Financial Assistance/Charity Care

SCOPE:

Applies to all Medically indigent patients; they will be considered for charity care regardless of race, color, sex, religion, age, sexual orientation, gender identity, gender expression, marital status, veteran’s status, disability, national origin or immigration status.

PURPOSE:

Whidbey Island Public Hospital District is committed to providing medically necessary health care services to all persons in need of medical attention regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of charity care, consistent with the requirements of the Washington Administrative Code, Chapter 246.453, are established.

DEFINITIONS:

Charity Care: free or discounted medically necessary hospital healthcare rendered to indigent persons when third-party coverage, if any, has been exhausted to the extent that the persons are unable to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer, as determined by the department. Also referenced as Financial Assistance.

Third Party Coverage: An obligation on the part of an insurance company, health care service contractor, health maintenance organization, group health plan, government program, tribal health benefits, third party liability insurance or health care sharing ministry as defined in 26 U.S.C. Sec. 5000A 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 health care service. The pendency of such settlements, judgments, or awards must not stay hospital obligations to consider an eligible patient for charity care.

POLICY:

WhidbeyHealth will respond to all patient requests for charity eligibility during any one of its business interactions including pre-registration, registration and discharge; or at any other time the staff encounters information detailing the patient’s financial need. Charity will be re-screened throughout the revenue cycle when account events trigger review.
It is the responsibility of the patient to actively participate in the financial assistance screening process and to provide requested information in a timely basis including without limitations providing the hospital with information concerning actual or potentially available health benefits coverage (including available COBRA coverage), financial status (i.e. income, assets) and any other information that is necessary for the hospital to make a determination regarding the patient’s financial and insured status. In addition if the hospital reasonably determines that COBRA coverage is available to the patient, the patient shall provide the hospital with information necessary to determine the monthly premium due for said coverage and identify the patient’s financial assistance from the hospital to make any such premium payments. The Revenue Cycle Director and Chief Financial Officer will sign for any approved COBRA payments.

Charity approval will be applied to all relevant accounts for which the guarantor is responsible. Charity care status may be designated at any time up until the point a court has entered a judgment against a patient. Any patient credit balance created by applying the charity percentage may be refunded to the guarantor within 30 days. Accounts may also be returned from Bad Debt status, if financial circumstances warrant, and charity applied. Patients requesting charity may be required to apply for Medicaid benefits or any other benefits for which they may be eligible (e.g. Medicare Part B Benefits). If Medicaid eligibility is established for dates of service covered under charity, those charity adjustments will be reversed and services will be billed to Medicaid for processing.

WhidbeyHealth will develop a set of charity care/ financial assistance assessment guidelines to supplement this policy. The guidelines will be consistent with all applicable state and federal laws as well detail the following.

1. Prescreen triggers for admitting and pre-registration staff
2. Procedures for information distribution (signage placement, pamphlet distribution, application distribution etc.) inclusive of those identified by SB 6273
3. Full charity sponsorship for those at 140% of the federal poverty standard
4. What information is needed to supplement the application and when it is needed. (self- employed requires different information than employed)
5. Other self-pay options for patient denied charity based on income (payment plan, prompt payment discount)

WhidbeyHealth may not offer financial assistance for services deemed to be not medically necessary. WhidbeyHealth will offer services in cases where they are reasonably calculated to diagnose, correct, cure, alleviate or prevent that 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 in accordance with WAC 246-453-010(7).

COMMUNICATIONS TO THE PUBLIC

The Public Hospital District’s charity care policy shall be made publicly available through the following:

1. Current versions of the hospital’s charity care policy, a plain language summary of the hospital’s charity care policy and the hospital’s charity care application form will be available on the hospital website: whidbeyhealth.org

2. WhidbeyHealth Shall post and prominently display notice of charity care availability. Notice will be posted in all languages spoken by more than ten percent of the population of the hospital service area.

3. Notice will be displayed in at least the following locations:
   a. Areas where patients are admitted or registered;
   b. Emergency Departments;
   c. Financial service of billing areas where accessible to patients.

4. For patients presenting with limited or no medical coverage, a notice explaining how to obtain assistance will be given to the patient. If for some reason, for example in an emergency situation, the patient is not notified of the existence of charity care before receiving treatment; he/she shall be notified as soon as possible thereafter.

5. Both the written information and the verbal explanation shall be available 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 patients and for other patients who cannot understand the writing and/or explanation upon request. The hospital finds that the following non-English translation(s) of this document shall be made available: Not Applicable at this time.

6. WhidbeyHealth will provide meaningful access for limited English proficiency and non-English-speaking patients to information regarding billing and charity care.
   a. Regular training for appropriate staff on the hospital’s charity care policy and use of interpreter services will be provided to relevant and appropriate staff who perform functions related to registration, admission and billing.

