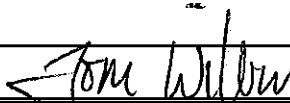


SUBJECT: CHARITY CARE	REFERENCE #
DEPARTMENT: HOSPITALWIDE	PAGE: 1 OF: 6
APPROVED BY: 	EFFECTIVE: 05/15/91
	REVISED: 03/05/09

Reviewed 3/3/2010

Policy: Pend Oreille County Public Hospital District #1 is committed to the provision of health care services to all persons in need of medical attention regardless of ability to pay.

It is the responsibility of the patient to actively participate in the financial screening process and in providing requested information on a timely basis, including without limitations providing the hospital with information concerning actual or potentially available health benefits coverage (including available COBRA coverage), financial status (i.e. income, assets) and any other information that is necessary for the hospital to make a determination regarding the patient's financial and insured status. In addition, if the hospital reasonably determines that COBRA coverage is available to the patient, the patient shall provide the hospital with information necessary to determine the monthly premium due for said coverage and identify the patient's needed financial assistance from the hospital to make any such premium payments. The CFO will be required to sign for all approved COBRA payment by Pend Oreille County Public Hospital District. If the hospital reasonably determines a patient would qualify for state Medicaid assistance and needs assistance with obtaining a certified birth certificate for the purpose of filing for state coverage, the hospital will assist with this cost. The CFO will be required to sign for approval to provide funding to obtain a certified birth certificate for the purpose of obtaining medical coverage.

Procedure: In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of charity care, consistent with the requirements of WAC 265-453, are established. These criteria will assist staff in making consistent and objective decisions regarding eligibility for charity care while ensuring the maintenance of a sound financial base.

SUBJECT: CHARITY CARE	REFERENCE #
	PAGE: 2 OF: 6
DEPARTMENT: HOSPITALWIDE	EFFECTIVE: 05/15/91
APPROVED BY:	REVISED: 03/05/09

I. Communications to the Public:

Hospitals charity care policy shall be made publicly available through the following elements:

- A. A notice advising patients the hospital provides charity care shall be posted in key areas of the hospital, including Admissions, Emergency Department and Patient Financial Services.
- B. Written information about the hospital's Charity Care Policy shall be made available to any person who requests the information, either by mail, by telephone, or in person. The hospital's sliding fee schedule, if applicable, shall also be made available upon request.

Train front-line staff to provide a Notice of Availability for Charity to any person who indicates financial hardship, and to direct them to the appropriate department in a timely manner.

II Description of Eligibility Criteria

Charity care is generally secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g., auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services.

In those situations where appropriate primary payment sources are not available, patients shall be considered for charity care under this hospital policy based on the following criteria as calculated for the 12 months prior to the date of service.

- A. The full amount of hospital charges that are not covered by public or private sponsorship will be determined to be charity care for any patient whose gross family income is at or below 100% of the current federal poverty guidelines (consistent with WAC 264-453).
- B. The following sliding fee schedule shall be used to determine the amount which shall be written off for patients with incomes between 101% and 200% of the current poverty level:

SUBJECT: CHARITY CARE	REFERENCE #
DEPARTMENT: HOSPITALWIDE	PAGE: 3 OF: 6
APPROVED BY:	EFFECTIVE: 5/15/91 REVISED: 03/05/09

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	% DISCOUNT
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101% - 133%	75%
134% - 166%	50%
167% - 200%	25%
Over 200%	Not eligible

- C. Available assets may be used to determine eligibility for charity care if family income is greater than 100% of the federal poverty guideline.
- D. Catastrophic Charity: The hospital may write off as charity care amounts for patients with family income in excess of 200 percent of the federal poverty level when circumstances indicate severe financial hardship or personal loss.
- E. In order to comply with the "Washington Hospital voluntary Effort on Billing to the Uninsured", the additional procedures will be followed (Uninsured means no third party insurance. Health Savings Accounts are considered insurance.):

Notification (applies to all patients):

- All hospitals will provide a written notice to all patients informing them about the availability of financial assistance.

Collection practices (applies to all patients):

- All hospitals will have their governing board or commissioners receive and review an annual summary report on collection actions taken.
- All hospitals have a written policy as to when and under whose authority an account is sent to collections.
- All hospitals have a written policy as to when a lien is placed on a primary residence.

