

Hospital Policy

CATEGORY: Finance

Hospital Policy No. 402
Effective Date: 01/2022
Supersedes: 10/2016

SUBJECT: **CHARITY CARE**

PURPOSE:

LECOM Medical Center and Behavioral Health Pavilion 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. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, LECOM Medical Center and Behavioral Health Pavilion strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with LECOM Medical Center and Behavioral Health Pavilion's procedures for obtaining charity or other forms of payment or 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 health care services, for their overall personal health, and for the protection of their individual assets.

In order to manage its resources responsibly and to allow LECOM Medical Center and Behavioral Health Pavilion to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of patient charity.

DEFINITIONS:

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

Charity Care: Healthcare services that have 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 or at a discount 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.

PROCEDURE:

A. Services Eligible Under this Policy

For purposes of this policy, “charity” refers to healthcare services provided without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
3. Emergent services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically necessary services, evaluated on a case-by-case basis at LECOM Medical Center and Behavioral Health Pavilion’s discretion.

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, or who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The applicant must have first applied for Medical Assistance and had been denied. 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, or religious affiliation. Charity Care to eligible individuals also includes deductibles, co-insurance, or co-payment responsibilities.

C. Determination of Financial Need

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

- 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;
- Include the use of external publicly available data sources that provide information on a patient’s or a patient’s guarantor’s ability to pay (such as credit scoring);

- Include reasonable efforts by LECOM Medical Center and Behavioral Health Pavilion to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
 - Include patient or responsible party employment status and earning capacity;
2. A request for charity and a determination of financial need is required prior to rendering of elective services. For non-elective services, the determination may be made at any point in the collection cycle.
3. Financial assistance for subsequent medical services is reevaluated after six months from the previous evaluation.
4. LECOM Medical Center and Behavioral Health Pavilion'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 LECOM Medical Center and Behavioral Health Pavilion notify the patient or applicant in writing within 30 days of receipt of a completed application.

D. Presumed Financial Assistance.

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 or actual known extenuating circumstances. 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, LECOM Medical Center and Behavioral Health Pavilion could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. This 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; and
8. Patient is deceased with no known estate.

E. Patient Charity Guidelines.

Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination, as follows (see sliding scale on page 6 of 6):

1. Patients whose family income is at or below 140% of the FPL are eligible to receive free care;
2. Patients whose family income is above 141% but not more than 200% of the FPL are eligible to receive services based on a sliding scale of income per attached; and

3. Patients whose family income exceeds 200% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of LECOM Medical Center.

F. Communication of the Charity Program to Patients and the Public.

Notification about charity available from LECOM Medical Center and Behavioral Health Pavilion, which shall include a contact number, shall be disseminated by LECOM Medical Center and Behavioral Health Pavilion by various means, which include the publication of notices in patient bills and by posting notices in emergency rooms, admitting and registration departments. Information shall also be included on facility websites and in the Conditions of Admission form. Such information shall be provided in the primary languages spoken by the population serviced by LECOM Medical Center and Behavioral Health Pavilion which is only English in the demographic area). However, LECOM Medical Center and Behavioral Health Pavilion provides language interpreters for certain more commonly spoken languages. Referral of patients for charity may be made by any member of the LECOM Medical Center and Behavioral Health Pavilion 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.

LECOM Medical Center and Behavioral Health Pavilion management regularly reviews its policies and procedures for internal and external collection practices 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 LECOM Medical Center and Behavioral Health Pavilion, and a patient's good faith effort to comply with his or her payment agreements with LECOM Medical Center and Behavioral Health Pavilion. For patients who qualify for charity and who are cooperating in good faith to resolve their System bills, LECOM Medical Center and Behavioral Health Pavilion may offer extended payment plans to eligible patients, will not impose wage garnishments or liens on primary residences, will not send unpaid bills to outside collection agencies, and will cease all collection efforts.

H. Regulatory Requirements.

In implementing this Policy, LECOM Medical Center and Behavioral Health Pavilion 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.

Reviewed: 1/2010, 2/2011, 5/2012, 08/23, 12/24

Revised: 11/2013, 7/2016, 01/2022

Financial Assistance Sliding Scale:

2022 FEDERAL POVERTY GUIDELINES					
Poverty Guideline	100%	250%	300%	350%	400%
Charity Care %		100%	75%	50%	25%
Household Size					
1	\$ 13,590	\$ 33,975	\$ 40,770	\$ 47,565	\$ 54,360
2	\$ 18,310	\$ 45,775	\$ 54,930	\$ 64,085	\$ 73,240
3	\$ 23,030	\$ 57,575	\$ 69,090	\$ 80,605	\$ 92,120
4	\$ 27,750	\$ 69,375	\$ 83,250	\$ 97,125	\$ 111,000
5	\$ 32,470	\$ 81,175	\$ 97,410	\$ 113,645	\$ 129,880
6	\$ 37,190	\$ 92,975	\$ 111,570	\$ 130,165	\$ 148,760
7	\$ 41,910	\$ 104,775	\$ 125,730	\$ 146,685	\$ 167,640
8	\$ 46,630	\$ 116,575	\$ 139,890	\$ 163,205	\$ 186,520

For Families/Households with more than 8 persons, add \$4,720 for each additional person

*Federal Poverty Levels (FPL) are updated annually to correspond with the values published in the Federal Registrar