



bethany children's
HEALTH CENTER

CHARITY CARE AND FINANCIAL ASSISTANCE

POLICY AND PROCEDURES

OBJECTIVE:

Bethany Children's Health Center is committed to providing charity care to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for medically necessary care based on their individual financial situation.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with procedures for obtaining charity, or other forms of financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so as a means of assuring access to healthcare services, for their overall personal health, and for the protection of their individual assets. In order to assist hospitals to manage their resources responsibly, to provide the appropriate level of assistance to the greatest number of persons in need, and to comply with provisions enacted in the Patient Protection and Affordable Care Act (PPACA), Bethany Children's has established the following policy to be used for the provision of patient charity.

I. POLICY

Consistent with the mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Bethany Children's strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the hospital will widely publicize the policy within the community served by the hospital
- Limits the amounts that the hospital will charge for medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital for commercially insured or Medicaid patients
- Addresses reasonable collection efforts.

In order to manage its resources responsibly and to allow Bethany Children's to provide the appropriate level of assistance to the greatest number of persons in need, Bethany Children's establishes the following guidelines for the provision of patient charity.

II. DEFINITIONS

For the purpose of this policy, the terms below are defined as follows:

Charity Care: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free to individuals who meet the established criteria.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family Income: Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- Noncash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

Uninsured: The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.
Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

Gross charges: The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.

Medically necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

III. PROCEDURES

A. Services Eligible Under This Policy. For purposes of this policy, "charity" or "financial assistance" refers to medically necessary services provided by Bethany Children's without charge. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;

B. Eligibility for Charity. Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of charity shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation. Bethany Children's shall determine whether or not patients are eligible to receive charity for deductibles, co-insurance, or co-payment responsibilities.

C. Method by Which Patients May Apply for Charity Care.

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and will

- a. Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
- b. Include reasonable efforts by Bethany Children's to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
- c. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

2. It is preferred, but not required that a request for charity and a determination of financial need occur prior to rendering services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

3. Bethany Children's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and Bethany Children's shall notify the patient or applicant in writing within 30 business days of receipt of a completed application.

D. Presumptive Financial Assistance Eligibility. There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, Bethany Children's could use outside agencies in determining estimate income amounts for the basis of determining

charity care eligibility. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. State-funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
7. Low income/subsidized housing is provided as a valid address

E. Eligibility Criteria and Amounts Charged to Patients. Services eligible under this Policy will be made available to the patient, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by Bethany Children's to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts TCCRH will charge patients qualifying for financial assistance is as follows:

1. Patients whose family income is at or below 400% of the FPL are eligible to receive free care;
2. Patients whose family income is above 400% of the FPL are eligible to receive services at amounts no greater than the amounts generally billed to Oklahoma Medicaid; and

F. Communication of the Charity Program to Patients and Within the Community. Notification about charity available from Bethany Children's, which shall include a contact number, shall be disseminated by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in hospital hall rooms, in the Conditions of Admission form, admitting departments, hospital business offices, and at other public places as Bethany Children's may elect. Bethany Children's also shall publish and widely publicize a summary of this charity care policy on facility websites, in brochures available in patient access sites and at other places within the community served by the hospital as Bethany Children's may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by Bethany Children's. Referral of patients for charity may be made by any member of the Bethany Children's staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

G. Relationship to Collection Policies. Bethany Children's management has developed policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from Bethany Children's, and a patient's good faith effort or reasonable effort to comply with his or her payment agreements with Bethany Children's.

Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of payment have been identified and billed by the hospital;
2. Documentation that Bethany Children's has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with the hospital's application requirements;
3. Documentation that the patient does not qualify for financial assistance on a presumptive basis;
4. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

H. Regulatory Requirements. In implementing this Policy, Bethany Children's management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.