7. WhidbeyHealth will ensure that appropriate staff is knowledgeable about the existence of the hospital’s financial assistance policies. Training shall be provided to staff (i.e. Hospital and Clinic Registration, Social Services, Billing and Collections staff) who directly interact with patients regarding their hospital bills.
8. WhidbeyHealth will train front-line staff to answer charity care questions effectively or direct such inquiries to the appropriate department in a timely manner.

9. Written information about the hospital’s charity care policy shall be made available to any person who requests the information, either by mail, by telephone or in person. The hospital’s sliding fee schedule, if applicable, shall also be made available upon request.

10. WhidbeyHealth will include a statement about charity care on billing & collection statements.

   a. All hospital billing statements and other written communications regarding billing or collection of a hospital bill by a hospital will include the following or a substantially similar statement prominently displayed on the first page of the statement in English and the second most spoken language in the hospital’s service area:
      i. You may qualify for free care or a discount on your hospital bill, whether or not you have insurance. Please contact our financial assistance office at whidbeyhealth.org or 360.678.7601.

11. WhidbeyHealth will share their financial assistance policies with appropriate community health and human services agencies and other organizations that assist such patients.

GUIDELINES

ELIGIBILITY CRITERIA

1. Eligibility is based on the financial need at the time of service.

2. Charity Care is applied uniformly to all patients who reside in Island County and are patients of WhidbeyHealth Medical Center and Clinics. NOTE: All patients receiving emergency care are eligible to apply for charity care.

3. All resources of the family/both spouses are considered together

4. WhidbeyHealth shall make every reasonable effort to determine:
   a. 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;
   b. The annual family income of the patient is classified as under federal poverty income guidelines as of the time the health care services were provided, or at
the time of application for charity care if the application is made within two years of the time of service, the patient has been making good faith efforts towards payment of health care services rendered and the patient demonstrates eligibility for charity care; and
c. The eligibility of the patient for charity care as defined in the RCW and in accordance with policy. An initial determination of sponsorship status shall precede collection efforts directed at the patient.

5. WhidbeyHealth will assess income based on the time the patient applies for charity care if the patient:
   a. Has been making good faith effort to pay their bill AND applies for charity care within 2 years of the time of service

6. WhidbeyHealth will assess income based on the time the healthcare services were provided if the patient:
   a. Applies within 2 years of the time of service, but has not been making good faith efforts to pay; or
   b. Applies after 2 years from the time of service;

7. At the hospital’s discretion, a hospital may consider application for charity at any time including any time there is a change in a patient’s financial circumstances.

8. All guarantors, with family income equal to or below one hundred forty 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. Eligibility shall be based solely on the total gross family income adjusted for family size. Assets shall not be considered when income is equal to or below one hundred percent of federal poverty standard.

9. A person whose annual income is between one hundred and two hundred percent of the federal poverty standard, adjusted for family size, shall have his/her hospital charges that are not covered by private sponsorship limited to forty percent of the excess of that person’s annually 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 scale 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.

10. All guarantors with family income between one hundred -forty and four hundred percent of the federal poverty standard, adjusted for family size and assets, shall be determined to be indigent persons qualifying for discounts from charges related to appropriate hospital-based medical services in accordance with the sliding fee
schedule and polices regarding individual financial circumstances based on the below criteria:

a. For those with family income greater than 100% of the federal poverty level, exempt assets (based on Medicaid exempted assets) listed below will NOT be added to the family worth for charity consideration:
   i. Family’s principal residence
   ii. Necessary motor vehicle(s) (Required for employment; required for access to treatment; or modified for operation or transport of a disabled person)
   iii. Personal effects and household goods
   iv. Resources necessary for self-support

  Documentation will be requested and in most cases, required to establish eligibility for charity care; however the absence of documentation in certain circumstances deemed reasonable and understandable by the patient financial staff will not necessarily require a charity denial (aka prima facie approval).

A. Charity care is always secondary to all other financial resources available to the patient, including third party coverage, group or individual medical plans, worker’s compensation, Medicare, Medicaid or medical assistance programs, other state, federal or military programs, third party liability situations (e.g. auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services. Exception: Patients who do not reside within the United States will be excluded from Charity Care.

B. The medically indigent patient will be considered for charity care regardless of race, color, sex, religion, age, sexual orientation, gender identity, gender expression marital status, veteran’s status, disability, national origin or immigration status.

C. In those situations where appropriate primary payment sources are not available, patients shall be considered for charity care under the District’s policy based on the following criteria:
   1. Whidbey Island Public Hospital District rates applications according to the current Federal Poverty Level and/or cost to charge ratio.
   2. The Public Hospital District may write off charity care amounts for patients with a family income in excess of 400% of the federal poverty level when circumstances indicate a severe medical financial hardship and/or personal loss. The existence and availability of family assets will only be considered with regard to the applicability of the sliding fee schedule (WAC 246-453-050, 1 ii).