SUBJECT: CHARITY CARE	REFERENCE #
DEPARTMENT: HOSPITALWIDE	PAGE: 4 OF: 6
APPROVED BY:	EFFECTIVE: 05/15/91 REVISED: 03/05/09

Discounts (applies to the uninsured for medically necessary inpatient and outpatient services):

- No uninsured patient with income under 100 percent of the federal poverty level is required to pay for care. Income for those under 100 percent of poverty includes both earned and unearned income, but excludes assets. This is consistent with eh policies as described in A. above.
- No uninsured patient with income under 200 percent of the federal poverty level is required to pay more than the estimated cost of their care. Cost of care is defined as the charge times the Hospital's average cost-to-charge ratio. The cost-to-charge ratio is based on the previous year's Year End Report as filed with the Washington State Department of Health. Individual patients will be charged the lower of this amount or the amount calculated in item B. above.
- No uninsured patient with income under 300 percent of the federal poverty level will be required to pay more than 130 percent of the estimated cost of their care. Cost of care is defined as the charge times the Hospital's average cost-to-charge ratio. The cost-to charge ratio is based on the previous year's Year End Report as filed with the Washington State Department of Health.

III Process for Eligibility Determination- Identification of Potential Charity Care Patients:

A. Initial Determination:

1. The hospital shall use an application process for determining eligibility for charity care. Requests to provide charity care will be accepted from sources such as: physicians; community or religious groups; social services; financial services; personnel; and patient, provided that any further use or disclosure of the information contained in the request shall be subject to the Health Insurance Portability and Accountability Act Privacy Regulations and the hospital's Privacy policies.
2. The initial determination of eligibility for charity care shall be completed at the time of admission or as soon as possible following initiation of services to the patient. The hospital will allow a patient to apply for charity care at any point from pre-admission to final payment of the bill, recognizing that a patient's

SUBJECT: CHARITY CARE	REFERENCE #
DEPARTMENT: HOSPITALWIDE	PAGE: 5 OF: 6
APPROVED BY:	EFFECTIVE: 05/15/91 REVISED: 03/05/09

ability to pay over an extended period may be substantially altered due to illness of financial hardship, resulting in a need for charity services. If the change in financial status is temporary, the organization can choose to suspend payments temporarily rather than initiate charity care.

3. Pending final eligibility determination, the hospital will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with the hospital's efforts to reach a final determination of sponsorship status.

B. Final Determination:

1. The hospital shall use an application process for determining initial interest in and qualification for charity care. Should patients not choose to apply for charity care, they shall not be considered for charity care unless other circumstances or intent become known to the hospital. Patients will be asked to provide verification of ineligibility for Medicaid or medical Assistance. During the initial request period, the hospital may pursue other sources of funding, including Medicaid.
2. Charity care forms, instructions and written application shall be furnished to patients when charity care is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or the hospital should be accompanied by documentation to verify income amounts indicated on the application form. One or more of the following types of documentation may be acceptable for purposes of verifying income:
 - a) W-2 Withholding statements for all employment during the relevant time period;
 - b) Pay stubs from all employment during the relevant time period;
 - c) An income tax return from the most recently-filed calendar year;
 - d) Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance.
 - e) Forms approving or denying unemployment compensation; or
 - f) Written statements from employers or welfare agencies.

Income Basis: Income shall be annualized from the date of service based upon documentation provided and upon verbal information

SUBJECT: CHARITY CARE	REFERENCE #
	PAGE: 6 OF: 6
DEPARTMENT: HOSPITALWIDE	EFFECTIVE: 05/15/91
APPROVED BY:	REVISED: 03/05/09

provided and upon verbal information provided by the patient. The annualization process will be determined by the hospital and will take into consideration seasonal employment and temporary increases and/or decreases of income.

Prima Fascia Write-Offs: Hospital Administration may choose to grant charity care based solely on the initial determination. In such cases, the hospital will not complete full verification or documentation of any request.

- 3 Time Frame for Final Determination and Appeals: The hospital shall provide final determination within fourteen (14) days of receipt of all application and documentation material.
4. Denials: Denials will be written and include instructions for appeal or reconsideration as follows: The patient/guarantor may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the Patient Accounts Manager within fourteen (14) days of receipt of notification. All appeals will be reviewed by the Assistant Administrator. If this determination affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

IV DOCUMENTATION & RECORDS

- A Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.
- B. Retention: Documents pertaining to charity care shall be retained for 5 years.



 Thomas W Wilbur, Administrator

Effective: 05/15/1991
 Revised: 04/09/2001
 Revised: 12/01/2005
 Revised: 03/05/2009
 Reviewed: 3/2010