



Charity Care/Financial Assistance

PURPOSE

Ashe Memorial Hospital (AMH) recognizes our responsibility as a non-profit organization to assist low-income, uninsured patients who do not otherwise have the ability to pay fully for medically necessary healthcare. An important part of our mission is to be responsive to the health care needs of the community, including those that are unable to pay for part or all of the care they receive at AMH. AMH emphasizes the provision of optimal health care services to aid all persons regardless of age, sex, race, creed, disability, national origin, or financial status. As part of AMH's vision, we strive to maintain the hospital's financial ability to support quality health care at reasonable cost, in accordance with community needs and regulatory authority. With the patient's and/or guarantor's active and timely participation in the charity care screening process, we can provide consideration that is beneficial to both the patient's need for assistance and the hospital's desire to support our community with charitable services.

POLICY

It is the policy of AMH to respond to patient requests for charity with dignity, respect, and confidentiality. AMH maintains the responsibility to offer criteria for which a patient's ability to pay can be gauged by their household income, household/family size, assets, future earning capacity, and amount of patient balances from health care bills. The patient's and/or guarantor's responsibility in this process is to provide full disclosure of requested information accurately, truthfully, and on a timely basis so that we are able to make a determination regarding the patient's financial status. The responsibility for determining charity levels (e.g., annual budgetary provisions) and the need to maintain a careful balance between the need for fiscal stewardship and our bias toward a charitable mission rests with AMH's Board of Trustees.

Individuals who meet the eligibility criteria established in this policy qualify for free or discounted emergent or medically necessary services.

A. Eligibility Requirements

1. Service Area
 - a. Charity care is available to qualified residents of Ashe County.
 - b. Patients residing outside of Ashe County will be eligible to apply for charity care in emergency situations only.
2. Income and Assets
 - a. Annual family income must be less than 250% of the available current year Federal Poverty Guidelines.
 - b. Cash-on-hand (including checking and savings) must not exceed \$2000 for an individual or \$3000 for a couple. Liquid accounts for the purpose of future living and/or burial expenses are considered as assets.
 - c. Eligibility shall be based on financial need at the time of application but consideration may be given for future earning capacity of the patient/guarantor. All resources of the household/family (related or unrelated) are considered together. Examples of unrelated family include partners and foster children who share the home with the applicant. College children may be counted as part of the household if those children are claimed as dependents on the applicant's tax filing. Income and resources for each person counted in the household must be fully disclosed.
3. Covered Services
 - a. Charity care generally applies to emergent and medically urgent situations only. Emergent is typically defined as the risk of loss of life or limb but may be expanded to include instances where the patient's healthcare provider deems the health issue as urgent, serious, and/or affects quality of life. These situations will be addressed with the provider on a case-by-case basis. The least invasive, non-surgical approach should be the first path for treating a non-emergent medical issue.
 - b. Charity care applies to current (non-bad debt) patient charges incurred at the **Hospital only**. These charges include hospitalist professional charges but **do not** include charges billed by non-facility professionals (e.g., anesthesiologists, radiologists, emergency providers, oncologists, office providers, etc.).
4. Other Health Payor Coverage



Charity Care/Financial Assistance

- a. The patient must be uninsured and unable to access Entitlement programs. Charity care is not a substitute for employer-sponsored public, or individually purchased insurance. Charity care is secondary to all other financial resources available to the patient including insurance, governmental programs, third-party liability, and assets. If the guarantor/patient fails to follow through with other available payor requirements, charity care will be denied.
 - b. A patient's charity care status may be contingent upon enrollment in the Insurance Marketplace. All uninsured patients will be directed to the Insurance Marketplace during open enrollment. Non-emergent and non-urgent services may be postponed until the patient obtains Marketplace insurance. Future accounts may not be eligible for charity if the patient refuses to enroll.
5. Special Circumstances
- a. We recognize that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in a need for charity services. If the change in financial status is temporary, the organization can choose to suspend payments temporarily rather than initiate charity care.
 - b. Deceased patients without an estate or surviving spouse will be considered charity care eligible. Patients who have been declared bankrupt by the court system will be eligible for charity care.
 - c. Underinsured patients who have the financial means to obtain health insurance coverage but lack the financial resources to pay all or part of deductibles, coinsurance, and/or copays must meet the same guidelines as above.

B. Application

1. Charity Care applications are available from Financial Counselors, Patient Access Registrars, Discharge Planners, online, and at the end of this policy. A patient's and his/her family's personal and financial information are kept fully confidential and this information will only be used to assist in enrollment for health coverage or for determining charity care eligibility. The hospital may, at its own expense, request a credit report or asset listing to further verify information on the charity application.
2. A completed Charity Care application and all supporting documentation will be returned to a Financial Counselor.
 - a. Supporting documentation includes proof of income documents such as the last 3 months of pay notices, income tax filing, W-2 statements from the previous year, unemployment compensation forms, and forms denying Medicaid or written statements from employers or welfare agencies.
 - b. In the absence of income, a letter of support from individuals providing for the patient's basic living needs may be accepted along with a letter from the patient stating his/her need for Charity Care consideration based on his/her current financial situation.
 - c. While AMH will not impose any unreasonable burden upon the patient to provide relevant information when considering the application for charity care, AMH may require the patient to validate the accuracy of any information provided.
 - d. The absence of documentation in certain circumstances deemed reasonable and understandable (e.g., homeless person) will not necessarily result in a charity denial.
3. Incomplete applications may be denied and returned to the guarantor with a statement of what information is missing and how to re-apply. Depending upon the patient's/guarantor's situation, full reapplication may be required upon submission of the missing information. A responsible party choosing not to apply for charity care will not be automatically considered for assistance.

