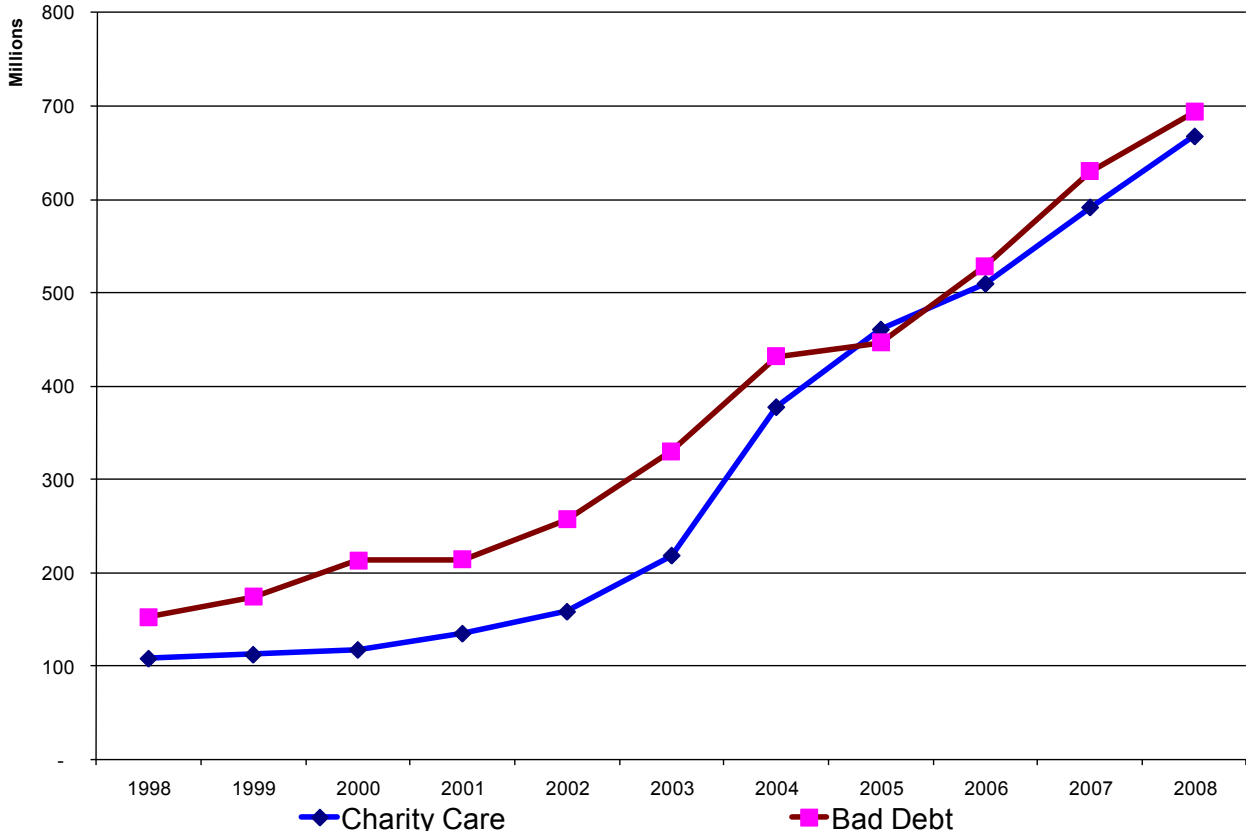
County/Region	County Population	Charity Care	Bad Debt	Uncompensated = Charity + Bad Debt	Poverty Percent	Estimated Count Below Poverty	Avg Uncomp $ per Poverty Population
King County	1,884,200	271,230,407	290,969,251	562,199,658	9.2	169,901	3,309
Clallam	69,200	2,891,132	5,163,181	8,054,313	13.6	9,466	851
Island	79,300	1,086,114	3,681,732	4,767,846	8.2	6,532	730
Jefferson	28,800	2,830,119	1,828,612	4,658,731	12.4	3,593	1,297
Kitsap	246,800	13,064,088	12,378,272	25,442,360	10.1	23,275	1,093
Pierce	805,400	76,006,682	138,194,850	214,201,532	11.3	85,886	2,494
San Juan	16,100	No Hospital in the County			8.9	1,347	-
Skagit	117,500	8,468,741	13,576,658	22,045,399	11.4	13,331	1,654
Snohomish	696,600	56,944,416	38,322,478	95,266,894	8.0	54,184	1,758
Whatcom	191,000	13,292,795	11,315,596	24,608,391	14.3	27,291	902
Puget Sound Region	2,250,700	174,584,087	224,461,379	399,045,466		224,905	1,774
Clark	424,200	39,214,005	39,715,641	78,929,646	9.9	41,605	1,897
Cowlitz	99,000	15,377,133	7,067,929	22,445,062	14.8	14,747	1,522
Grays Harbor	70,900	2,128,010	12,578,282	14,706,292	15.9	10,909	1,348
Klickitat	20,100	551,952	552,491	1,104,443	16.8	3,388	326
Lewis	74,700	22,369,775	3,921,854	26,291,629	13.4	9,804	2,682
Mason	56,300	2,780,402	4,769,578	7,549,980	14.2	7,851	962
Pacific	21,800	959,213	1,865,482	2,824,695	16.3	3,418	826
Skamania	10,700	No Hospital in the County			12.2	1,308	-
Thurston	245,300	34,176,875	17,572,437	51,749,312	9.7	23,518	2,200
Wahkiakum	4,100	No Hospital in the County			11.1	450	-
Southwest Region	1,027,100	117,557,365	88,043,694	205,601,059		116,998	1,757
Benton	165,500	19,120,715	7,645,271	26,765,986	12.5	20,260	1,321
Chelan	72,100	7,634,458	6,075,143	13,709,601	12.0	8,453	1,622
Douglas	37,000	No Hospital in the County			13.1	4,780	-
Franklin	70,200	1,897,214	5,467,063	7,364,277	17.4	12,428	593
Grant	84,600	3,335,190	5,409,011	8,744,201	16.1	13,512	647
Kittitas	39,400	1,344,170	2,259,668	3,603,838	17.0	6,140	587
Okanogan	40,100	1,001,053	2,847,506	3,848,559	19.6	7,758	496
Yakima	235,900	17,422,871	11,436,685	28,859,556	18.6	42,875	673
Central Region	744,800	51,755,671	41,140,347	92,896,018		116,206	799
Adams	17,800	963,175	1,335,291	2,298,466	17.9	3,060	751
Asotin	21,400	876,817	1,990,470	2,867,287	16.3	3,443	833
Columbia	4,100	11,511	164,409	175,920	14.4	566	311
Ferry	7,700	136,220	398,880	535,100	21.1	1,544	347
Garfield	2,300	17,830	117,626	135,456	14.1	284	477
Lincoln	10,400	318,689	143,089	461,778	12.9	1,320	350
Pend Oreille	12,800	368,904	1,365,010	1,733,914	18.8	2,392	725
Spokane	459,000	39,147,056	36,826,291	75,973,347	13.9	62,224	1,221
Stevens	43,700	2,276,622	1,383,587	3,660,209	15.0	6,238	587
Walla Walla	58,600	7,282,505	4,037,245	11,319,750	17.7	9,411	1,203
Whitman	43,000	1,053,436	1,603,166	2,656,602	23.7	8,663	307
Eastern Region	680,800	52,452,765	49,365,064	101,817,829		99,145	1,027
Washington State	6,587,600	667,580,295	693,979,735	1,361,560,030	11.3	727,155	1,872

Bad Debt, Charity Care, and Uncompensated Care

Bad debt occurs when patients are unwilling to settle their bills, rather than being financially unable to do so. Taken together, bad debt and charity care provide a more complete picture of uncompensated care than either category alone.

Both charity care and bad debt have been increasing considerably in recent years. Both have more than doubled since 2003. Bad debt has increased slightly less than charity care, and the gap between the two has decreased in the last year. These trends are shown in the Figure 3 below:

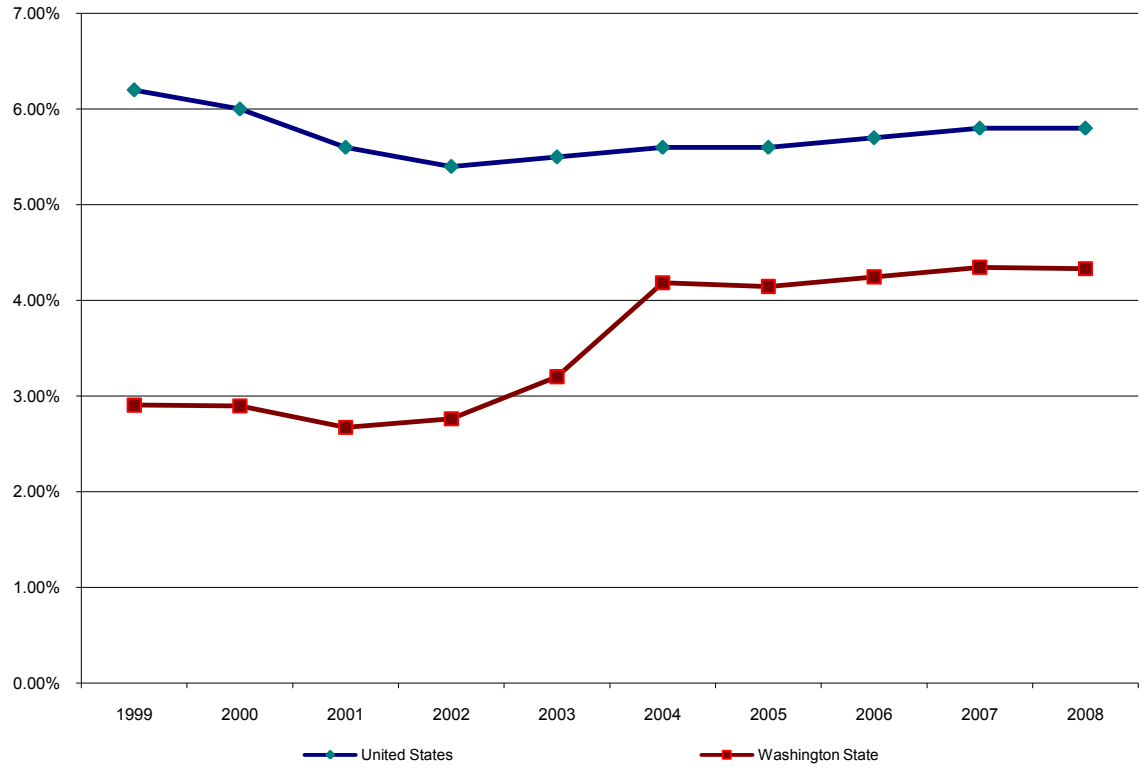
Figure 3. Uncompensated Care in Washington



Until 2004, Washington hospitals' uncompensated care costs were generally well below the national average. After 2004 Washington hospitals' uncompensated care was much closer to the national figures. The reasons for this growth might be increased need for charity care, a change in accounting and reporting practices, or public policy changes. The Washington and national rates are shown in Figure 4. Uncompensated care was used instead of charity care because national data on charity care alone is unavailable. The uncompensated care costs national information is from the American Hospital Association (AHA) Uncompensated Hospital Care Cost Fact Sheet[6]. The Washington data was calculated using the same formula as the AHA report.

