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Reference #: C-ACCT-17-07
Original Date: 09/01/01

SUBJECT:	INDIGENT AND CHARITY CARE POLICY
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PURPOSE: The Charity Program has been established to provide financial relief to those who are unable to meet their financial obligations to Houston Healthcare.

RESPONSIBILITY: Enforcement of this policy shall be vested in the Chief Financial Officer in conjunction with the Business Office Manager

PROCEDURE: The Hospital Authority of Houston County shall approve Acceptable income levels and deduction percentages. Approval to deduct Indigent and Charity Care from revenue shall be granted by the Hospital Authority in the same manner as Bad Debt deductions. No further collection activity will be made on the amounts approved for write-off. We will have one level of Indigent and four levels of Charity Care.

A. Indigent – 100% write-off

We will use the Georgia Department of Community Health Annual guidelines which are household incomes less than 125% of the Federal Poverty levels. Indigent is free care for the portion of the bill that is the self-pay balance/responsibility. Indigent is classified as an uncollectible category of Bad Debt.

B. Level 1 – Charity Care – 100% write-off

We will use a scale of 125-200% of the annual Federal Poverty levels. 100% of the self-pay balance will be adjusted off as a Charity Care reduction/adjustment. For Level 1 the patient responsibility will be written/adjusted off as free care.

C. Level 2 – Charity Care – 100% write-off

We will use a scale of 201-225% of the annual Federal Poverty levels. 100% of the self-pay balance will be adjusted off as a Charity Care reduction/adjustment. For Level 2 the patient responsibility will be free care.

D. Level 3 – Charity Care – Sliding Scale write-off

We will use a scale of 226-300% of the annual Federal Poverty levels. The write-off amount of the self-pay balance will be adjusted off as a Charity Care reduction/adjustment. For Level 3 the patient responsibility will be based on the following sliding scale.

Sliding Scale: 226% - 250%: 70% write-off; patient pays 30%
 251% - 275%: 60% write-off; patient pays 40%
 276% - 300%: 50% write-off; patient pays 50%

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E. Level 4 – Catastrophic – Medically Indigent

1. For those patients not receiving 100% free care and incurring large hospital bills that would create significant financial hardship, the following provisions would apply.
 - a. The patient responsibility of the hospital bill must exceed 25% of the gross household income.
 - b. The patient responsibility of the hospital bill will be reduced to 10% of the gross household income.

F. Eligibility – patient eligibility will be based on the following Information:

1. A completed financial application by the patient/guarantor. It should be signed and dated. It includes the following information:
 - a. Household income from all sources.
 - b. Resources from savings and checking accounts, certificates of deposit, stocks, bonds, real estate, etc.
 - c. Total number of dependents, including name and age of each person living in the household.
2. Incomplete applications will not be considered.

G. Required Verifications:

1. Verification for Indigent and Charity Care
 - a. Proof of household income for the prior month or 4 weeks.
 - b. We can accept a copy of the food stamp determination that shows monthly income and number in household as proof of income in place of check stubs, etc.
 - c. A copy of the most recent year's tax return – Optional
 - d. Proof of current balance in Checking and Savings Accounts – Optional

H. Resources

1. The liquid assets of the applicant may not exceed \$5000. The exceptions will be reviewed on a case-by-case basis. Approval can still be made depending on the case circumstances.
2. These resources include cash, monies in checking and savings or credit union accounts and savings bonds. Non-liquid assets of all family members of the

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family unit will be taken into consideration. These may include trust funds, company stocks and bonds and property other than the home place. Cash burial funds will be considered as income unless they have a burial contract for said amount of monies.

I. Certification Process


1. Eligibility for the Indigent/Charity Care Program will be determined by the Business Office Manager, the Assistant Business Office Managers and other designated Patient Account Coordinators.
2. The determination will be based on the review and verification of application and appropriate accompanying data.
3. The determination will be made by the end of the month in which the completed application is received.
4. If the patient/guarantor qualifies for 100% charity, he/she will be notified by mail and the account balance will be written/adjusted off per procedures.
5. If the patient/guarantor qualifies for a reduction in liability, he/she will be notified by mail. He will also be contacted by phone to make payment arrangements for the non-write-off amount.
6. Falsification of application or refusal to cooperate will result in denial of Indigent/Charity Care benefits.
7. Houston Healthcare reserves the right to change benefit determination if financial circumstances have changed.

J. Eligibility Period

1. The month an applicant is approved, all outstanding bills are included. The application and approval is good for six months. After that the application on file must be updated and current verification provided.

K. HCCG (Healthcare of Central Georgia) referrals

1. Patients approved for HCCG program and referred to our facility for services are entitled to 100% write-off.
2. HCCG income guidelines are 235% of federal poverty levels.
3. HCCG provides Houston Healthcare with the patient's financial information. There are not separate applications.
4. Patients in financial category over standard Indigent income levels will be 100% Charity Care reduction.

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L. Houston County Volunteer Medical Clinic (HCVMC) Referrals

1. Patients approved for the HCVMC and referred to our facility for services are entitled to 100% write-off.
2. HCVMC Income guidelines are 200% of the federal poverty level.
3. HCVMC provides Houston Healthcare with the patient's financial information. There are not separate applications.
4. Patients in financial category over Standard Indigent Income levels will be 100% Charity Care write-off.

M. Mammography Services for Client Accounts

1. Houston Healthcare has three client accounts that are offered mammography services for the Medicaid rate. They are Komen Grant, Mammogram Program and the Breast Tag Program. The balance after payment on these accounts will be considered 100% Charity Care write-off.

APPROVAL: Powell, Frank (CFO); Rainey, Patricia (Manager)