C. Determination

1. Once completed documents are received by AMH and an eligibility determination has been made, the Financial Counselor will send a notification letter to the applicant. If the application and/or documentation are deemed incomplete, the applicant will be contacted via telephone or mail.
2. Any patient with a Federal Poverty Percentage under 150% and no insurance coverage will be eligible to receive Charity Care and will obtain a 100% adjustment to any charges for services covered under this policy.
3. Any patient with a Federal Poverty Percentage greater than 150% but less than 250% will receive a discount commensurate to the percentage above the FPG. See below scale.



Charity Care/Financial Assistance

Household income as % of FPG	Uninsured Discount off Gross Charges	Underinsured Discount off of Self-Pay Balance
<150%	100%	75%
>150% - 200%	75%	50%
> 200% - 250%	50%	0%

4. Uninsured charity-eligible patients will not be charged more than amounts generally billed (AGB) to insured patients for emergency or other medically necessary care.
5. Uninsured patients who do not qualify for free care may receive a discount up to the average discount provided to commercial payors.¹
6. Charity discounts provided for uninsured patients are applied to gross charges at the time of application. Charity discounts provided for underinsured patients are applied to net balances at the time of application.

These are generally accepted guidelines; however, each individual situation will be reviewed independently. Allowances may be made for extenuating circumstances.

D. Communication to the Public

1. Notice regarding the availability of charity care for low-income uninsured patients will be posted in visible locations throughout the hospital such as Patient Access, the Financial Counseling offices, and other outpatient and/or emergency settings.
2. Notices or brochures will also be provided to uninsured patients at time of registration and will include brief instructions on how to apply for charity care or a discounted payment and a contact telephone number that a patient or family member can call to obtain more information.
3. Information regarding charity care will be included on the back of patient billing statements.
4. A plain language summary of the Charity Care application process as well as the Charity Care application will be online at www.ashememorial.org, in the Emergency Department, and in the Financial Counselor offices.
5. All communication as well as the Charity Care application will be provided in both English and in Spanish.²

Staff Education

To ensure that the Charity Care Policy is disseminated to all appropriate levels of hospital management and staff, access and communication of the policy is essential. The goal of this staff education is to share information with front-line staff to equip them with the skills, resources, and tools available to effectively address customer questions and concerns regarding bills associated with the patient’s visit. Focus is placed on increasing awareness of AMH’s charity commitment, guidelines, and processes to ensure that front-line staff understand AMH’s commitment to providing charity care to patients in need and to ensure that employees consistently communicate this commitment to patients and consumers. Staff will be required to read the Charity Care policy upon hire and annually thereafter.

PROCEDURE

1. Patient Financial Counselors are the primary liaisons between the patient and the hospital and will provide charity care applications to both uninsured and underinsured patients/guarantors.
 - a. Interview the patient/guarantor to determine that no third-party coverage exists to pay the account(s). If a determination is made that the patient may qualify for public assistance, refer the patient/guarantor to that agency and request proof of denial.

*Paper copies of this document may not be current and should not be relied on for official purposes.
The current version can be viewed by accessing the Policy Tech software.*



Charity Care/Financial Assistance

- b. Provide the patient/guarantor with a charity application and explain that the patient may be eligible for indigent/charity care if certain criteria are met.
 - c. Explain the requirements for the application such as deadlines and documentation (this information should also be provided to the patient on paper).
 - d. Offer to assist the patient/guarantor in completing the application, if needed. Advise the patient/guarantor of who to notify once the form is completed and requested documentation available.
2. Once the charity care application is received by the financial counselor, within 2 weeks, the counselor will review the application and documentation for completeness. If the application and/or documentation are incomplete, the counselor will contact the patient and/or guarantor to request the additional information.
 3. The Patient Financial Counselor will determine if the patient/guarantor meets indigent/charity care criteria using the financial analysis worksheet. Sign and date the worksheet.
 4. The Patient Financial Counselor forwards the charity application, all supporting documentation, and the financial analysis worksheet to the Patient Financial Services Director (PFSD) or designee for approval.
 5. The PFSD or designee reviews all documentation and verify the charity care discount.
 6. The PFSD or designee signs the application and forwards the application to the Patient Financial Counselor.
 7. The Patient Financial Counselor scans the approved documents into the computer system.
 8. The Patient Financial Counselor adjusts the account with the charity discount and generates a statement to go to the patient.
 9. The Patient Financial Counselor notifies the patient/guarantor of the charity care determination via telephone and letter. Information communicated to the patient will include:
 - a. approval/denial status,
 - b. amount of discount (if any),
 - c. payment terms of balances owed, and
 - d. contact information for questions or additional information.

Each contact with the patient/guarantor and/or each action with the charity care application should be documented in the patient accounting computer system.

¹The AGB is calculated at least annually by the “look-back method” for emergency services. The discount is calculated by dividing the total contractual adjustments by total revenue for non-governmental insurance groups.

²Languages served are obtained from the Census Bureau estimated population at <https://www.census.gov/quickfacts/fact/table/ashecounlynorthcarolina/RHI725216#viewtop>.