D. The responsible party’s remaining financial obligation after the application of any sliding fee schedule shall be payable in monthly installments over a reasonable period of time, usually 3 months and up to 12 months, without interest or late fees
as negotiated between the hospital and the responsible party. The responsible party’s account shall not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account and there is no satisfactory contact with the patient.

1. Accounts where payment will extend beyond 4 months may be turned to a payment monitoring service.
2. Accounts where payments will extend beyond one (1) year may be placed at a collection agency if no suitable arrangements can be found.

II. PROCESS FOR ELIGIBILITY DETERMINATION
   A. Initial Determination (WAC 246-453-010, 19)
      1. The hospital shall use an application process for determining eligibility for charity care. With respect to HIPAA/privacy regulations, requests to provide charity care will be accepted from sources such as physicians, community or religious groups, social services, financial services personnel and the patient.
      2. During the patient registration process, or at any time prior to the final payment of the bill and after the patient has been notified of the existence and availability of charity care, the hospital will make an initial determination of eligibility based on written application for charity care.
      3. Pending final eligibility determination, the hospital will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with the hospital’s efforts to reach a final determination of sponsorship status.
      4. If WhidbeyHealth becomes aware of factors which might qualify the patient for charity care under this policy, it shall advise the patient of this potential and make an initial determination that such account is to be treated as pending charity care.
   B. FINAL DETERMINATION (WAC 246-453-010, 20)
      1. Prima Facie Write-Offs. In the event that the responsible party’s identification as an indigent person is obvious to the hospital personnel and the hospital can establish that the applicant’s income is clearly within the range of eligibility, the hospital will grant charity care based solely on this initial determination. In these cases, the hospital is not required to complete full verification or documentation. In accordance with WAC 246-453-030(3)).
      2. The Hospital District will accept Medicaid, including spenddown qualification, or Washington’s Apple Health eligibility determination as documentation of the federal poverty level and write off a portion or all of the account, accordingly. Determination of eligibility for uncompensated care will remain valid for the calendar year for Medicare patients. For all other patients, a review may be required for any additional services. This allows the screening for other third-party resources. A new application may not be required.
      3. Charity care forms, instructions and written applications shall be furnished to patients when charity care is requested, when need is indicated or when
financial screening indicates potential need. All applications, whether initiated by the patient or the hospital will be accompanied by documentation to verify the family income amounts indicated on the application form. Exceptions: Prima Facie Write Offs

a. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of charity care eligibility:
   i. “W-2” withholding statement;
   ii. Pay stubs from all employment during the relevant time period;
   iii. Income tax return from the most recently filed calendar year;
   iv. Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;
   v. Forms approving or denying unemployment compensation; or
   vi. Written statements from employers or DSHS employees.

b. Household - Family size is considered in the determination. WhidbeyHealth further clarifies the WAC definition of family size (related by blood, marriage, adoption) to include a family as parents, children and other members of the household that are claimed as dependents on federal income taxes for the most recent filed return. (e.g. If an adult child files their own taxes but lives in the home, WhidbeyHealth will not look at the parents’ income to evaluate their financial application)

c. For the purpose of reaching an initial determination of sponsorship status, WhidbeyHealth 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.

4. During the initial request period, the patient and the hospital may pursue other sources of funding, including Medical Assistance and Medicare (including Medicare Part B). The patient may be requested to apply for an applicable DSHS program and/or Apple Medicaid. Current determination, as well as future determination may be dependent upon the patient following through with their application to one of the above programs. The hospital may not require a patient applying for a determination of indigent status seek bank or other loan source funding.

5. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant’s current financial situation, documentation will only be requested for the period of time after the patient’s financial situation changed.

6. 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. (WAC
246-453-030(4).

7. Catastrophic Medical Hardship may be evaluated either by the Facility or
upon appeal.

C. WhidbeyHealth will allow a patient to apply for charity care at any point from
preamission to final payment of the bill, recognizing that a patient’s ability to
pay over an extended period may be substantially altered due to illness or
medical/financial hardship, resulting in a need for charity services. If the change
in the financial status is temporary, the hospital may choose to suspend payments
temporarily rather than initiate charity care.

III. FINAL DETERMINATION/APPEALS
A. Time frame for final determination and appeals.
1. Each charity care applicant who has been initially determined eligible for
charity care shall be provided with at least fourteen (14) calendar days, or
such time as may reasonably be necessary, to secure and present
documentation in support of his or her charity care application prior to
receiving a final determination in support of his or her charity care
application prior to receiving a final determination of sponsorship status

2. Final determination of charity care, including Prima Facie and Medical
Hardship, may be made by the Revenue Cycle Director, or in the case of
self-employment and special situations, the Chief Financial Officer.

