

- Facility: Tillamook County General Hospital
- System-wide Corporate Policy
 - Standard Policy
 - Model Policy:

Policy No.
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Department: Financial Services
Category/Section: Patient Business
Manual: Policy/Procedure Manual

POLICY: Charity Eligibility

POLICY SUMMARY/INTENT:

Establish the criteria for providing charity adjustment and to determine the adjustment amount. The intent of this policy is to comply with the corporate Uninsured Patient Billing – Charity Care policy, PFS-112.

DEFINITION:

Net Assets – Net worth, Shareholders equity – Assets minus liabilities, real estate, assets that are easily turned into cash.

Emergent Services – All Emergency Room visits subject to EMTALA (Emergency Medical Treatment and Labor Act) and Obstetric patients in active labor.

Non-Emergent Services – Non-Emergent Emergency Room Visits, Diagnostic Services, Scheduled Procedures.

Catastrophic – When the patient/guarantor liability amount exceeds 50% of the total annual family income. Accounts that will be considered under catastrophic cannot be over a period of time greater than one year.

POLICY: COMPLIANCE – KEY ELEMENTS

1. Uninsured and Insured patients with a remaining liability are eligible to receive a charity adjustment if they meet the charity criteria.
2. **Eligible Services**
 - a. In addition to the charity eligible services defined by corporate, patients receiving the following services may also qualify for charity
 - i. All non-emergent services excluding:
 1. Massage Therapy (Non-physician order)
 2. Foot Care Clinic services
 3. Mental Health services
 4. Cosmetic Procedures
 5. Drug Screenings
 6. Presbyopia Correcting Intraocular Lenses
3. **Emergent Services Only**
 - a. **Based upon income:**
 - i. Guarantors earning 200% of the current Federal Poverty Level (FPL) or less will receive a 100% discount off their account balance

- ii. Guarantors earning between 200.1% and 300% of FPL will receive a 75% discount off their account balance
- iii. Guarantors earning between 300.1% and 350% of FPL will receive a 50% discount off their account balance
- iv. Guarantors earning between 350.1% and 400% of FPL will receive a 25% discount off their account balance.
- v. Guarantors earning above 400% of FPL do not qualify for a charity discount, based upon income.

b. Catastrophic Charity Care

Based upon the patients'/guarantor complete financial situation, when the patient/guarantor liability amount exceeds 50% of the total annual family income, amounts greater than 50% of the income may be written off the charity care.

4. For Qualified Non-Emergent Services

a. First step is an income check:

- i. Guarantors earning 100% of the Guarantor's Family Federal Poverty Level (FPL) or less may receive a 100% discount off their account balance.
- ii. Guarantors earning between 100.1% and 150% of FPL may receive a 95% discount off their account balance.
- iii. Guarantors earning between 150.1% and 200% of FPL may receive a 90% discount off their account balance.
- iv. Guarantors earning between 200.1% and 300% of FPL may receive a 75% discount off their account balance.
- v. Guarantors earning between 300.1% and 350% of FPL may receive a 50% discount off their account balance.
- vi. Guarantors earning between 350.1% and 400% of FPL may receive a 25% discount off their account balance.
- vii. Guarantors earning above 400% of FPL do not qualify for a charity discount, based upon income. However, determine if they qualify for a Catastrophic Discount.

b. Second step is a net asset check:

- i. Guarantors with net assets equal to 200% of the Guarantor's Family Federal Poverty Level (FPL) or less will receive no adjustment to their income check discount percentage off their account balance.
- ii. Guarantors with net assets between 200.1% and 300% of the FPL will have their discount based on income, decreased by 5 percentage points.
- iii. Guarantors with net assets between 300.1% and 350% of the FPL will have their discount based on income, decreased by 10 percentage points.

- iv. Guarantors with net assets between 350.1% and 400% of the FPL will have their discount based on income, decreased by 15 percentage points.
- v. Guarantors with net assets greater than 400.1% to 450% of the FPL will have their discount based on income, decreased by 20 percentage points.
- vi. Guarantors with net assets greater than 450.1% to 500% of the FPL will have their discount based on income, decreased by 30 percentage points.
- vii. Guarantors with net assets greater than 500.1% to 550% of the FPL will have their discount based on income, decreased by 40 percentage points.
- viii. Guarantors with net assets greater than 550.1% to 600% of the FPL will have their discount based on income, decreased by 50 percentage points.
- ix. Guarantors with net assets greater than 600.1% to 650% of the FPL will have their discount based on income, decreased by 60 percentage points.
- x. Guarantors with net assets greater than 650.1% to 700% of the FPL will have their discount based on income, decreased by 75 percentage points.
- xi. Guarantors with net assets greater than 700% + of the FPL will have their discount based on income, decreased by 100 percentage points.

If applicants discount equals 100% skip the catastrophic check.

c. **Third step is a Catastrophic check:**

- i. Guarantors with account balance less than 50% of the guarantor's family income will receive no adjustment to their discount based on income and asset.
- ii. Guarantors with account balance between 50.1% and 70% of the guarantor's family income will have their discount as determined by income and assets increased by 10 percentage points.
- iii. Guarantors with account balance between 70.1% and 80% of the guarantor's family income will have their discount as determined by income and assets increased by 15 percentage points.
- iv. Guarantors with account balance between 80.1% and 90% of the guarantor's family income will have their discount as determined by income and assets increased by 20 percentage points.
- v. Guarantors with account balance greater than 90% of the guarantor's family income will have their discount as determined by income and assets increased by 25 percentage points.

5. Documentation Requirements:

- a. All patients must comply with the corporate policy PFS-112, for documentation requirements.
 - i. No areas or services have been designated as qualifying for any abbreviated documentation process.

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