[6] http://www.aha.org/aha/content/2009/pdf/09uncompensatedcare.pdf

Figure 4. Uncompensated Care as Percent of Adjusted Total Expense



Charity Care Budget Projections

In accordance with state statute, hospitals submit a projected annual budget to Department of Health prior to the start of their fiscal year. Included in their budgets are projections for their anticipated total charges for charity care for the next fiscal year, in this case FY 2009 (see Appendix 4). Table 7 compares projected to actual charity care for the fiscal years 2005 to 2009.

Table 7. Summary Data of Actual and Projected Charges for Charity Care, Washington Hospitals, FY 2005 – 2009

All Hospitals	2005	2006	2007	2008	2009
Projected Charity	$360,573,964	$449,245,359	$513,928,846	$510,452,058	$599,001,217
% Change from Previous Year	54.9%	24.6%	14.4%	14.4%	17.3%
Actual Charity	$460,789,979	$509,804,328	$591,535,086	$667,580,295	
% Change from Previous Year	25.2%	10.6%	16.0%	12.9%	

Source: *Washington State Department of Health, Hospital Financial Data Annual Budgets FY 2005-2009 and Year-end Report FY 2005-2008.*

Most hospitals' fiscal year 2009 charity care projections are based on an analysis performed during their budget process. These analyses usually take into account the following factors:

- A hospital's historical fiscal years financial data and its most recent year-to-date total number of patients and patient charges;
- Planned price changes;

- Projected volume changes;
- Known usage factors (including the area's economy and demographics);
- Hospital budget constraints; and
- A hospital's mission or statement to support the community.

How Hospitals Verify Need for Charity Care

Many hospitals state, as part of their missions, that they'll serve the poor and underserved. Hospitals may restrict their uncompensated health care programs to individuals unable to access entitlement programs such as Medicaid, unable to pay for medical obligations, or to those with limited financial resources. These individuals may include the recently unemployed, those employed but without employer-provided health insurance, those whose health insurance requires significant deductibles or co-payments, single parents, those recently or currently experiencing a divorce, transients or those without a permanent address, students, as well as their spouses and dependents, retired people not yet eligible for Medicare, and elderly who have limited or no Medicare supplemental insurance coverage.

As required by RCW 70.170.060(5), every hospital has a charity care policy on file with the department that states the hospital's procedure to determine and verify the income information supplied by people applying for uncompensated health care services. The hospital's charity care policy must be applied consistently and equitably so that no patient is denied charity health care based upon race, creed, color, sex, national origin, sexual orientation, disability, age, or source of income. The steps that hospitals generally use to determine eligibility or verify applicant information include:

1. Hospital identifies any uninsured, underinsured, or self-pay patients.
2. Patient completes application/determination of eligibility form.
3. Patient completes financial statement that includes income, assets, and liabilities. Patient supplies documentation of resources (e.g., W-2, pay stubs, tax forms), and outstanding obligations (e.g., bank statements, loan documents).
4. Hospital considers federal poverty guidelines and family size (See Appendix 5).
5. Hospital verifies third-party coverage, if indicated.
6. Designated hospital staff interviews patient to assess the patient's ability to pay in full, ability to pay reasonable monthly installments, and qualification for charity care.
7. Hospital attempts to secure federal, state, or local funding, if appropriate.
8. After the hospital makes an initial determination of insufficient funds, income and health care benefits, the claim becomes eligible for final review, sometimes by a senior manager and sometimes by a committee composed of hospital staff. Occasionally hospital board members serve on these committees.

How Hospitals Notify the Public about Charity Care

In general, hospitals provide information to their customers on charity care, as well as applications for assistance, at the time of registration, in their emergency rooms, and in fiscal services offices. These applications may also be included in a patient's admission packet or with itemized bills that the hospital mails to a patient after discharge. Hospitals also provide applications for assistance upon a patient's request. Many hospitals publish brochures or pamphlets describing the availability of charity care and identifying the criteria for qualification. Some hospitals offer individual counseling at the time of pre-admission or during the collection process and determine an individual's degree of financial resources. Signs may be posted in English and in other languages commonly used in the hospital's service area explaining available charity care services. These signs are usually located in the admitting and emergency entrance areas of the hospital. Hospitals also publish annual notices in local or area newspapers describing charity care programs.

Charity Care in Comprehensive Abstract Reporting System

The hospital financial data base that collects charity care information does not have patient level information. We don't know the age group of these patients or what type of illnesses for which they were hospitalized. To help understand this we can use data from our Comprehensive Hospital Abstract Reporting System (CHARS). Under RCW 43.70.052, Department of Health collects patient discharge records about inpatient stays in community hospitals. One of the elements reported is the primary payer code including charity care, self-pay, Medicare, or Medicaid among others. While not all hospitals report charity care cases under this system, enough do that we may make some comparisons.

In Table 8 there is a breakdown of patient's age by payer category. In 2008, 93 percent of charity care patients were between the ages of 18 and 64, 87 percent of self-pay and 65 percent of commercial insurance. This indicates that charity care patients were those people not covered by Medicaid, or by Medicare because of their age.

The data shown in Table 8 includes primary payer and does not count patients who have a partial write-off to charity care after another payer has made a partial payment. The department's hospital reporting system requires hospitals to report the primary payer, but not the secondary or tertiary payer. As a result, information about how the balances of charges were paid may not be reported.

Table 8. CHARS Age Breakdown by Payer

2008 Age Breakdown by Payer Count							
Age Category	Medicare	Medicaid	Commercial Type	Other Government	Self Pay	Charity	Total
0-17	117	51,423	66,608	2,488	1,360	169	122,165
18-64	34,786	76,914	181,603	12,366	16,051	3,664	325,384
65+	168,718	2,321	31,583	1,194	883	96	204,795
Total	203,621	130,658	279,794	16,048	18,294	3,929	652,344
Percent of Payer Total							
0-17	0.1%	39.4%	23.8%	15.5%	7.4%	4.3%	18.7%
18-64	17.1%	58.9%	64.9%	77.1%	87.7%	93.3%	49.9%
65+	82.9%	1.8%	11.3%	7.4%	4.8%	2.4%	31.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The type of illnesses charity care patients are treated for compared to the general populations is shown is Table 9 which is a listing of Medicare Severity Diagnosis Related Group (MS-DRG) for charity, self payer, and the all other payers combined. Charity care and self-pay patients tend to need hospital care for conditions that happened because of postponement of or lack of primary care.

Table 9. CHARS Top 10 Diagnosis Related Groups by selected Payers

Top Ten 2008 Full Year MS-DRG Payer Charity Care			
MS-DRG	MS-DRG Title	Count	Percent of Total
603	Cellulitis w/o MCC	238	6.1%
897	Alcohol/drug abuse or dependence w/o rehabilitation therapy w/o MCC	107	2.7%
343	Appendectomy w/o complicated principal diag w/o CC/MCC	101	2.6%
392	Esophagitis, gastroent & misc digest disorders w/o MCC	97	2.5%
918	Poisoning & toxic effects of drugs w/o MCC	85	2.2%
313	Chest pain	72	1.8%
419	Laparoscopic cholecystectomy w/o c.d.e. w/o CC/MCC	63	1.6%
795	Normal newborn	61	1.6%
639	Diabetes w/o CC/MCC	52	1.3%
287	Circulatory disorders except AMI, w card cath w/o MCC	49	1.2%
	Top Ten Total	925	23.5%
	Total Discharges	3,929	
CC= Complications & Co-morbidities and MCC= Major Complications & Co-morbidities			

Top Ten 2008 Full Year MS-DRG Payer Self-Pay			
MS-DRG	MS-DRG Title	Count	Percent of Total
603	Cellulitis w/o MCC	786	4.3%
392	Esophagitis, gastroent & misc digest disorders w/o MCC	552	3.0%
885	Psychoses	542	3.0%
795	Normal newborn	538	2.9%
897	Alcohol/drug abuse or dependence w/o rehabilitation therapy w/o MCC	452	2.5%
918	Poisoning & toxic effects of drugs w/o MCC	390	2.1%
343	Appendectomy w/o complicated principal diag w/o CC/MCC	379	2.1%
775	Vaginal delivery w/o complicating diagnoses	336	1.8%
419	Laparoscopic cholecystectomy w/o c.d.e. w/o CC/MCC	288	1.6%
313	Chest pain	285	1.6%
	Top Ten Total	4,548	24.9%
	Total Discharges	18,294	

Top Ten 2008 Full Year All Payers Except Self-Pay and Charity Care			
MS-DRG	MS-DRG Title	Count	Percent of Total
795	Normal newborn	62,768	10.0%
775	Vaginal delivery w/o complicating diagnoses	47,689	7.6%
470	Major joint replacement or reattachment of lower extremity w/o MCC	20,140	3.2%
766	Cesarean section w/o CC/MCC	16,376	2.6%
885	Psychoses	12,412	2.0%
794	Neonate w other significant problems	12,330	2.0%
392	Esophagitis, gastroent & misc digest disorders w/o MCC	9,815	1.6%
743	Uterine & adnexa proc for non-malignancy w/o CC/MCC	9,161	1.5%
765	Cesarean section w CC/MCC	8,670	1.4%
871	Septicemia or severe sepsis w/o MV 96+ hours w MCC	8,086	1.3%
	Top Ten Total	207,447	32.9%
	Total Discharges	630,121	

Top Ten 2008 Full Year All Payers -Self-Pay -Charity Care -Newborn/Mothers			
MS-DRG	MS-DRG Title	Count	Percent of Total
470	Major joint replacement or reattachment of lower extremity w/o MCC	20,140	4.4%
885	Psychoses	12,412	2.7%
392	Esophagitis, gastroent & misc digest disorders w/o MCC	9,815	2.2%
743	Uterine & adnexa proc for non-malignancy w/o CC/MCC	9,161	2.0%
871	Septicemia or severe sepsis w/o MV 96+ hours w MCC	8,086	1.8%
194	Simple pneumonia & pleurisy w CC	6,606	1.5%
603	Cellulitis w/o MCC	6,136	1.4%
945	Rehabilitation w CC/MCC	5,906	1.3%
247	Perc cardiovasc proc w drug-eluting stent w/o MCC	5,810	1.3%
690	Kidney & urinary tract infections w/o MCC	5,737	1.3%
	Top Ten Total	89,809	19.8%
	Total Discharges	452,918	

Appendices

Appendix 1

Charity Care Laws

70.170.010 Intent.

(1) The legislature finds and declares that there is a need for health care information that helps the general public understand health care issues and how they can be better consumers and that is useful to purchasers, payers, and providers in making health care choices and negotiating payments. It is the purpose and intent of this chapter to establish a hospital data collection, storage, and retrieval system which supports these data needs and which also provides public officials and others engaged in the development of state health policy the information necessary for the analysis of health care issues.

