

Title: Charity Care

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Policy Purpose:

Policy: It is the desire of North Carolina Specialty Hospital (NCSH) to provide financial assistance or charity care to those patient in need of such assistant residing in Durham County, North Carolina. NCSH considers each patient’s ability to pay for his or her medical care and is committed to treating patients who have financial needs with the same dignity and consideration that is extended to all of its patients. NCSH intends, with this policy, to establish financial assistance procedures, that are compliant with applicable federal, state and local laws.

Scope of Policy: This policy shall cover health care services provided by NCSH and does not include physician, anesthesia services and other services provided by outside vendors. Only patients residing in Durham County are eligible for Charity Care or Financial Assistance, except those patients presenting to NCSH with emergency medical conditions regardless of their ability to pay. NCSH has established procedures to aide and assist those patients who have demonstrated financial hardship and cannot meet the costs of the healthcare services they receive at NCSH. NCSH may assist patients in receiving available resources for payment of their services. When such resources are not available, patients will be evaluated for voluntary Charity Care.

This policy does not apply to patients who are “underinsured” as opposed to uninsured; for example, it is not the intent of this policy to provide free or discounted care to patients who have health insurance with high deductibles or coinsurance.

Definitions:

Charity Care means the ability to receive free care. It refers to the inability of a patient to pay for medical care. In comparison, Bad Debt is an unwillingness of a patient to pay for medical care. Charity Care is designed to assist those patients who are unable to pay for all, or part, of their health care expenses. Charity Care is not designed to assist those who are able, yet unwilling, to pay. The patient’s willingness to discuss his/her account and disclose pertinent financial information is often relied upon to make the distinction between inability and unwillingness to pay.

Financial Assistance means the ability to receive care at a discounted rate.

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Uninsured Patient means an individual who does not have any third-party health care coverage by (a) a third party insurer, (b) an ERISA plan, (c) a Federal Health Care Program (including, without limitation, Medicare, Medicaid, SCHIP and Tricare), (d) Worker's Compensation, Medical Savings Accounts or other coverage for all or any part of the bill, including claims against third parties covered by insurance to which NCSH is subrogated, but only if payment is actually made by such insurance company.

Federal Health Care Program means any health care program operated or financed at least in part by the federal, state or local government

Procedure:

Eligibility

Any person with the inability to pay all or part of their financial responsibility to North Carolina Specialty Hospital for NCSH provided services. Patients who are receiving elective cosmetic or plastic surgery are not eligible. Patients who are uninsured for the relevant service, who are ineligible for governmental or other insurance coverage, and who have family incomes not in excess of 200% of the Federal Poverty Levels, will be eligible to receive free care. (See attached Schedule A).

Patients who are uninsured for the relevant service and who are ineligible for governmental or other insurance coverage, and who have family incomes in excess of 200%, but not exceeding 500%, of the Federal Poverty Level, will be eligible to receive Financial Assistance in the form of a partial discount of charges. (See attachment Schedule A.)

Homeless Patients will qualify for Charity Care as a result of their "homeless" status. These patients will not be assessed a copay for their care. "Homeless" status may be determined from:

The patient providing proof of residence at a homeless shelter

A "Homeless" diagnosis documented by the physician and coded by Medical Records

Prior "homeless" determination by NCSH

"Homeless" status is determined as a result of skip-tracing of returned mail.

Eligibility Determination

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The determination of Charity Care eligibility and approval of Charity Care is completed prior to rendering services .

Once a patient is identified as uninsured, NCSH personnel shall give the patient the NCSH Charity Care and Financial Assistance Application. The Uninsured Patient must complete the Application for Financial Assistance. Some or all of the following documentation will be required at the time of application:

- Medical Assistance eligibility /denial notice if applicable.
- Income Tax returns for the most recently filed year.
- Proof of income and Adjusted Gross Income such as:
 - Pay stubs from the past six (6) pay periods
 - W-2 withholding statement
 - Social Security checks, receipts or deposits
 - Bank statements – checking and savings
 - Any other documentation that may secure as proof of Charity Care or Financial Assistance eligibility.

The financial resources of a parent or guardian may be considered in determining the eligibility of a patient who is dependent on their parents or guardian for financial support.

Participation

A completed NCSH Charity Care and Financial Assistance Application will be forwarded to the Business Office Manager. When the Application for Charity Care is received, the staff will review and determine (through the use of the Charity Care and Financial Assistance Worksheet) if the application is complete and whether the documentation supports Charity Care or Financial Assistance eligibility.

Charity Care patients will receive 100% discount of the charges (except for personal charges incurred by the patient). The patient will not receive a bill for NCSH charges; however, the patient is responsible for and may receive a bill for other in-hospital services such as additional meals, telephone long distance calls, etc.

Patients extended Financial Assistance in the form of a partial discount must sign a written agreement to pay the amount of the charges remaining after deducting the discount. The Financial Assistance partial discounts are set forth in Schedule A. The patient will receive a bill showing charges, the amount of the discount and the amount due. Physician, Anesthesia Services and other services provided by outside vendors are not covered by this policy and patients seeking discount for such services should be directed to call the physician or outside vendor directly.

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Patients who do not provide the requested information necessary to completely and accurately assess their financial situation and /or who do not cooperate with efforts to secure governmental health care coverage will not be eligible for Charity Care or Financial Assistance. However, in normal circumstances, such cooperation should not be a precondition to the receipt of medically necessary treatment, especially in emergency care.

Applications outside of these guidelines may be approved based upon extraordinary circumstances with the documented approval of the Chief Financial Officer.

Collection of amounts due from patients receiving Financial Assistance shall be handled pursuant to the NCSH Policy on Collections.

Calculation of Financial Liability

NCSH personnel will evaluate the financial liability of an Uninsured Patient based on the Uninsured Patient's household income and family size. Personnel shall use the NCSH Charity Care and Financial Assistance Grid and /or Worksheet (Schedule A) when calculating the Uninsured Patient's financial liability.

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Exceptions

It is recognized that there is a small percentage of the uninsured patient population that has substantial assets and could easily afford to pay for health care services, but who, because of having tax-exempt income or otherwise, will not have income reflected on a tax return. This policy is not intended to apply to this portion of the uninsured population.

Miscellaneous

Confidentiality

Confidentiality of information and preservation of individual dignity will be maintained for all applying for Charity Care. No information obtained in the patient's Application for Charity Care may be released unless the patient gives express permission.

Physician Participation

Physician participation in providing care to charity cases will be strongly encouraged. NCSH will encourage and support staff physicians to provide a certain level of Charity Care for patients that the physician sees at the hospital.

Additional Requestors

Charity Care requests may be submitted by persons other than the patient, such as the patient's family, physician, clergy, social worker or hospital personnel. The patient shall be informed of such a request.

Alternative Handling of Charges

Upon denial of a patient's Charity Care application, hospital administration may consider other alternatives for patient's medical care. Such alternatives may include:

- a reduction in the fees charged
- whole or partial write-off of the patient's account
- reasonable payment terms for the patient
- elimination of interest charged on periodic payment

Lincoln Community Health Center / Project Access of Durham County (PADC)

NCSH will accept the due diligence performed by Lincoln Community Health Center (LCHC) or Project Access of Durham County to qualify patients referred from LCHC and PADC to NCSH for services. The LCHC and PADC will provide to NCSH at time of scheduling each patient's status as it pertains to the federal poverty level sliding scale table used to assess charity care and financial assistance. NCSH will not require additional documentation from LCHC and PADC referred patients to qualify for financial assistance or charity care.

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Related Documents:

[Charity Care and Financial Assistance Application](#)

References:

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