

**HEALTHALLIANCE OF THE HUDSON VALLEY  
POLICY AND /OR PROCEDURE STATEMENT  
PATIENT ACCOUNTING**

TITLE:	<b>Charity Care—Policy and Procedure</b>
EFFECTIVE DATE:	October 1, 2009, January 2011, January 2012, March 2013, December 2013, February 2014, February 2015, July 2015, February 2016, November 2016, February 2017
DATES REVISED:	Full replacement of Policies in existence prior to October 2009 for Mary’s Ave Campus, Broadway Campus and Margaretville Hospital
DATES REVIEWED:	
DISTRIBUTED BY:	Patient Accounting Department
RESPONSIBLE DEPARTMENTS:	Patient Accounting Department, Financial Counseling

**POLICY:** HealthAlliance recognizes the responsibility to provide access to quality health care services meeting the community's needs. Patients who present themselves for emergency or urgent care will not be turned away because of their inability to pay. Charity care (Financial Assistance) will not be made available for non-medically necessary services such as, but not limited to - cosmetic surgery, patient convenience items or elective procedures. The population that this policy will apply to is defined as patients residing in New York State. The determination of eligibility for charity care will be made upon receipt of a completed application from the patient or authorized representative.

“Charity Care” means inpatient and outpatient medically necessary treatment and diagnostic services for uninsured or underinsured patients who cannot afford to pay for the care according to established hospital guidelines. Such treatment is provided by the Hospital with the expectation that total payment may not be received. Charity Care does not include bad debt or contractual allowances / shortfalls from government or other programs. This is in contrast to bad debt which is defined as a patient and/or guarantor who, having the financial resources to pay for health care services, has demonstrated by their actions an unwillingness to resolve a bill. Partial or full charity care will be based solely on ability to pay and will not be abridged on the basis of age, sex, race, creed, disability or national origin.

**PURPOSE:** To establish guidelines for processing and approving Charity Care.

**SCOPE:** The Financial Assistance Policy for HealthAlliance covers bills from the following areas:

Any Hospital Bill from any of the following providers:

**HealthAlliance Mary’s Avenue Campus: 105 Mary’s Avenue, Kingston New York 12401  
845-338-2500**

**HealthAlliance Hospital Broadway Campus: 396 Broadway, Kingston, New York 12401  
845-331-3131**

**Margaretville Hospital: 42084 State Highway Route 28, Margaretville, New York 12401  
845-586-1631**

Any Physician Bill from the following Group Practice:

**Mid-Hudson Physicians: 105 Mary's Avenue, Kingston, New York 12401  
845-338-2500x4246**

Additionally, any bill a patient would receive from seeing any physician in their private office would not be covered under HealthAlliance's Financial Assistance Program. Any bill received by a patient not mentioned specifically as being covered under this policy will be considered non-covered.

#### **PROCEDURE:**

1. Upon obtaining a request for financial assistance from the patient or responsible party, Patient Accounting will give or mail an application for Financial Assistance to the requesting party. The determination of eligibility for charity care will be made upon receipt of a completed application from the patient or authorized representative.
2. Uninsured patient accounts will be reviewed for possible insurance coverage and other self-pay options, such as credit cards and payment plans. After all third-party and personal resources have been exhausted, financial counseling staff will evaluate the patient for Medicaid. If it is determined that a Medicaid application is appropriate, staff will assist in applying for Medicaid.
  - a. If Medicaid denies the application due to the patient not qualifying, the guarantor is responsible for supplying the Financial Counselor with a copy of the Medicaid denial letter.
  - b. Upon receipt of a valid Medicaid denial letter a Charity Care application is required to be completed in a timely manner by the guarantor. The time period allowed for request for aid is up to 120 days post placement with an outside collection agency. In the event of extenuating circumstances identified by the guarantor this maximum application period will be extended by approval of the Assistant Director of Patient Access / Credit or the Director of PFS.
  - c. The guarantor must supply the following pieces of information in addition of the application:
    - i. Proof of Identity (bring at least ONE from the list below)
      1. Passport
      2. Permanent Resident Alien Card (Green Card)
      3. Birth Certificate for all members in the family including children under 21 years old

4. Employment Authorization Card
5. Driver License or other State Issued ID
6. Photo ID for Spouse / Common-Law Partners
- ii. Proof of Address / Residency – Home Address (bring at least TWO from the list below)
  1. Utility Bills
  2. Cell Phone Bills
  3. Cable Television Bill
  4. Rent Receipt, Copy of Lease, or Mortgage Papers
  5. Letter from Person You Reside With or Letter from Landlord (must be notarized)
- iii. Proof of Income (bring at least ONE from the list below)
  1. Last Four Weekly Pay Stubs or Two Biweekly Pay Stubs
  2. Letter from Employer on company letterhead, signed and dated, stating gross income
    - a. If no letterhead, bring a notarized letter from the employer
  3. Award Letter from Social Security Administration / Pension / Annuities
  4. Last Unemployment Benefit Check
  5. Letter of Support
    - a. If you are being wholly supported by someone else, bring a notarized letter from that person which states that they are supporting the patient in the absence of income
  6. If unemployed, explanation of support required
    - a. Please clarify in a letter how the patient is being supported (i.e. bank savings, etc)
  7. Income from Rental of Property, Room, etc.
  8. If applying for a child, please provide Documentation of Child Support Income
  9. VA Benefits or Worker’s Compensation Income
- iv. Other
  1. Proof of School Attendance
3. The Financial Counselor reviews the required information along with the Charity Care application. If the information is false the application will be immediately denied.
4. The Financial Counselor evaluates the information provided in the application in conjunction with Federal Income Poverty Guidelines (FPIG) to determine the write-off percentage. The following guidelines will be used in the following scale:
  - a. Families with incomes at or below 150% of the FPIG guidelines will receive 100% discount
  - b. Families with incomes between 151% of the FPIG guideline and 200% will receive 80% discount from the billed charges
  - c. Families with incomes between 201% and 300% will receive a 50% discount from the billed charges
  - d. Charity Care will not be considered for families with incomes over the 300% threshold