(2) The legislature finds that rising health care costs and access to health care services are of vital concern to the people of this state. It is, therefore, essential that strategies be explored that moderate health care costs and promote access to health care services.

(3) The legislature further finds that access to health care is among the state's goals and the provision of such care should be among the purposes of health care providers and facilities. Therefore, the legislature intends that charity care requirements and related enforcement provisions for hospitals be explicitly established.

(4) The lack of reliable statistical information about the delivery of charity care is a particular concern that should be addressed. It is the purpose and intent of this chapter to require hospitals to provide, and report to the state, charity care to persons with acute care needs, and to have a state agency both monitor and report on the relative commitment of hospitals to the delivery of charity care services, as well as the relative commitment of public and private purchasers or payers to charity care funding.
[1989 1st ex.s. c 9 § 501.]

70.170.020 Definitions.

As used in this chapter:

(1) "Department" means department of health.

(2) "Hospital" means any health care institution which is required to qualify for a license under *RCW 70.41.020(2); or as a psychiatric hospital under chapter 71.12 RCW.

(3) "Secretary" means secretary of health.

(4) "Charity care" means necessary hospital health care rendered to indigent persons, to the extent that the persons are unable to pay for the care or to pay deductibles or co-insurance amounts required by a third-party payer, as determined by the department.

(5) "Sliding fee schedule" means a hospital-determined, publicly available schedule of discounts to charges for persons deemed eligible for charity care; such schedules shall be established after consideration of guidelines developed by the department.

(6) "Special studies" means studies which have not been funded through the department's biennial or other legislative appropriations.
[1995 c 269 § 2203; 1989 1st ex.s. c 9 § 502.]
Notes:
*Reviser's note: RCW 70.41.020 was amended by 2002 c 116 § 2, changing subsection (2) to subsection (4).
Effective date -- 1995 c 269: See note following RCW 9.94A.850.
Part headings not law -- Severability -- 1995 c 269: See notes following RCW 13.40.005.

70.170.050 Requested studies — Costs.

The department shall have the authority to respond to requests of others for special studies or analysis. The department may require such sponsors to pay any or all of the reasonable costs associated with such requests that might be approved, but in no event may costs directly associated with any such special study be charged against the funds generated by the assessment authorized under RCW 70.170.080.
[1989 1st ex.s. c 9 § 505.]

70.170.060 Charity care — Prohibited and required hospital practices and policies — Rules — Department to monitor and report.

(1) No hospital or its medical staff shall adopt or maintain admission practices or policies which result in:

(a) A significant reduction in the proportion of patients who have no third-party coverage and who are unable to pay for hospital services;

(b) A significant reduction in the proportion of individuals admitted for inpatient hospital services for which payment is, or is likely to be, less than the anticipated charges for or costs of such services; or

(c) The refusal to admit patients who would be expected to require unusually costly or prolonged treatment for reasons other than those related to the appropriateness of the care available at the hospital.

(2) No hospital shall adopt or maintain practices or policies which would deny access to emergency care based on ability to pay. No hospital which maintains an emergency department shall transfer a patient with an emergency medical condition or who is in active labor unless the transfer is performed at the request of the patient or is due to the limited medical resources of the transferring hospital. Hospitals must follow reasonable procedures in making transfers to other hospitals including confirmation of acceptance of the transfer by the receiving hospital.

(3) The department shall develop definitions by rule, as appropriate, for subsection (1) of this section and, with reference to federal requirements, subsection (2) of this section. The department shall monitor hospital compliance with subsections (1) and (2) of this section. The department shall report individual instances of possible noncompliance to the state attorney general or the appropriate federal agency.

(4) The department shall establish and maintain by rule, consistent with the definition of charity care in RCW 70.170.020, the following:

(a) Uniform procedures, data requirements, and criteria for identifying patients receiving charity care;

(b) A definition of residual bad debt including reasonable and uniform standards for collection procedures to be used in efforts to collect the unpaid portions of hospital charges that are the patient's responsibility.

(5) For the purpose of providing charity care, each hospital shall develop, implement, and maintain a charity care policy which, consistent with subsection (1) of this section, shall enable people below the federal poverty level access to appropriate hospital-based medical services, and a sliding fee schedule for determination of discounts from charges for persons who qualify for such discounts by January 1, 1990. The department shall develop specific guidelines to assist hospitals in setting sliding fee schedules required by this section. All persons with family income below one hundred percent of the federal poverty standard shall be deemed charity care patients for the full amount of hospital charges, provided that such persons are not eligible for other private or public health coverage sponsorship. Persons who may be eligible for charity care shall be notified by the hospital.

(6) Each hospital shall make every reasonable effort to determine the existence or nonexistence of private or public sponsorship which might cover in full or part the charges for care rendered by the hospital to a patient; the family income of the patient as classified under federal poverty income guidelines; and the eligibility of the patient for charity care as defined in this chapter and in accordance with hospital policy. An initial determination of sponsorship status shall precede collection efforts directed at the patient.

(7) The department shall monitor the distribution of charity care among hospitals, with reference to factors such as relative need for charity care in hospital service areas and trends in private and public health coverage. The department shall prepare reports that identify any problems in distribution which are in contradiction of the intent of this chapter. The report shall include an assessment of the effects of the provisions of this chapter on access to hospital and health care services, as well as an evaluation of the contribution of all purchasers of care to hospital charity care.

(8) The department shall issue a report on the subjects addressed in this section at least annually, with the first report due on July 1, 1990.
[1998 c 245 § 118; 1989 1st ex.s. c 9 § 506.]

70.170.070 Penalties.

(1) Every person who shall violate or knowingly aid and abet the violation of RCW 70.170.060 (5) or (6), 70.170.080, or *70.170.100, or any valid orders or rules adopted pursuant to these sections, or who fails to perform any act which it is herein made his or her duty to perform, shall be guilty of a misdemeanor. Following official notice to the accused by the department of the existence of an alleged violation, each day of noncompliance upon which a violation occurs shall constitute a separate violation. Any person violating the provisions of this chapter may be enjoined from continuing such violation. The department has authority to levy civil penalties not exceeding one thousand dollars for violations of this chapter and determined pursuant to this section.

(2) Every person who shall violate or knowingly aid and abet the violation of RCW 70.170.060 (1) or (2), or any valid orders or rules adopted pursuant to such section, or who fails to perform any act which it is herein made his or her duty to perform, shall be subject to the following criminal and civil penalties:

(a) For any initial violations: The violating person shall be guilty of a misdemeanor, and the department may impose a civil penalty not to exceed one thousand dollars as determined pursuant to this section.

(b) For a subsequent violation of RCW 70.170.060 (1) or (2) within five years following a conviction: The violating person shall be guilty of a misdemeanor, and the department may impose a penalty not to exceed three thousand dollars as determined pursuant to this section.

(c) For a subsequent violation with intent to violate RCW 70.170.060 (1) or (2) within five years following a conviction: The criminal and civil penalties enumerated in (a) of this subsection; plus up to a three-year prohibition against the issuance of tax exempt bonds under the authority of the Washington health care facilities authority; and up to a three-year prohibition from applying for and receiving a certificate of need.

(d) For a violation of RCW 70.170.060 (1) or (2) within five years of a conviction under (c) of this subsection: The criminal and civil penalties and prohibition enumerated in (a) and (b) of this subsection; plus up to a one-year prohibition from participation in the state medical assistance or medical care services authorized under chapter 74.09 RCW.

(3) The provisions of chapter 34.05 RCW shall apply to all noncriminal actions undertaken by the department of health, the department of social and health services, and the Washington health care facilities authority pursuant to chapter 9, Laws of 1989 1st ex. sess.
[1989 1st ex.s. c 9 § 507.]

Notes:
*Reviser's note: RCW 70.170.100 was repealed by 1995 c 265 § 27 and by 1995 c 267 § 12, effective July 1, 1995.

70.170.080 Assessments — Costs.

The basic expenses for the hospital data collection and reporting activities of this chapter shall be financed by an assessment against hospitals of no more than four one-hundredths of one percent of each hospital's gross operating costs, to be levied and collected from and after that date, upon which the similar assessment levied under *chapter 70.39 RCW is terminated, for the provision of hospital services for its last fiscal year ending on or before June 30th of the preceding calendar year. Budgetary requirements in excess of that limit must be financed by a general fund appropriation by the legislature. All moneys collected under this section shall be deposited by the state treasurer in the hospital data collection account which is hereby created in the state treasury. The department may also charge, receive, and dispense funds or authorize any contractor or outside sponsor to charge for and reimburse the costs associated with special studies as specified in RCW 70.170.050.

During the 1993-1995 fiscal biennium, moneys in the hospital data collection account may be expended, pursuant to appropriation, for hospital data analysis and the administration of the health information program.

Any amounts raised by the collection of assessments from hospitals provided for in this section which are not required to meet appropriations in the budget act for the current fiscal year shall be available to the department in succeeding years.
[1993 sp.s. c 24 § 925; 1991 sp.s. c 13 § 71; 1989 1st ex.s. c 9 § 508.]

Notes:
*Reviser's note: Chapter 70.39 RCW was repealed by 1982 c 223 § 10, effective June 30, 1990.
Severability -- Effective dates -- 1993 sp.s. c 24: See notes following RCW 28A.310.020.
Effective dates -- Severability -- 1991 sp.s. c 13: See notes following RCW 18.08.240.

