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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 Houston Hospitals, Inc. Board shall approve acceptable income levels and deduction percentages. 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. Income and Required Verifications for Indigent and Charity Care

1. Proof of household income for the prior 3 months or 13 weeks.
 - a. Use either the average monthly income for the previous 3 months or for the previous year, whichever is more favorable to the applicant. (ICTF Guidelines)
 - b. For self-employed individuals, the amount of income to be counted is gross income minus work expenses directly related to producing the goods and services and without which the goods or services could not be produced. (ICTF Guidelines)
 - c. For money received that may be considered as a non-recurring lump sum (insurance settlements, accumulated back RSDI payments, etc.) consider the gross amount received as income in the month received. (ICTF Guidelines)
 - d. Temporary Assistance Needy Families (TANF) or Social Security Insurance (SSI) income received by any family member should be excluded. (ICTF Guidelines)
 - e. Do not count income from any person who is not financially responsible

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for the patient. For example, do not count income from one sibling as available to another sibling for purposes of paying medical bills. Likewise, do not count income from any child (minor or adult) in considering eligibility under the ICTF for the child's parent.

2. 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.
3. A copy of the most recent year's tax return - Optional.
4. The applicant's statement of zero income may be accepted.
5. Proof of current balance in Checking and Savings Accounts – Copies of Prior 2 months Bank statements – 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 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 Billing Supervisors, Assistant Business Office Manager and the Business Office Manager. All review requests of Denials are referred to the Business Office Manager and the Assistant Business Office Manager in her absence.
2. The determination will be based on the review and verification of application and appropriate accompanying data.
3. The determination will be made within five (5) working days after 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.

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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

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.

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

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.

N. Deceased Patients

All deceased patients are considered 100% Charity Care write-off. We do not require proof of income. Death certificates are required unless the patient expires at our facility. In the comment section on the account, reference the account number for the visit when the patient died.

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- O. Closed Agency Accounts – Prisoners at long term Institutions and Mental Health Patients at long term Institutions.

The accounts will be notated and left in regular Bad Debt status. We will do a 100% Charity Care write-off of the account balance.

- P. Bankruptcy Accounts – IB Status

Once accounts are proved to be Bankrupt based on the Notice of Bankruptcy we receive from the Trustee of the Bankruptcy Court, the accounts are considered to be 100% Charity Care. We will not adjust the balances off with the Charity Care adjustment code, because the IB status is mapped to the GL Charity Care Account.

- Q. Medicare Patients with Secondary Medicaid Coverage

Non-covered charges that are patient liability, such as Self Administered Oral Drugs, will be put in to Indigent status. This is based on the fact the patient is Medicaid eligible.

- R. Medicaid Patients

Patients that are eligible for Out of State Medicaid programs that we are not enrolled with will be considered 100% Charity Care.

Medicaid self-pay balances for co-pays and spend-down amounts will be put in to Indigent status based on Medicaid eligibility.

Medicaid EMA patient accounts not related to the Emergency diagnosis or considered Non-emergency after DCH review will be considered regular Indigent based on EMA eligibility. This will also include any related outstanding Out-Patient accounts since OP visits do not qualify for EMA.

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