



Policy and Procedure	
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Subject:	Charity Care
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HSHS Medical Group

Origination Date: July 1, 2010	Review/Revision Date: June 3, 2011
Originating Department: Patient Financial Services	
HSHS Medical Group Patient Financial Services Director Approval:	
Senior Leadership Approval:	

- I. **Policy Statement:** It is the policy of the HSHS Medical Group to maintain a charity care program for patients/guarantors who do not have the financial resources to pay for medical services as this is consistent with, and furthers, the HSHS Medical Group’s charitable mission. These patients/guarantors may be indigent, medically indigent, insured but unable to pay for co-pays, deductibles, co-insurance, and/or other self-pay amounts. The HSHS Medical Group charity care program will be described on the HSHS Medical Group web site, in patient financial brochures maintained at the HSHS Medical Group member practices and at the HSHS Medical Group Patient Financial Services. The HSHS Medical Group charity care program requires the patient/guarantor to apply for charity care by completing a financial disclosure and providing proof of income and expenses. The HSHS Medical Group may reschedule an appointment for any person refusing to cooperate with the HSHS Medical Group charity care eligibility process. The level of the HSHS Medical Group charity care assistance for which any person is eligible is based, in part, on their income compared to the current year Federal Poverty Guidelines. Any person earning in excess of 400% of the Federal Poverty Guidelines based on income and family size will not be eligible for any HSHS Medical Group charity care adjustment except in those cases deemed “catastrophic” as defined in Section IV i. of this policy.

- II. **Statement of Purpose:** It is the purpose of the HSHS Medical Group Charity Care Policy to ensure that patients receiving services from the HSHS Medical Group are not discriminated against based on their ability to pay and that the HSHS Medical Group consistently applies the charity care program guidelines across all HSHS Medical Group practices. The guidelines reflected in this policy are intended to enable the HSHS Medical Group to manage its resources responsibly and to provide an appropriate level of assistance to the greatest number of persons in need.

III. Standard Operating Procedure:

1. In the process of scheduling a patient, checking in a patient, or as a result of the insurance verification process, Designated Practice Staff are required to request payment for self-pay amounts. If the patient indicates an inability to pay such amounts the Designated Practice Staff will refer the patient to Patient Financial Services.
2. Upon completion of the Charity Care Application and proof of income/expense, the patient will be judged to be eligible for a charity care adjustment; the Patient Financial Services will review the application.
3. The approved charity care adjustment will be posted to the Practice Management System by the Designated Patient Financial Services Staff after charges have been entered and any required insurance claim has been submitted to the applicable third-party insurance payer by the Patient Financial Services Staff. If no insurance claim is required, the charity care adjustment will be posted by the Designated Patient Financial Services Staff within five (5) work days of the patient's visit.
4. If the Designated Patient Financial Services Staff attempt to post an approved charity care adjustment and discover that the Practice Management System has no charges entered and/or that any required insurance claim has not been submitted, adjustments will be posted when future charges have been entered.
5. Patients with self-pay balances will continue to receive statements and their account(s) may be referred to an outside collection agency if they do not comply with the requirements of this policy/procedure. Patients with self-pay balances may be entitled to payment arrangements (See Payment Arrangements Policy #1.4.1) Charity care adjustments will not be processed by the Designated Patient Financial Services Staff unless all required documentation is present to substantiate eligibility for a charity care adjustment.
6. If the patient's financial circumstances change at any time and the patient becomes eligible for charity care, they may apply for charity care.

IV. Charity Care Income Test:

HSHS Medical Group charity care requires the patient/guarantor to qualify for financial assistance using the following criteria:

- a. Patient/guarantor does not have governmental or private insurance coverage and patient/guarantor is not covered by Medicaid; or
 - b. Patient/guarantor's insurance benefits are exhausted; or
 - c. Patient/guarantor has or will obtain medically necessary services from the HSHS Medical Group for which they have no means to pay; or
 - d. Patient/guarantor is responsible for co-payments and deductibles, carries no secondary insurance coverage and their only source of income is Social Security.
 - e. Family income does not exceed 400% of the FPG. "Income" includes income derived from all sources of any family member over the age of eighteen living in the home. The FPG schedule shown in the policy attachment represents the type of process to be followed to determine the charity amount to be offered to the patient under the HSHS Medical Group charity care program. New FPG amounts are issued annually and the HSHS Medical Group will adjust its charity care calculations to reflect the updated FPG; or
 - f. The relationship between the patient's medical bills, family income and family assets (including, but not limited to, such items as bank accounts, trust property, estate or investments and excluding the value of the patient's primary residence) is such that the pursuit of payment would adversely affect the well being of the patient and family members, and where the payment of an HSHS Medical Group bill would result in extraordinary financial hardship; or
 - g. Patient/guarantor's family income exceeds 400% of the FPG; however patient/guarantor has supplied information to support exceptional living circumstances (i.e. terminal illness, catastrophic medical bills and/or medications, etc.)
 - h. Catastrophic Consideration - 100% of charges are greater than 25% of annual family income (including bank accounts, trusts and investments; but excluding primary residence)
2. Before charity care will be approved, the criteria must have been met by HSHS Medical Group Patient Financial Services Staff authorized to make such judgments and the following additional conditions must be met:

- a. The patient/guarantor must cooperate with HSHS Medical Group efforts to establish eligibility for government assistance programs, including working with outside agencies that provide “eligibility” services to HSHS Medical Group.
- b. The patient/guarantor must acknowledge that charity care approvals are effective for up to 6 months, unless HSHS Medical Group becomes aware of a material change in the patient/guarantor’s financial status that would reduce that effective period. A patient/guarantor may have their application reviewed for charity care 6 months after the previous charity care determination is approved. If no changes have been made.

V. Responsible Departments:

1. The HSHS Medical Group CFO, or his/her designee, is responsible for overseeing the implementation and compliance with this policy/procedure and approving any modification to the policy/procedure.
2. HSHS Medical Group Designated Practice Staff and HSHS Medical Group Patient Financial Services Staff are responsible for complying with and performing the tasks within this policy/procedure.
3. HSHS Medical Group Practice Managers and the HSHS Medical Group Patient Financial Services Director are responsible for assuring compliance with the policy/procedure, the periodic review and, if deemed necessary, recommendations to the HSHS Medical Group CFO, or their designee, of revisions to this policy/procedure should changes be required prior to standard annual review.
4. HSHS Medical Group Practice Managers and the HSHS Medical Group Patient Financial Services Director are responsible for continuing education of practice staff and Patient Financial Services staff as it relates to this policy/procedure.

VI. References:

1. Current Year Federal Poverty Guidelines (2011)
2. HSHS Medical Group Patient Financial Services General Adjustment Form, #F3.1.1
3. HSHS Medical Group Patient Financial Assessment Application, #F4.4.1
4. HSHS Medical Group Payment Arrangements Policy, # 1.4.1
5. Letter of Charity Care Determination, #F4.6.1