70.170.090 Confidentiality.

The department and any of its contractors or agents shall maintain the confidentiality of any information which may, in any manner, identify individual patients.
[1989 1st ex.s. c 9 § 509.]

70.170.900 Effective date — 1989 1st ex.s. c 9.
See RCW 43.70.910.

70.170.905 Severability — 1989 1st ex.s. c 9.
See RCW 43.70.920.

Hospital Charity Care Rules

Last Update: 6/l/94

WAC 246-453-001 Purpose.

This chapter is adopted by the Washington state department of health to implement the provisions of chapter 70.170 RCW. These sections relate to hospital policies for charity care, bad debt and emergency medical care, including admission practices, the compilation and measurement of the level of charity care services provided by each hospital, and penalties for violation of these provisions.

[Statutory Authority: Chapters 43.070 [43.70] and 70.170 RCW. 94-12-089, § 246-453-001, filed 6/1/94, effective 7/2/94. Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-001, filed 2/14/91, effective 3/17/91. Statutory Authority: RCW 43.70.040. 91-02-049 (Order 121), recodified as § 246-453-001, filed 12/27/90, effective 1/31/91. Statutory Authority: Chapter 70.39 RCW. 85-01-007 (Order 84-07, Resolution No. 84-07), § 261-14-010, filed 12/7/84.]

246-453-010 Definitions.

As used in this chapter, unless the context requires otherwise,

(1) "Department" means the Washington state department of health created by chapter 43.70 RCW;

(2) "Hospital" means any health care institution which is required to qualify for a license under RCW 70.41.020(2); or as a psychiatric hospital under chapter 71.12 RCW;

(3) "Manual" means the *Washington State Department of Health Accounting and Reporting Manual for Hospitals*, adopted under WAC 246-454-020;

(4) "Indigent persons" means those patients who have exhausted any third-party sources, including Medicare and Medicaid, and whose income is equal to or below 200% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payor;

(5) "Charity care" means appropriate hospital-based medical services provided to indigent persons, as defined in this section;

(6) "Bad debts" means uncollectible amounts, excluding contractual adjustments, arising from failure to pay by patients whose care has not been classified as charity care;

(7) "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 section, "course of treatment" may include mere observation or, where appropriate, no treatment at all;

(8) "Medical staff" means physicians, dentists, nurses, and other professional individuals who

have admitting privileges to the hospital, and may also participate as members of the medical staff committees, serve as officers of the medical staff, and serve as directors or chiefs of hospital departments;

(9) "Third-party coverage" and "third-party sponsorship" means an obligation on the part of an insurance company or governmental program which contracts with hospitals and patients to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others which have resulted in the medical condition for which the patient has received hospital services;

(10) "Unusually costly or prolonged treatment" means those services or combinations of services which exceed two standard deviations above the average charge, and/or three standard deviations above the average length of stay, as determined by the department's discharge data base;

(11) "Emergency care or emergency services" means services provided for care related to an emergency medical or mental condition;

(12) "Emergency department" and "emergency room" means that portion of the hospital facility organized for the purpose of providing emergency care or emergency services;

(13) "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;

(14) "Responsible party" means that individual who is responsible for the payment of any hospital charges which are not subject to third-party sponsorship;

(15) "Limited medical resources" means the nonavailability of services or medical expertise which are required or are expected to be required for the appropriate diagnosis, treatment, or stabilization per federal requirements of an individual's medical or mental situation;

(16) "Publicly available" means posted or prominently displayed within public areas of the hospital, and provided to the individual in writing and explained, at the time that the hospital requests information from the responsible party with regard to the availability of any third-party

coverage, in any language spoken by more than ten percent of the population in the hospital's service area, and interpreted for other non-English speaking or limited-English speaking or other patients who can not read or understand the writing and explanation;

(17) "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;

(18) "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;

(19) "Initial determination of sponsorship status" means an indication, pending verification, that the services provided by the hospital may or may not be covered by third party sponsorship, or an indication from the responsible party, pending verification, that he or she may meet the criteria for designation as an indigent person qualifying for charity care; and

(20) "Final determination of sponsorship status" means the verification of third party coverage or lack of third party coverage, as evidenced by payment received from the third party sponsor or denial of payment by the alleged third party sponsor, and verification of the responsible party's qualification for classification as an indigent person, subsequent to the completion of any appeals to which the responsible party may be entitled and which on their merits have a reasonable chance of achieving third-party sponsorship in full or in part.

[Statutory Authority: Chapters 43.070 [43.70] and 70.170 RCW. 94-12-089, § 246-453-010, filed 6/1/94, effective 7/2/94. Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-010, filed 2/14/91, effective 3/17/91. Statutory Authority: RCW 43.70.040. 91-02-049 (Order 121), recodified as § 246-453-010, filed 12/27/90, effective 1/31/91. Statutory Authority: Chapter 70.39 RCW. 85-01-007 (Order 84-07, Resolution No. 84-07), § 261-14-020, filed 12/7/84.]

246-453-020 Uniform procedures for the identification of indigent persons.

For the purpose of identifying those patients that will be classified as indigent persons, all hospitals shall adopt and implement the following procedures:

(1) The initiation of collection efforts directed at the responsible party shall be precluded pending an initial determination of sponsorship status, provided that the responsible party is cooperative with the hospital's efforts to reach an initial determination of sponsorship status;

(a) Collection efforts shall include any demand for payment or transmission of account documents or information which is not clearly identified as being intended solely for the purpose of transmitting information to the responsible party;

(b) The initial determination of sponsorship status shall be completed at the time of admission or as soon as possible following the initiation of services to the patient;

(c) If the initial determination of sponsorship status indicates that the responsible party may meet the criteria for classification as an indigent person, as described in WAC 246-453-040, collection efforts directed at the responsible party will be precluded pending a final determination of that classification, provided that the responsible party is cooperative with the hospital's reasonable efforts to reach a final determination of sponsorship status;

(d) During the pendency of the initial determination of sponsorship status and/or the final determination of the applicability of indigent person criteria, hospitals may pursue reimbursement from any third-party coverage that may be identified to the hospital;

(e) The requirements of this subsection shall not apply to clinics operated by disproportionate share hospitals, as defined and identified by the department of social and health services, medical assistance services, provided that patients are advised of the availability of charity care at the time that services are provided and when presented with a request for payment.

(2) Notice shall be made publicly available that charges for services provided to those persons meeting the criteria established within WAC 246-453-040 may be waived or reduced.

(3) Any responsible party who has been initially determined to meet the criteria identified within WAC 246-453-040 shall be provided with at least fourteen calendar days 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.

(4) Hospitals must make every reasonable effort to determine the existence or nonexistence of third-party sponsorship that might cover in full or in part the charges for services provided to each patient.

(5) Hospitals may require potential indigent persons to use an application process attesting to the accuracy of the information provided to the hospital for purposes of determining the person's qualification for charity care sponsorship. Hospitals may not impose application procedures for charity care sponsorship which place an unreasonable burden upon the responsible party, taking into account any physical, mental, intellectual, or sensory deficiencies or language barriers which may hinder the responsible party's capability of complying with the application procedures. The failure of a responsible party to reasonably complete appropriate application procedures shall be sufficient grounds for the hospital to initiate collection efforts directed at the patient.

(6) Hospitals may not require deposits from those responsible parties meeting the criteria identified within WAC 246-453-040 (1) or (2), as indicated through an initial determination of sponsorship status.

(7) Hospitals must notify persons applying for charity care sponsorship of their final determination of sponsorship status within fourteen calendar days of receiving information in accordance with WAC 246-453-030; such notification must include a determination of the amount for which the responsible party will be held financially accountable.

(8) In the event that the hospital denies the responsible party's application for charity care sponsorship, the hospital must notify the responsible party of the denial and the basis for that denial.

(9) All responsible parties denied charity care sponsorship under WAC 246-453-040 (1) or (2) shall be provided with, and notified of, an appeals procedure that enables them to correct any deficiencies in documentation or request review of the denial and results in review of the determination by the hospital's chief financial officer or equivalent.

(a) Responsible parties shall be notified that they have thirty calendar days within which to request an appeal of the final determination of sponsorship status. Within the first fourteen days of this period, the hospital may not refer the account at issue to an external collection agency. After the fourteen day period, if no appeal has been filed, the hospital may initiate collection activities.

(b) If the hospital has initiated collection activities and discovers an appeal has been filed, they shall cease collection efforts until the appeal is finalized.

(c) In the event that the hospital's final decision upon appeal affirms the previous denial of charity care designation under the criteria described in WAC 246-453-040 (1) or (2), the responsible party and the department of health shall be notified in writing of the decision and the basis for the decision, and the department of health shall be provided with copies of documentation upon which the decision was based.

(d) The department will review the instances of denials of charity care. In the event of an inappropriate denial of charity care, the department may seek penalties as provided in RCW 70.170.070.

(10) Hospitals should make every reasonable effort to reach initial and final determinations of charity care designation in a timely manner; however, hospitals shall make those designations at any time upon learning of facts or receiving documentation, as described in WAC 246-453-030, indicating that the responsible party's income is equal to or below two hundred percent of the federal poverty standard as adjusted for family size. 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.

(11) In the event that a responsible party pays a portion or all of the charges related to appropriate hospital-based medical care services, and is subsequently found to have met the charity care criteria at the time that services were provided, any payments in excess of the amount determined to be appropriate in accordance with WAC 246-453-040 shall be refunded to the patient within thirty days of achieving the charity care designation.

[Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-020, filed 2/14/91, effective 3/17/91.]

246-453-030 Data requirements for the identification of indigent persons.

(1) For the purpose of reaching an initial determination of sponsorship status, hospitals shall rely upon information provided orally by the responsible party. The hospital may require the responsible party to sign a statement attesting to the accuracy of the information provided to the hospital for purposes of the initial determination of sponsorship status.

(2) Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of charity care sponsorship status, when the income information is annualized as may be appropriate:

(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; or

(f) Written statements from employers or welfare agencies.

(3) In the event that the responsible party's identification as an indigent person is obvious to hospital personnel, and the hospital personnel are able to establish the position of the income level within the broad criteria described in WAC 246-453-040 or within income ranges included in the hospital's sliding fee schedule, the hospital is not obligated to establish the exact income level or to request the aforementioned documentation from the responsible party, unless the responsible party requests further review.