- e. The maximum amount a patient will be responsible for under this policy will not exceed the rate established under the Medicare FFS for the facility, in accordance with Section 501R of the Internal Revenue Code

5. Table showing income limits based on percentage of FPIG  
% of Income

Family Size	HHS Poverty Income \$	% of Income		
		150%	200%	300%
1	12,060.00	18,090.00	24,120.00	36,180.00
2	16,240.00	24,360.00	32,480.00	48,720.00
3	20,420.00	30,630.00	40,840.00	61,260.00
4	24,600.00	36,900.00	49,200.00	73,800.00
5	28,780.00	43,170.00	57,560.00	86,340.00
6	32,960.00	49,440.00	65,920.00	98,880.00
7	37,140.00	55,710.00	74,280.00	111,420.00
8	41,320.00	61,980.00	82,640.00	123,960.00
<b>% of Discount</b>		<b>100%</b>	<b>80%</b>	<b>50%</b>

- a. For Families with more than eight members, add \$4,180 for each additional member
- b. The HealthAlliance of the Hudson Valley Poverty Guidelines are to be updated annually with the basis being the Department of Health and Human Services (HHS) Federal Poverty Guidelines

6. Effective October 1, 2014 HealthAlliance has changed the process of applying Charity Care to the Methadone Program. These patients may be responsible for a weekly payment depending on their income. We have used Methadone’s weekly base rate of \$130 and the FPIG to determine what amount the patient may be responsible for. Below is a table that will be used to determine the discount and payment to be made by the patient

% of POVERTY GUIDELINE	% DISCOUNT GIVEN	METH SELF PAY RATE
100% OR LESS	100%	\$0.00
101-150%	80%	\$26.00
151-250%	50%	\$65.00
251%-300%	25%	\$97.00
OVER 300%	NO DISCOUNT	

- a. All patients’ payment amounts will be evaluated annually against the new FPIG. A new Charity Care application will be required at that time.
- b. If a patient has insurance and feels he/she cannot afford to pay the deductible or copay, they have the option to apply for Charity Care. If approved, the patient would not have to pay more than the amounts listed in the above table.

7. After review and determination, the original application is returned to the Financial Counselor. The Hospital will approve or deny the application within 30 days of receipt of a completed application.
  - a. If approved for Charity Care, the patient will be mailed an approval letter
  - b. If the patient/guarantor qualifies for Charity Care based on the schedule, the patient will be required to pay the outstanding amount
  - c. If denied, a denial letter will be mailed to the patient/guarantor. In his denial letter it will be outlined to the recipient the steps needed to file an appeal. The guarantor will have 30 days to file a written appeal, outlining the reason(s) they believe Charity Care should be extended. This will be reviewed by the Financial Counselor and Director of Patient Accounting for final determination and a decision will be rendered to the patient or guarantor within 30 days of the appeal.
8. Financial Counselors notate all activity in the Hospital system and file the original documents in the Charity file. While the guarantor is in the process of filing for Charity Care an account will not be sent for collections with an outside collection agency, and the patient can disregard the bill until a determination is made on the Charity Care application.
9. Upon approval the Financial Counselor will adjust the account(s) using the appropriate adjustment code
10. Approval for Charity Care does not entitle the patient / guarantor to a refund of any previously made payments
11. Financial Assistance reporting will be conducted in compliance with NYS Department of Health requirements
12. Presumptive Charity Care
  - a. HAHV realizes that certain individuals may not overtly request financial assistance, even if he or she would clearly qualify under the Charity policy. While the accounts for these patient will follow the normal collection process, the Hospital may take the following action:
    - i. Accounts that have been returned from a collection agency as uncollectable bad debt may be reviewed further by the Hospital using external financial and demographic data validation services provided through a nationally recognized third-party service (i.e. Search America). Such service will provide the Hospital with, at a minimum, the individual's estimated percentage of the Federal Poverty Level and family size (obtained through public financial records and demographic data sources)
    - ii. The Hospital will use this presumptive Charity Care data to determine which accounts may be reclassified from bad debt to Charity Care, in accordance with the terms of this policy and the FPL limits outlined above.
    - iii. The documentation sent to the third party service to initiate the background and financial inquiry, as well as all results returned from the third party service, will be maintained in the Patient Accounting Charity Care files.