

Policy Title: Financial - Charity Care/Financial Assistance

Policy, Interpretation and Implementation

Purpose

1. JMHCC is a 501©(3) charitable organization making the organization exempt from federal and state taxes. As a condition of its 501©(3) status, JMHCC shall develop and implement a Charity Care Program (CCP) to provide discounted services to uninsured patients or underinsured eligible patients (uninsured services) who are unable to pay for some or all of their services provided directly and billed by JMHCC due to genuine financial need.
2. The CFO and his/her designee shall have general responsibility for the CCP.
3. JMHCC may use a sliding scale to determine whether patient qualifies for free or discounted care. Those with incomes at or below 100% of poverty may receive a full 100% discount. Those with incomes above 100% of poverty, but at or below 200% of poverty may be charged according to the attached sliding fee schedule. JMHCC will use a look-back method over the previous 12 months to ensure patients are not charged more than generally billed for emergency or medical care.
4. Patients receiving a full discount will be charged a nominal fee of \$10 per visit. However, patient will not be denied service due to inability to pay. The nominal fee is not a threshold for receiving care and thus, is not a minimum fee or co-pay. Waiving of nominal fee can be approved by CEO or CFO.
5. Eligible Services: Services eligible for discounted services include those services provided directly and billed by JMHCC and all eligible providers working for JMHCC. Eligible services generally include: acute inpatient care; observation care; emergency room services; medical outpatient services; inpatient and outpatient laboratory, radiology and EKG services; inpatient and outpatient rehabilitation services including cardiac rehab; and primary care services provided through the rural health clinics. Services not eligible for free or discounted services include: swing bed care.
6. JMHCC will communicate information about the CCP program to its patients and those living within its primary service area, identify potential applicants and assist as appropriate to qualify for free or discounted services per the CCP policies and procedures. JMHCC shall inform the general public within its primary service area of the availability of Charity Care through the following: include in the Patient/Resident Payment Policy provided to all patients at the point of service or admission; posted notice on community bulletin boards within the JMHCC facilities; posted notice and information on the JMHCC website; general information released at least annually in the legal newspaper located within JMHCC's primary service area; and other as deemed appropriate by the Administrator.

7. All patients presenting to the hospital emergency room will be served regardless of the patient's ability to pay. Non-emergency medical care will be provided to all patients regardless of the patient's ability to pay consistent with established JMHCC policies and procedures and consistent with JMHCC's financial resources to provide free or discounted services to the patient.
8. JMHCC will submit claims for payment to insurance and other third-party payers as appropriate consistent with JMHCC Patient/Resident Payment Policy, and will pursue payments from the patient/guarantor for all deductibles, co-pays, coinsurance, and/or services not covered by insurance or other third-party payer(s).
9. A determination of whether or not a patient is eligible for discounted services will be made for services already provided or prior to services being incurred. Services shall be specific regarding future services. Eligible patients will not be charged more than generally billed for emergency or medical care.
10. JMHCC will not engage in extraordinary collection actions before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this policy. Reasonable efforts include: Validating the patient owes the unpaid bills, offered the opportunity to apply for charity care, offered the opportunity of a payment plan. Extraordinary collections may include actions such as wage garnishments, liens on primary residence, or other legal action. If our collection agency identifies a patient is meeting charity care criteria, the patients account may be considered for charity care.
11. The JMHCC Governing Board – Finance Committee shall be responsible to review and approve all CCP completed applications and recommendations of the CFO.

Procedure

1. Patient/guarantor requesting Charity Care must complete, date and sign the Confidential Financial Assistance Application (CFAA) and provide supporting information as requested. Information provided on the CFAA will be used to make a determination in providing discounted services. Application forms shall be made available at the Business Office. Items needed to process the application include, but are not limited to, name and address, household income, and proof of income (previous 3 pay-stubs, previous year income taxes, or previous year W-2),
2. The CFO or his/her designee shall be responsible to review, investigate and evaluate the CFAA to determine whether or not the patient/guarantor qualifies for the CCP. Consideration will be given to the following criteria: patient income. Part of the evaluation process will be for the patient/guarantor and the CFO or his/her designee to meet to determine eligibility for other insurance or payment programs. Willingness of the patient/guarantor to participate and follow through on this process will be a determinant of whether or not to process the CFAA and consider the patient/guarantor for the CCP.

3. The CFO shall generally have 90-days to evaluate the application, make a determination of eligibility, make appropriate recommendation to the Finance Committee and inform the patient/guarantor of their eligibility for discounted services. The basis for determining the amount of discounted services shall be consistent with the attached Discount Sliding Fee Schedule which is based on the Federal Poverty Income Guidelines. This schedule shall be reviewed and updated within 30-days of any change in Federal Poverty Income Guidelines.
4. Following action of the Finance Committee the CFO or his/her designee will inform the patient/guarantor in writing of the determination made by JMHCC regarding discounted services. An administrative file shall be maintained by the CFO and/or his/her designee to include the original application, letter of determination and other appropriate information. Additionally, an on-going confidential master list shall be maintained of all applicants, status, amounts, etc. relating to the CCP.
5. Throughout the application, evaluation and determination process the patient/guarantor will continue to receive monthly statements and any collection efforts in process will be placed on hold pending a determination.
6. The CFAA application and determination shall apply as follows: to balances owed by the patient/guarantor prior to submitting the application; and balances for future planned services no more than one year following the determination of eligibility.
7. If a determination is made to provide discounted services the patient/guarantor must agree to and comply with any agreed to payment plan for remaining balances. Failure to comply with a payment plan may result in JMHCC continuing with previous collection efforts or beginning new collection efforts.

Implementation/Revision Date: _____

Authorized By: _____