(4) 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.

(5) Information requests, from the hospital to the responsible party, for the verification of income and family size shall be limited to that which is reasonably necessary and readily available to substantiate the responsible party's qualification for charity sponsorship, and may not be used to discourage applications for such sponsorship. Only those facts relevant to eligibility may be verified, and duplicate forms of verification shall not be demanded.

[Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-030, filed 2/14/91, effective 3/17/91.]

246-453-040 Uniform criteria for the identification of indigent persons.

For the purpose of identifying indigent persons, all hospitals shall use the following criteria:

(1) All responsible parties with family income equal to or below one hundred percent of the federal poverty standard, adjusted for family size, shall be determined to be indigent persons qualifying for charity sponsorship for the full amount of hospital charges related to appropriate hospital-based medical services that are not covered by private or public third-party sponsorship;

(2) All responsible parties with family income between one hundred one and two hundred percent of the federal poverty standard, adjusted for family size, shall be determined to be indigent persons qualifying for discounts from charges related to appropriate hospital-based medical services in accordance with the hospital's sliding fee schedule and policies regarding individual financial circumstances;

(3) Hospitals may classify any individual responsible party whose income exceeds two hundred percent of the federal poverty standard, adjusted for family size, as an indigent person eligible for a discount from charges based upon that responsible party's individual financial circumstances.

[Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-040, filed 2/14/91, effective 3/17/91.]

246-453-050 Guidelines for the development of sliding fee schedules.

All hospitals shall, within ninety days of the adoption of these rules, implement a sliding fee schedule for determination of discounts from billed charges for responsible parties meeting the criteria in WAC 246-453-040(2). These sliding fee schedules must be made available upon request.

(1) In developing these sliding fee schedules, hospitals shall consider the following guidelines:

(a) The sliding fee schedule shall consider the level of charges that are not covered by any public or private sponsorship in relation to or as a percentage of the responsible party's family income;

(b) The sliding fee schedule shall determine the maximum amount of charges for which the responsible party will be expected to provide payment, with flexibility for hospital management to hold the responsible party accountable for a lesser amount after taking into account the specific financial situation of the responsible party;

(c) The sliding fee schedule shall take into account the potential necessity for allowing the responsible party to satisfy the maximum amount of charges for which the responsible party will be expected to provide payment over a reasonable period of time, without interest or late fees; and

(d) Hospital policies and procedures regarding the sliding fee schedule shall specify the individual financial circumstances which may be considered by appropriate hospital personnel for purposes of adjusting the amount resulting from the application of the sliding fee schedule, such as:

(i) Extraordinary nondiscretionary expenses relative to the amount of the responsible party's medical care expenses;

(ii) The existence and availability of family assets, which may only be considered with regard to the applicability of the sliding fee schedule;

(iii) The responsible party's future income earning capacity, especially where his or her ability to work in the future may be limited as a result of illness; and

(iv) The responsible party's ability to make payments over an extended period of time.

(2) Examples of sliding fee schedules which address the guidelines in the previous subsection are:

(a) A person whose annual family income is between one hundred one and two hundred percent of the federal poverty standard, adjusted for family size, shall have his/her hospital charges that are not covered by public or private sponsorship limited to forty percent of the excess of that person's annual family income over one hundred percent of the federal poverty standard, adjusted for family size. This responsibility may be adjusted by appropriate hospital personnel after taking into consideration the individual financial circumstances of the responsible party. The responsible party's financial obligation which remains after the application of this

sliding fee schedule may be payable in monthly installments over a reasonable period of time, without interest or late fees, as negotiated between the hospital and the responsible party.

(b) A person whose family income is between one hundred one and two hundred percent of the federal poverty standard, adjusted for family size, shall have his/her hospital charges that are not covered by public or private sponsorship reduced according to the schedule below. The resulting responsibility may be adjusted by appropriate hospital personnel after taking into consideration the individual financial circumstances of the responsible party. The responsible party's financial obligation which remains after the application of this sliding fee schedule may be payable in monthly installments over a reasonable period of time, without interest or late fees, as negotiated between the hospital and the responsible party. The schedule is as follows:

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	PERCENTAGE DISCOUNT
One hundred one to one hundred thirty-three	Seventy-five percent
One hundred thirty-four to one hundred sixty-six	Fifty percent
One hundred sixty-seven to two hundred	Twenty-five percent

(3) The provisions of this section and RCW 70.170.060(5) shall not apply to the professional services of the hospital's medical staff, provided that the charges for such services are either submitted by the individual medical staff or are separately identified within the hospital's billing system.

[Statutory Authority: Chapters 43.070 [43.70] and 70.170 RCW. 94-12-089, § 246-453-050, filed 6/1/94, effective 7/2/94. Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-050, filed 2/14/91, effective 3/17/91.]

246-453-060 Denial of access to emergency care based upon ability to pay and transfer of patients with emergency medical conditions or active labor.

(1) No hospital or its medical staff shall adopt or maintain admission practices or policies which result in:

(a) A significant reduction in the proportion of patients who have no third-party coverage and who are unable to pay for hospital services;

(b) A significant reduction in the proportion of individuals admitted for inpatient hospital services for which payment is, or is likely to be, less than the anticipated charges for or costs of such services; or

(c) The refusal to admit patients who would be expected to require unusually costly or prolonged treatment for reasons other than those related to the appropriateness of the care available at the hospital.

(2) No hospital shall adopt or maintain practices or policies which would deny access to emergency care based on ability to pay. No hospital which maintains an emergency department shall transfer a patient with an emergency medical condition or who is in active labor unless the transfer is performed at the request of the patient or is due to the limited medical resources of the transferring hospital. Hospitals must follow reasonable procedures in making transfers to other hospitals including confirmation of acceptance of the transfer by the receiving hospital.

(3) The department shall monitor hospital compliance with subsections (1) and (2) of this section. The department shall report to the legislature and the governor on hospital compliance with these requirements and shall report individual instances of possible noncompliance to the state attorney general or the appropriate federal agency. For purposes of monitoring compliance with subsection (2) of this section, the department is to follow all definitions and requirements of federal law.

(4) Except as required by federal law and subsection (2) of this section, nothing in this section shall be interpreted to indicate that hospitals and their medical staff are required to provide appropriate hospital-based medical services, including experimental services, to any individual.

[Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-060, filed 2/14/91, effective 3/17/91.]

246-453-070 Standards for acceptability of hospital policies for charity care and bad debts.

(1) Each hospital shall develop, and submit to the department, charity care policies, procedures, and sliding fee schedules consistent with the requirements included in WAC 246-453-020, 246-453-030, 246-453-040, and 246-453-050. Any subsequent modifications to those policies, procedures, and sliding fee schedules must be submitted to the department no later than thirty days prior to their adoption by the hospital.

(2) Each hospital shall develop, and submit to the department, bad debt policies and procedures, including reasonable and uniform standards for collection of the unpaid portions of hospital charges that are the patient's responsibility. These standards are to be part of each hospital's system of accounts receivable management manuals, which support hospital collection policies. Manuals should cover procedures for preadmission, admission, discharge, outpatient registration and discharge, billing, and credit and collections. All subsequent modifications to these bad debt policies must be submitted to the department no later than thirty days prior to their adoption by the hospital.

(3) The department shall review the charity care and bad debt policies and procedures submitted in accordance with the provisions of this section. If any of the policies and procedures do not meet the requirements of this section or WAC 246-453-020, 246-453-030, 246-453-040, or 246-453-050, the department shall reject the policies and procedures and shall so notify the hospital. Such notification shall be in writing, addressed to the hospital's chief executive officer or equivalent, and shall specify the reason(s) that the policies and procedures have been rejected. Any such notification must be mailed within fourteen calendar days of the receipt of the hospital's policies and procedures. Within fourteen days of the date of the rejection notification, the hospital shall revise and resubmit the policies and procedures.

[Statutory Authority: Chapters 43.070 [43.70] and 70.170 RCW. 94-12-089, § 246-453-070, filed 6/1/94, effective 7/2/94. Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-070, filed 2/14/91, effective 3/17/91. Statutory Authority: RCW 43.70.040. 91-02-049 (Order 121), recodified as § 246-453-070, filed 12/27/90, effective 1/31/91. Statutory Authority: Chapter 70.39 RCW. 85-01-007 (Order 84-07, Resolution No. 84-07), § 261-

14-030, filed 12/7/84.]

246-453-080 Reporting requirements.

Each hospital shall compile and report data to the department with regard to the amount of charity care provided, in accordance with instructions issued by the department.

[Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-080, filed 2/14/91, effective 3/17/91. Statutory Authority: RCW 43.70.040. 91-02-049 (Order 121), recodified as § 246-453-080, filed 12/27/90, effective 1/31/91. Statutory Authority: Chapter 70.39 RCW. 85-01-007 (Order 84-07, Resolution No. 84-07), § 261-14-040, filed 12/7/84.]

246-453-090 Penalties for violation.

(1) Failure to file the policies, procedures, and sliding fee schedules as required by WAC 246-453-070 or the reports required by WAC 246-453-080 shall constitute a violation of RCW 70.170.060, and the department will levy a civil penalty of one thousand dollars per day for each day following official notice of the violation. The department may grant extensions of time to file the reports, in which cases failure to file the reports shall not constitute a violation until the extension period has expired.

(2) Failure to comply with other provisions of chapter 70.170 RCW, and chapter 246-453 WAC, shall result in civil penalties as provided within RCW 70.170.070(2), with the exception that the terms "not exceeding" and "not to exceed" will be read to mean "of."

[Statutory Authority: Chapters 43.070 [43.70] and 70.170 RCW. 94-12-089, § 246-453-090, filed 6/1/94, effective 7/2/94. Statutory Authority: RCW 70.170.060. 91-05-048 (Order 142), § 246-453-090, filed 2/14/91, effective 3/17/91. Statutory Authority: RCW 43.70.040. 91-02-049 (Order 121), recodified as § 246-453-090, filed 12/27/90, effective 1/31/91. Statutory Authority: RCW 70.39.180. 86-11-041 (Order 86-01, Resolution No. 86-01), § 261-14-090, filed 5/16/86.]