3. The hospital shall notify the applicant of its final determination within
fourteen (14) days of receipt of all application and documentation material.

4. During the time that the patient’s application is being considered for
charity care eligibility, the hospital will not send statements or collection
notices to the patient for outstanding account balances in accordance with
WAC 246-453-020.

5. The patient/guarantor may appeal the determination of eligibility for
charity care by providing additional verification of income or family size to
the Revenue Cycle Director within thirty (30) days of receipt of the
notification. The hospital may not refer the account at issue to an external
collection agency within the first fourteen days of this period. After the 14-
day period, if no appeal has been filed, the hospital may initiate collection
activities (WAC 246-453-020, 9 a)

6. The timing of reaching final determination of charity care status shall have
no bearing on the identification of charity care deductions from revenue as
distinct from bad debts, in accordance with WAC 246-453-020 (10).

7. If the patient has paid some, or all, of the bill for medical services and is
later found to have been eligible for charity care at the time services were
provided and was not offered charity care at that time, he/she shall be
reimbursed for any amounts in excess of what is determined to be
owed. The patient will be refunded within thirty (30) days of receiving the
charity care designation (WAC 246-453-020, 11).
B. Adequate notice of denial:
   1. When a patient’s application for charity care is denied, the patient shall receive a written notice of denial which includes:
      a. The reason or reasons for the denial
      b. The date of the decision; and
      c. Instructions for appeal or reconsideration
   2. When the applicant does not provide requested information and there is not enough information available for the hospital to determine eligibility, the denial notice also includes:
      a. A description of the information that was requested and not provided including the date the information was requested.
      b. A statement that eligibility for charity care cannot be established based on the information available to the hospital; and
      c. That eligibility will be determined if, within thirty (30) days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.
   3. If the hospital has initiated collection activities and discovers an appeal has been filed, they shall cease all collection efforts until the appeal is finalized (WAC 246-453-020, 9 b).
   4. The Revenue Cycle Director and/or Chief Financial Officer will review all appeals. If this review affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

IV. DOCUMENTATION AND RECORDS
   A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.
   B. Documents pertaining to charity care shall be retained for five (5) years.

V. RURAL HEALTH / CLINIC PATIENTS
   A. The RHC Clinics may screen patients and deem them to be indigent or low income at a level that is appropriate for a sliding fee scale. The sliding fee scale is applied to ancillary hospital services the RHC patient receive.
   B. Freestanding Clinic patients deemed to be indigent or low income may receive assistance under the sliding fee scale.

VI. APPROVAL PROCESS
   A. Once a determination has been made, the application and accompanying information shall be reviewed sequentially by the appropriate persons as noted below:
      1. Director Revenue Cycle up to $100,000
      2. Chief Financial Officer over $100,000
      3. MEDITECH CHARITY CARE ADJUSTMENTS WILL BE Categorized as follows
         - A0120 Charity Care - General
         - A0033 Charity Care - Medicare
         - A0121 Charity Care - Rural Health Clinic
4. CENTRICITY CHARITY CARE ADJUSTMENTS WILL BE Categorized as follows

- A0120 Charity Care - General
- A0033 Charity Care - Medicare
- A0121 Charity Care - Rural Health Clinic
- A123 Charity Care - Prima Facie Write off

CHARITY CARE DETERMINATION POST COLLECTION AGENCY

WhidbeyHealth will apply charity care discounts at levels noted in the policy. If there is a remaining balance, WhidbeyHealth will follow normal discount, collection and bad debt policies. WhidbeyHealth will consider an application for charity care even if the account is in collection if new information is available. WhidbeyHealth will direct all collection agencies to place accounts on hold when the agency determines on the first review of the patient’s financial status that the patient has no or very limited income. When the hospital receives the supporting documentation from the collection agency, the account will be immediately evaluated for its charity care eligibility and the responsible party will be contacted and offered the option of applying for financial assistance.

After an account has been placed in collection, WhidbeyHealth can request that a collection agency cancel and return an account when special factors such as language barrier, disability, emergent medical crisis or other discretionary issues are identified that would have made it difficult for the patient to work with the hospital to resolve the outstanding account balance. Cancellation of collection action under these special circumstances is in accordance with WAC 246-453-020.

COLLECTION PRACTICES

WhidbeyHealth will not refer to an outside agency until several attempts to collect the outstanding amount and after all applicable charity discounts have been applied. Referral will not apply to any patients who has made financial arrangements and who has complied in good faith with the arrangements.

PROCEDURE:

RELATED INTERNAL DOCUMENTS:

Scheduling Self Pay Process
Patient Bankruptcy

DSHS Spenddown Procedure

EXTERNAL REFERENCES:

RCW 70.170, 70.150

WAC 246-453

Senate Bill 6273

The Americans with Disabilities Act

Title VI of the Civil Rights Act of 1964

Section 1557 of the Affordable Care Act