Appendix 2

TOTAL REVENUE, ADJUSTED REVENUE, AND AMOUNT OF CHARITY CARE AS A PERCENT OF TOTAL REVENUE AND ADJUSTED REVENUE FOR WASHINGTON HOSPITALS WITH FISCAL YEARS ENDING DURING CALENDAR YEAR 2008

		REVENUE CATEGORIES (DOLLARS)						
				(LESS)			CHARITY CARE	
			(LESS)	MEDICAL			% OF	% OF
LIC		TOTAL	MEDICARE	ASSISTANCE	ADJUSTED	CHARITY	TOTAL	ADJ
NO.	REGION /HOSPITAL	REVENUE	REVENUE	REVENUE	REVENUE	CARE	REV	REV
	KING COUNTY (N=20)							
183	Auburn Regional Medical Center	329,406,440	94,897,646	34,931,777	199,577,017	1,948,130	0.59%	0.98%
904	BHC Fairfax Hospital	74,697,971	7,915,803	29,632,518	37,149,650	1,540,566	2.06%	4.15%
35	Enumclaw Community Hospital	74,606,812	23,600,273	7,098,661	43,907,878	1,372,514	1.84%	3.13%
164	Evergreen Hospital Medical Center	668,595,444	220,769,650	48,570,594	399,255,200	4,230,096	0.63%	1.06%
29	Harborview Medical Center	1,209,718,000	314,163,000	283,630,000	611,925,000	120,352,000	9.95%	19.67%
126	Highline Community Hospital	543,767,295	207,321,084	91,548,636	244,897,575	11,074,643	2.04%	4.52%
148	Kindred Hospital Seattle	45,458,893	25,530,604	4,212,199	15,716,090	0	0.00%	0.00%
919	Navos (West Seattle Psychiatric Hospital)	11,161,284	5,234,870	4,512,132	1,414,282	269,374	2.41%	19.05%
130	Northwest Hospital	505,904,637	231,099,895	28,331,664	246,473,078	6,872,998	1.36%	2.79%
131	Overlake Hospital Medical Center	683,000,329	226,435,118	19,677,074	436,888,137	5,884,487	0.86%	1.35%
202	Regional Hospital for Resp/Complex Care	39,748,890	20,990,360	1,441,706	17,316,824	49,408	0.12%	0.29%
201	Saint Francis Community Hospital	523,450,278	125,821,140	71,758,705	325,870,433	10,877,734	2.08%	3.34%
204	Seattle Cancer Care Alliance	305,399,312	76,165,897	33,148,614	196,084,801	2,102,330	0.69%	1.07%
14	Seattle Children's Hospital	868,424,000	8,651,214	382,117,202	477,655,584	14,261,000	1.64%	2.99%
195	Snoqualmie Valley Hospital	14,902,617	2,424,446	981,345	11,496,826	249,675	1.68%	2.17%
1	Swedish Health Services	2,273,673,555	624,252,375	212,343,064	1,437,078,116	35,341,645	1.55%	2.46%
3	Swedish Medical Center - Cherry Hill	883,232,669	362,250,733	96,974,003	424,007,933	18,002,432	2.04%	4.25%
128	University of Washington Medical Center	1,134,024,199	314,210,481	183,699,620	636,114,098	17,956,619	1.58%	2.82%
155	Valley Medical Center - Renton	804,431,604	245,471,735	115,112,336	443,847,533	8,874,603	1.10%	2.00%
10	Virginia Mason Medical Center	1,264,091,812	474,531,044	36,387,557	753,173,211	9,970,153	0.79%	1.32%
	KING COUNTY TOTALS	12,257,696,041	3,611,737,368	1,686,109,407	6,959,849,266	271,230,407	2.21%	3.90%
	PUGET SOUND REGION (Less King Co. N=18)							
106	Cascade Valley Hospital	74,056,653	24,661,752	13,051,177	36,343,724	771,191	1.04%	2.12%
54	Forks Community Hospital	26,514,515	5,104,429	6,687,883	14,722,203	597,153	2.25%	4.06%
81	Good Samaritan Hospital	760,210,339	321,568,974	104,148,816	334,492,549	8,394,723	1.10%	2.51%
142	Harrison Memorial Hospital	554,179,130	271,355,643	67,949,343	214,874,144	13,064,088	2.36%	6.08%
134	Island Hospital	118,743,127	46,486,572	5,668,564	66,587,991	1,057,611	0.89%	1.59%
85	Jefferson Healthcare	77,777,161	39,260,923	10,244,651	28,271,587	2,830,119	3.64%	10.01%
175	Mary Bridge Children's Health Center	380,928,115	0	177,554,018	203,374,097	1,651,799	0.43%	0.81%
38	Olympic Memorial Hospital	209,109,599	111,207,019	23,177,561	74,725,019	2,293,979	1.10%	3.07%
145	PeaceHealth Saint Joseph Hospital - Bellingh	557,645,285	263,765,505	76,193,410	217,686,370	13,292,795	2.38%	6.11%
84	Providence Regional Medical Center - Everet	1,240,860,379	522,363,643	160,352,941	558,143,795	45,069,711	3.63%	8.07%
132	Saint Clare Hospital	422,993,177	142,213,878	75,847,198	204,932,101	15,007,075	3.55%	7.32%
32	Saint Joseph Medical Center - Tacoma	1,534,112,958	528,488,871	210,731,560	794,892,527	29,139,138	1.90%	3.67%
207	Skagit Valley Hospital	376,791,171	143,582,692	59,674,687	173,533,792	4,645,113	1.23%	2.68%
138	Stevens Healthcare	354,839,825	145,825,491	46,581,130	162,433,204	6,635,068	1.87%	4.08%
176	Tacoma General Allenmore Hospital	1,646,148,068	568,250,313	320,669,644	757,228,111	21,813,947	1.33%	2.88%
206	United General Hospital	81,479,239	28,901,651	12,213,129	40,364,459	2,766,017	3.39%	6.85%
104	Valley General Hospital - Monroe	88,118,789	24,481,339	12,146,007	51,491,443	4,468,446	5.07%	8.68%
156	Whidbey General Hospital	134,780,031	63,786,099	9,566,984	61,426,948	1,086,114	0.81%	1.77%
	PUGET SOUND REGION TOTALS	8,639,287,561	3,251,304,794	1,392,458,703	3,995,524,064	174,584,087	2.02%	4.37%

TOTAL REVENUE, ADJUSTED REVENUE, AND AMOUNT OF CHARITY CARE AS A PERCENT OF TOTAL REVENUE AND ADJUSTED REVENUE FOR WASHINGTON HOSPITALS WITH FISCAL YEARS ENDING DURING CALENDAR YEAR 2008

		REVENUE CATEGORIES (DOLLARS)						
			(LESS)	(LESS) MEDICAL		CHARITY CARE		
LIC NO.	REGION /HOSPITAL	TOTAL REVENUE	MEDICARE REVENUE	ASSISTANCE REVENUE	ADJUSTED REVENUE	CHARITY CARE	% OF TOTAL REV	% OF ADJ REV
	SOUTHWEST WASHINGTON REGION (N=14)							
197	Capital Medical Center	205,719,455	75,795,334	12,678,730	117,245,391	206,950	0.10%	0.18%
63	Grays Harbor Community Hospital	262,922,537	97,302,541	43,550,066	122,069,930	2,020,310	0.77%	1.66%
8	Klickitat Valley Hospital	21,181,976	8,215,371	4,999,520	7,967,085	424,334	2.00%	5.33%
208	Legacy Salmon Creek Hospital	300,241,731	93,533,408	63,116,352	143,591,971	12,910,761	4.30%	8.99%
186	Mark Reed Hospital	13,803,129	5,513,957	2,910,420	5,378,752	107,700	0.78%	2.00%
152	Mason General Hospital	103,911,923	44,248,011	19,794,054	39,869,858	2,780,402	2.68%	6.97%
173	Morton General Hospital	19,771,559	7,342,762	1,666,102	10,762,695	207,475	1.05%	1.93%
79	Ocean Beach Hospital	39,013,976	19,729,015	3,315,608	15,969,353	480,554	1.23%	3.01%
26	PeaceHealth Saint John Medical Center	390,644,543	173,953,814	63,493,324	153,197,405	15,377,133	3.94%	10.04%
191	Providence Centralia Hospital	314,151,737	134,475,887	54,842,947	124,832,903	22,162,300	7.05%	17.75%
159	Providence Saint Peter Hospital	1,017,505,278	492,921,849	107,089,892	417,493,537	33,969,925	3.34%	8.14%
96	Skyline Hospital	20,878,505	7,733,161	3,771,795	9,373,549	127,618	0.61%	1.36%
170	Southwest Medical Center	1,064,875,616	376,008,948	173,612,347	515,254,321	26,303,244	2.47%	5.10%
56	Willapa Harbor Hospital	16,824,269	8,717,867	2,228,950	5,877,452	478,658	2.85%	8.14%
	SOUTHWEST WASH REGION TOTALS	3,791,446,234	1,545,491,925	557,070,107	1,688,884,202	117,557,364	3.10%	6.96%
	CENTRAL WASHINGTON REGION (N=21)							
158	Cascade Medical Center	6,619,022	2,812,716	193,574	3,612,732	293,073	4.43%	8.11%
168	Central Washington Hospital	321,170,608	151,971,409	45,394,794	123,804,405	5,540,544	1.73%	4.48%
45	Columbia Basin Hospital	14,623,285	4,639,940	2,407,854	7,575,491	94,397	0.65%	1.25%
150	Coulee Community Hospital	19,487,822	5,550,361	4,826,536	9,110,925	97,840	0.50%	1.07%
161	Kadlec Medical Center	460,817,547	175,560,426	70,202,084	215,055,037	13,755,738	2.99%	6.40%
39	Kennewick General Hospital	225,673,191	74,339,389	50,411,516	100,922,286	4,798,404	2.13%	4.75%
140	Kittitas Valley Hospital	66,916,450	22,561,056	7,788,071	36,567,323	1,344,170	2.01%	3.68%
165	Lake Chelan Community Hospital	21,665,987	6,533,518	1,906,253	13,226,216	215,012	0.99%	1.63%
915	Lourdes Counseling Center	28,748,968	5,728,607	13,801,380	9,218,981	180,402	0.63%	1.96%
22	Lourdes Medical Center	166,736,446	56,174,636	35,351,065	75,210,745	1,897,214	1.14%	2.52%
147	Mid Valley Hospital	44,744,161	16,935,261	10,667,858	17,141,042	437,115	0.98%	2.55%
107	North Valley Hospital	20,956,697	6,215,897	2,994,283	11,746,517	277,544	1.32%	2.36%
23	Okanogan-Douglas Hospital	23,708,750	8,911,326	3,547,555	11,249,869	286,394	1.21%	2.55%
46	Prosser Memorial Hospital*	31,005,434	9,727,858	9,844,124	11,433,452	386,171	1.25%	3.38%
129	Quincy Valley Hospital	12,510,808	3,771,303	2,084,481	6,655,024	46,572	0.37%	0.70%
78	Samaritan Hospital	118,233,792	36,310,926	14,947,348	66,975,518	3,096,381	2.62%	4.62%
198	Sunnyside Community Hospital	59,027,474	14,585,974	21,786,630	22,654,870	1,134,557	1.92%	5.01%
199	Toppenish Community Hospital	65,173,864	11,454,495	21,647,778	32,071,591	394,109	0.60%	1.23%
205	Wenatchee Valley Hospital	97,512,081	37,506,893	6,719,127	53,286,061	1,585,829	1.63%	2.98%
102	Yakima Regional Medical Center	339,388,562	134,456,019	49,008,278	155,924,265	5,417,762	1.60%	3.47%
58	Yakima Valley Memorial Hospital	558,053,904	225,894,020	101,560,931	230,598,953	10,476,443	1.88%	4.54%
	CENTRAL WASH REGION TOTALS	2,702,774,853	1,011,642,030	477,091,520	1,214,041,303	51,755,671	1.91%	4.26%

TOTAL REVENUE, ADJUSTED REVENUE, AND AMOUNT OF CHARITY CARE AS A PERCENT OF TOTAL REVENUE AND ADJUSTED REVENUE FOR WASHINGTON HOSPITALS WITH FISCAL YEARS ENDING DURING CALENDAR YEAR 2008

		REVENUE CATEGORIES (DOLLARS)						
				(LESS)			CHARITY CARE	
			(LESS)	MEDICAL			% OF	% OF
LIC		TOTAL	MEDICARE	ASSISTANCE	ADJUSTED	CHARITY	TOTAL	ADJ
NO.	REGION /HOSPITAL	REVENUE	REVENUE	REVENUE	REVENUE	CARE	REV	REV
	EASTERN WASHINGTON REGION (N=21)							
141	Dayton General Hospital	7,468,649	2,361,349	423,768	4,683,532	11,511	0.15%	0.25%
37	Deaconess Medical Center	402,314,929	146,749,706	77,131,840	178,433,383	3,604,615	0.90%	2.02%
178	Deer Park Health Center & Hospital	1,214,279	314,224	190,996	709,059	127,826	10.53%	18.03%
111	East Adams Rural Hospital*	5,753,346	1,781,660	164,565	3,807,121	16,580	0.29%	0.44%
167	Ferry County Memorial Hospital	9,560,234	3,540,795	1,609,210	4,410,229	136,220	1.42%	3.09%
82	Garfield County Memorial Hospital	5,617,841	1,453,377	299,443	3,865,021	17,830	0.32%	0.46%
137	Lincoln Hospital*	22,326,966	8,539,993	1,667,513	12,119,460	283,172	1.27%	2.34%
21	Newport Community Hospital	29,348,896	10,335,937	6,561,029	12,451,930	368,904	1.26%	2.96%
80	Odesssa Memorial Hospital	4,131,378	1,019,044	108,307	3,004,027	35,517	0.86%	1.18%
125	Othello Community Hospital	29,325,702	4,701,190	11,475,939	13,148,573	946,595	3.23%	7.20%
139	Providence Holy Family Hospital	419,166,324	149,399,790	54,081,190	215,685,344	9,752,810	2.33%	4.52%
193	Providence Mount Carmel Hospital	54,757,310	22,386,645	5,906,831	26,463,834	997,588	1.82%	3.77%
162	Providence Sacred Heart Medical Center	1,600,539,505	759,171,028	218,449,130	622,919,347	24,110,190	1.51%	3.87%
194	Providence Saint Joseph's Hospital of Chewe	34,541,152	12,535,245	3,899,766	18,106,141	1,279,034	3.70%	7.06%
50	Providence Saint Mary Medical Center	251,217,078	95,017,049	26,897,921	129,302,108	5,108,925	2.03%	3.95%
172	Pullman Regional Hospital	61,605,342	19,504,841	5,332,936	36,767,565	673,291	1.09%	1.83%
157	Saint Luke's Rehabilatation Institute	46,632,765	29,375,381	3,960,298	13,297,086	219,598	0.47%	1.65%
108	Tri-State Memorial Hospital*	84,457,254	51,239,674	5,597,669	27,619,911	876,817	1.04%	3.17%
180	Valley Hospital and Medical Center	121,636,070	43,055,536	19,073,427	59,507,107	1,332,017	1.10%	2.24%
43	Walla Walla General Hospital	93,310,525	35,544,516	11,553,946	46,212,063	2,173,580	2.33%	4.70%
153	Whitman Community Hospital	29,949,847	14,737,064	2,955,468	12,257,315	380,145	1.27%	3.10%
	EASTERN WASH REGION TOTALS	3,314,875,392	1,412,764,044	457,341,192	1,444,770,156	52,452,765	1.58%	3.63%
	STATEWIDE TOTALS (N=94)	30,706,080,081	10,832,940,161	4,570,070,929	15,303,068,991	667,580,294	2.17%	4.36%

*estimated-based on preliminary year-end report

Source: Washington Department of Health

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Appendix 3

Rural Definitions

"**Rural**" means geographic areas outside the boundaries of Metropolitan Statistical Areas. Three general types of rural areas reflect the relative isolation from principal health care delivery sites experienced by the resident population and include:

1. "**small town/isolated rural,**" which are areas with a population less than 10,000;

2. "**rural urban fringe,**" which are areas not urbanized but 30 percent of the population commute to an urban area; and

3. "**large town,**" which are rural areas with a population between 10,000 and 50,000.

RURAL HOSPITALS - TOTAL REVENUE ADJUSTED REVENUE AND AMOUNT OF CHARITY CARE AS A PERCENT OF TOTAL REVENUE AND ADJUSTED REVENUE FOR FISCAL YEAR ENDING DURING 2008

Lic. #	Region/Hospital	CAH	Owner Type	Revenue Catagories (Dollars) Total Revenue	(Less) Medicare Revenue	(Less) Medicaid Revenue	Adjusted Revenue	Charity Care	Charity Care % of Total Revenue	Charity Care % of Adjusted Revenue
	Small Town/Isolated Rural									
85	Jefferson Healthcare Hospital	CAH	District	77,777,161	39,260,923	10,244,651	28,271,587	2,830,119	3.64%	10.01%
194	Providence Saint Josephs Hospital	CAH	Non Profit	34,541,154	14,933,471	6,354,093	13,253,590	1,279,034	3.70%	9.65%
56	Willapa Harbor Hospital	CAH	District	16,824,269	8,717,867	2,228,950	5,877,452	478,659	2.85%	8.14%
158	Cascade Medical Center	CAH	District	6,619,022	2,812,716	193,574	3,612,732	293,073	4.43%	8.11%
125	Othello Community Hospital	CAH	District	29,325,702	4,701,190	11,475,939	13,148,573	946,595	3.23%	7.20%
8	Klickitat Valley Hospital	CAH	District	21,181,975	8,251,911	5,019,176	7,910,888	424,334	2.00%	5.36%
54	Forks Community Hospital	CAH	District	26,514,515	5,104,429	6,687,883	14,722,203	597,153	2.25%	4.06%
193	Providence Mount Carmel Hospital	CAH	Non Profit	54,757,310	22,504,765	5,947,881	26,304,664	997,588	1.82%	3.79%
107	North Valley Hospital	CAH	District	20,956,696	6,943,014	6,364,637	7,649,045	277,544	1.32%	3.63%
167	Ferry County Memorial Hospital	CAH	District	9,560,234	3,653,670	2,114,435	3,792,129	136,220	1.42%	3.59%
46	Prosser Memorial Hospital	CAH	District	31,005,434	9,727,858	9,844,124	11,433,452	386,171	1.25%	3.38%
137	Lincoln Hospital	CAH	District	22,099,722	9,048,167	4,462,103	8,589,452	283,172	1.28%	3.30%
153	Whitman Hospital And Medical Center	CAH	District	29,949,847	14,881,064	2,955,468	12,113,315	380,145	1.27%	3.14%
79	Ocean Beach Hospital	CAH	District	39,013,976	19,730,645	3,324,238	15,959,093	480,554	1.23%	3.01%
23	Okanogan-Douglas District Hospital	CAH	District	23,708,752	9,178,491	3,588,080	10,942,181	286,394	1.21%	2.62%
147	Mid Valley Hospital	CAH	District	44,744,161	16,994,137	10,667,858	17,082,166	437,115	0.98%	2.56%
80	Odessa Memorial Hospital	CAH	District	4,131,378	1,282,935	1,414,574	1,433,869	35,517	0.86%	2.48%
173	Morton General Hospital	CAH	District	19,741,786	7,979,144	2,643,099	9,119,543	207,475	1.05%	2.28%
165	Lake Chelan Community Hospital	CAH	District	21,665,987	8,596,713	1,906,253	11,163,021	215,012	0.99%	1.93%
45	Columbia Basin Hospital	CAH	District	14,623,285	5,076,404	4,164,039	5,382,842	94,397	0.65%	1.75%
150	Coulee Community Hospital	CAH	District	19,487,822	6,052,848	5,253,706	8,181,268	97,840	0.50%	1.20%
82	Garfield County Memorial Hospital	CAH	District	5,617,841	1,835,794	1,642,077	2,139,970	17,830	0.32%	0.83%
129	Quincy Valley Medical Center	CAH	District	12,510,808	3,771,303	2,084,481	6,655,024	46,572	0.37%	0.70%
111	East Adams Rural Hospital	CAH	District	5,753,346	1,781,660	164,565	3,807,121	16,580	0.29%	0.44%
141	Dayton General Hospital	CAH	District	7,468,649	2,734,180	1,964,147	2,770,322	11,511	0.15%	0.42%
	Small Town/Isolated Rural		25	599,580,832	235,555,299	112,710,031	251,315,502	11,256,604	1.88%	4.48%
	Rural Urban Fringe									
21	Newport Community Hospital	CAH	District	29,348,896	10,829,193	8,380,636	10,139,067	368,904	1.26%	3.64%
186	Mark Reed Hospital	CAH	District	13,823,284	5,534,112	2,910,420	5,378,752	107,700	0.78%	2.00%
178	Deer Park Hospital	No	Non Profit	1,214,279	439,137	210,373	564,769	127,826	10.53%	22.63%
195	Snoqualmie Valley Hospital	No	District	14,902,385	5,968,176	1,078,683	7,855,526	249,675	1.68%	3.18%
106	Cascade Valley Hospital	No	District	74,056,653	24,661,752	13,051,177	36,343,724	771,191	1.04%	2.12%
	Rural Urban Fringe		5	133,345,497	47,432,370	25,631,289	60,281,838	1,625,296	1.22%	2.70%
	Large Town									
152	Mason General Hospital	CAH	District	103,911,924	44,248,011	19,794,054	39,869,859	2,780,402	2.68%	6.97%
198	Sunnyside Community Hospital	CAH	Non Profit	59,027,473	14,585,974	21,786,630	22,654,869	1,134,557	1.92%	5.01%
140	Kittitas Valley Hospital	CAH	District	86,774,985	22,562,880	7,788,071	56,424,034	1,344,170	1.55%	2.38%
172	Pullman Regional Hospital	CAH	District	61,605,342	19,541,316	5,332,936	36,731,090	673,291	1.09%	1.83%
156	Whidbey General Hospital	CAH	District	134,780,031	63,786,099	9,566,984	61,426,948	1,086,114	0.81%	1.77%
96	Skyline Hospital	CAH	District	20,878,505	8,863,927	3,771,795	8,242,783	127,618	0.61%	1.55%
191	Providence Centralia Hospital	No	Non Profit	368,925,752	138,872,084	56,878,014	173,175,654	22,162,300	6.01%	12.80%
50	Providence Saint Mary Medical Center	No	Non Profit	216,348,912	98,734,231	27,170,746	90,443,935	5,108,925	2.36%	5.65%
43	Walla Walla General Hospital	No	Non Profit	93,310,525	35,732,533	11,553,946	46,024,046	2,173,580	2.33%	4.72%
78	Samaritan Hospital	No	District	118,233,792	36,310,926	14,947,348	66,975,518	3,096,381	2.62%	4.62%
38	Olympic Medical Center	No	District	209,109,599	111,207,019	23,177,561	74,725,019	2,293,979	1.10%	3.07%
63	Grays Harbor Community Hospital	No	Non Profit	262,922,537	98,129,484	43,963,155	120,829,898	2,020,310	0.77%	1.67%
134	Island Hospital	No	District	118,743,127	46,486,572	5,668,564	66,587,991	1,057,611	0.89%	1.59%
199	Toppenish Community Hospital	No	Proprietary	65,173,866	11,454,495	21,647,778	32,071,593	394,109	0.60%	1.23%
	Large Town		14	1,919,746,370	750,515,551	273,047,582	896,183,237	45,453,347	2.37%	5.07%
	Total Rural			2,652,672,699	1,033,503,220	411,388,902	1,207,780,577	58,335,247	2.20%	4.83%

Appendix 4

Actual Charity Care for 2008 and Estimated 2009

Lic	Hospital	Region	2008 ACTUAL	2009 ESTIMATED
183	Auburn Regional Medical Center	King County	1,948,130	4,415,934
904	BHC Fairfax Hospital	King County	1,540,566	1,723,918
197	Capital Medical Center	Southwest	206,950	199,510
158	Cascade Medical Center*	Central	293,073	330,916
106	Cascade Valley Hospital	Puget Sound	771,191	
168	Central Washington Hospital	Central	5,540,544	6,011,666
45	Columbia Basin Hospital	Central	94,397	100,100
150	Coulee Community Hospital	Central	97,840	
141	Dayton General Hospital	Eastern	11,511	
37	Deaconess Medical Center	Eastern	3,604,615	
178	Deer Park Health Center & Hospital	Eastern	127,826	
111	East Adams Rural Hospital*	Eastern	16,580	21,100
35	Enumclaw Community Hospital	King County	1,372,514	
164	Evergreen Hospital Medical Center	King County	4,230,096	
167	Ferry County Memorial Hospital	Eastern	136,220	
54	Forks Community Hospital*	Puget Sound	597,153	
82	Garfield County Memorial Hospital	Eastern	17,830	59,360
81	Good Samaritan Hospital	Puget Sound	8,394,723	5,000,000
63	Grays Harbor Community Hospital	Southwest	2,020,310	2,400,000
29	Harborview Medical Center	King County	120,352,000	131,183,000
142	Harrison Memorial Hospital	Puget Sound	13,064,088	14,675,000
126	Highline Community Hospital	King County	11,074,643	
134	Island Hospital	Puget Sound	1,057,611	-
85	Jefferson Healthcare**	Puget Sound	2,830,121	
161	Kadlec Medical Center	Central	13,755,738	15,610,795
39	Kennewick General Hospital	Central	4,798,404	
148	Kindred Hospital Seattle	King County	0	0
140	Kittitas Valley Hospital	Central	1,344,170	1,355,569
8	Klickitat Valley Hospital	Southwest	424,334	566,559
165	Lake Chelan Community Hospital	Central	215,012	
208	Legacy Salmon Creek Hospital	Southwest	12,910,761	14,006,000
137	Lincoln Hospital*	Eastern	283,172	
915	Lourdes Counseling Center	Central	180,402	156,345
22	Lourdes Medical Center	Central	1,897,214	2,170,136
186	Mark Reed Hospital	Southwest	107,700	
175	Mary Bridge Children's Health Center	Puget Sound	1,651,799	1,764,175
152	Mason General Hospital	Southwest	2,780,402	2,956,509
147	Mid Valley Hospital	Central	437,115	536,901
173	Morton General Hospital	Southwest	207,475	
919	Navos (West Seattle Psychiatric Hospital)	King County	269,374	
21	Newport Community Hospital	Eastern	368,904	350,000
107	North Valley Hospital	Central	277,544	350,000
130	Northwest Hospital	King County	6,872,998	
79	Ocean Beach Hospital	Southwest	480,554	-
80	Odesssa Memorial Hospital	Eastern	35,517	
23	Okanogan-Douglas Hospital	Central	286,394	407,035
38	Olympic Memorial Hospital	Puget Sound	2,293,979	2,689,502

Lic	Hospital	Region	2008 ACTUAL	2009 ESTIMATED
125	Othello Community Hospital	Eastern	946,595	993,000
131	Overlake Hospital Medical Center	King County	5,884,487	7,217,520
26	PeaceHealth Saint John Medical Center	Southwest	15,377,133	16,965,591
145	PeaceHealth Saint Joseph Hospital - Bellingham	Puget Sound	13,292,795	16,224,982
46	Prosser Memorial Hospital	Central	386,171	
191	Providence Centralia Hospital	Southwest	22,162,300	18,563,611
139	Providence Holy Family Hospital	Eastern	9,752,810	10,463,000
193	Providence Mount Carmel Hospital	Eastern	997,588	1,207,000
84	Providence Regional Medical Center - Everett	Puget Sound	45,069,711	61,229,319
162	Providence Sacred Heart Medical Center	Eastern	24,110,190	26,323,000
194	Providence Saint Joseph's Hospital of Chewelah	Eastern	1,279,034	1,601,000
50	Providence Saint Mary Medical Center	Eastern	5,108,925	6,025,515
159	Providence Saint Peter Hospital	Southwest	33,969,925	37,179,286
172	Pullman Regional Hospital	Eastern	673,291	822,517
129	Quincy Valley Hospital	Central	46,572	
202	Regional Hospital for Resp/Complex Care	King County	49,408	-
132	Saint Clare Hospital	Puget Sound	15,007,075	14,612,000
201	Saint Francis Community Hospital	King County	10,877,734	10,995,000
32	Saint Joseph Medical Center - Tacoma	Puget Sound	29,139,138	27,579,000
157	Saint Luke's Rehabilatation Institute	Eastern	219,598	313,332
78	Samaritan Hospital	Central	3,096,381	3,564,068
204	Seattle Cancer Care Alliance	King County	2,102,330	2,828,000
14	Seattle Children's Hospital	King County	14,261,000	15,726,000
207	Skagit Valley Hospital	Puget Sound	4,645,113	
96	Skyline Hospital	Southwest	127,618	179,686
195	Snoqualmie Valley Hospital	King County	249,675	
170	Southwest Medical Center	Southwest	26,303,244	34,484,000
138	Stevens Healthcare	Puget Sound	6,635,068	
198	Sunnyside Community Hospital	Central	1,134,557	1,378,899
1	Swedish Health Services	King County	35,341,645	
3	Swedish Medical Center - Cherry Hill	King County	18,002,432	
176	Tacoma General Allenmore Hospital	Puget Sound	21,813,947	27,118,918
199	Toppenish Community Hospital	Central	394,109	387,497
108	Tri-State Memorial Hospital*	Eastern	876,817	3,050,000
206	United General Hospital	Puget Sound	2,766,017	3,065,896
128	University of Washington Medical Center	King County	17,956,619	17,192,656
104	Valley General Hospital - Monroe	Puget Sound	4,468,446	
180	Valley Hospital and Medical Center	Eastern	1,332,017	
155	Valley Medical Center - Renton	King County	8,874,603	
10	Virginia Mason Medical Center	King County	9,970,153	
43	Walla Walla General Hospital	Eastern	2,173,580	
205	Wenatchee Valley Hospital	Central	1,585,829	
156	Whidbey General Hospital	Puget Sound	1,086,114	
153	Whitman Community Hospital	Eastern	380,145	361,461
56	Willapa Harbor Hospital	Southwest	478,658	
102	Yakima Regional Medical Center	Central	5,417,762	11,835,465
58	Yakima Valley Memorial Hospital	Central	10,476,443	10,473,968

Appendix 5

Federal Poverty Guidelines

The Federal Poverty Guidelines for all states except Alaska and Hawaii but including the District of Columbia from the Federal Register:

Annual Federal Income Poverty Guidelines				
Size of Family	2006	2007	2008	2009
1	$9,800	$10,210	$10,400	$10,830
2	13,200	13,690	14,000	14,570
3	16,600	17,170	17,600	18,310
4	20,000	20,650	21,200	22,050
5	23,400	24,130	24,800	25,790
6	26,800	27,610	28,400	29,530
7	30,200	31,090	32,000	33,270
8	33,600	34,570	35,600	37,010
Additional Family Members	3,400	3,480	3,600	3,740

These guidelines go into effect on the day they are published; usually around January 23 with the exception of Hill Burton hospitals, which are effective 60 days from the date of publication.

The Health & Human Services Poverty Guidelines are also directly available online: http://aspe.hhs.gov/poverty/