

Overlake Hospital Medical Center

Charity Care/Financial Assistance Policy

Effective Jan. 1, 2018

Purpose

Overlake Hospital Medical Center (OHMC) and Overlake Medical Clinics (OMC) are committed to the provision of medically necessary health care services to all persons in need of such services regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of Charity Care/Financial Assistance, consistent with the requirements of the Washington Administrative Code, Chapter 246-453, are established.

Communication to the Public

OHMC AND OMC's Charity Care/Financial Assistance policy shall be made publicly available through the following elements:

- A. A notice advising patients that OHMC AND OMC provides Charity Care/Financial Assistance shall be displayed in key areas of the hospital and clinics, including Admitting locations, the Emergency Department and the OMC Urgent Care Centers. A copy of the policy will also reside on the Overlakehospital.org website.
- B. OHMC AND OMC will concurrently make available a written notice indicating the policy to patients at the time of service in the form of a flyer. This written information shall also be verbally explained at this time. If for some reason, for example in an emergency situation, the patient is not notified of the existence of Charity Care/Financial Assistance before receiving treatment; he/she shall be notified as soon as possible thereafter.
- C. Both the written information and the verbal explanation shall be available in any language spoken by more than 1000 people in OHMC AND OMC's primary service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the written information and/or explanation.
- D. OHMC AND OMC shall train front-line staff to answer Charity Care/Financial Assistance questions effectively or direct such inquiries to the appropriate department in a timely manner.
- E. Written information about OHMC AND OMC's Charity Care/Financial Assistance Policy shall be made available to any person who requests the information, either by mail, electronically, telephone or in person.

Eligibility Criteria

Charity Care/Financial Assistance is secondary to all other financial resources available to the patient, including but not limited to group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services. The medically indigent patient will be granted Charity Care/Financial Assistance regardless of race, national origin, or immigration status.

In those situations where appropriate primary payment sources are not available or for balances after payments from other sources, patients shall be considered for Charity Care/Financial Assistance under OHMC AND OMC's policy based on the following criteria:

- A. To meet the requirements of WAC 246-453-040 and WAC 246-453-050, and IRS 501R requirements, OHMC AND OMC has adopted the following model:
1. The full amount of OHMC AND OMC's charges will be determined to be Charity Care/Financial Assistance for a patient where their gross family income is at or below 200% of the current federal poverty level.
 2. The following sliding fee schedule shall be used to determine the amount that shall be written off for patients with incomes between 201% and 400% of the current federal poverty level.. Family is defined as a group of two or more persons related by birth, marriage, or adoption that live together; all such related persons are considered as members of one family.
 3. The amount an individual is personally responsible for paying after all discounts, deductions, and reimbursements are applied (including those from insurance and the hospital facility's financial assistance policy shall not be more than the amounts generally billed to individuals who have insurance covering such care ("AGB"). OHMC and OMC have elected to use the 12 month lookback method based on a blend of Medicare fee-for-service claims and private health insurers that pay claims to the hospital to determine the AGB.
 4. The responsible party's financial obligation remaining after the application of any sliding fee schedule shall be payable in monthly installments over a reasonable period of time, in accordance with the Self Pay Follow Up Policy. The responsible party's account shall not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account, and there is no satisfactory contact with the patient.
- Note: Income is defined as total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities [Is investment income on the charity application? If not, should this come out?] paid to the individual.

Charity/Financial Assistance Percentage Discount

% of FPL	Patient Liability Amount Discount Percentage (%)					
	\$0-\$2,500	\$2,501-\$5,000	\$5,001-\$10,000	\$10,001-\$25,000	\$25,001-\$50,000	\$50,001 and up
0-200%	100%	100%	100%	100%	100%	100%
201-300%	85%	90%	95%	96%	97%	Note A
301-400%	65%	70%	75%	80%	85%	Note B

Note A: 98% charity/financial assistance applied to first \$100,000 of charges. 100% charity applied to any amounts in excess of \$100,000

Note B: 90% charity/financial assistance applied to first \$100,000 of charges. 100% charity applied to any amounts in excess of \$100,000

- B. For accounts where we have enough information to accurately assess income levels, OHMC and OMC will determine if a patient falls below 200% of the federal poverty limits. If so, we will have the accounts scanned for possible DSHS coverage and will presumptively write off the outstanding balances to Financial Assistance for those accounts that do not meet DSHS requirements.
- C. OHMC AND OMC may offer Catastrophic Charity, which means OHMC AND OMC may write off as Charity Care/Financial Assistance amounts for patients with family income in excess of 200% of the federal poverty level when circumstances indicate severe financial hardship or personal loss that goes beyond the Charity Care/Financial Assistance discount as outlined above. In these cases, patients should submit a written request for a further review along with the details of the catastrophic situation. The decision to grant Catastrophic Charity and the amount to be written off shall lie with OHMC AND OMC's Pricing Committee in accordance with other existing policies regarding the approval for authority to purchase/spend OHMC AND OMC's financial resources.
- D. OHMC AND OMCs provision of Charity Care/Financial Assistance is for the benefit of the community served by OHMC AND OMC and, as such, patients who are not residents of Washington State will be eligible for Charity Care/Financial Assistance only for services provided within the Emergency Department or as a result of a direct admission from the Emergency Department. In addition, the services must be determined to be a medical emergency by an OHMC AND OMC Emergency Department physician.
- E. Exceptions to the Washington state residency requirement shall also include refugees, asylees, and those seeking asylum that possess and can present INS documentation.
- F. Eligibility on a completed application is valid for services received within the subsequent 180 days from application approval date.

Process for Eligibility Determination

- A. Initial Determination:
 - 1. OHMC AND OMC shall use an application process for determining eligibility for Charity Care/Financial Assistance. Requests to provide Charity Care/Financial Assistance will be accepted from sources such as physicians, community/religious groups, social services, financial services staff, patient's family, and the patient.
 - 2. During the patient registration process, or at any time after the patient has been notified of the existence and availability of Charity Care/Financial Assistance, OHMC AND OMC will make an initial determination of eligibility based on verbal or written application for Charity Care/Financial Assistance.
 - 3. Pending final eligibility determination, OHMC AND OMC will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with OHMC AND OMC's efforts to reach a final determination of uncompensated care status.
 - 4. If OHMC AND OMC becomes aware of factors which might qualify the patient for Charity Care/Financial Assistance under this policy, it shall advise the patient of this potential and make an initial determination that such account is to be treated as Charity Care/Financial Assistance.
 - 5. Determination of coverage will be dependent upon financial need at the time services were rendered.

B. Final Determination:

1. Prima Facia Write-Offs. In the event that the responsible party's identification as an indigent person is obvious to hospital personnel, and the hospital can establish that the applicant's income is clearly within the range of eligibility, OHMC AND OMC may grant Charity Care/Financial Assistance solely on this initial determination. This same criteria holds true for deceased patients where OHMC AND OMC cannot identify a spouse, estate or other assets. In these cases, OHMC AND OMC is not required to complete full verification or documentation, per WAC 246-453-030 (3).
2. Charity Care/Financial Assistance forms, instructions, and written applications shall be furnished to patients when Charity Care/Financial Assistance is requested, when need is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or OHMC AND OMC, should be accompanied by documentation to verify income amounts indicated on the application form.
 - a. Applications for Charity Care/Financial Assistance will require a completed application and any one of the following documents
 1. W-2 withholding statements;
 2. the 3 most current pay stubs;
 3. an income tax return from the most recently filed calendar year;
 4. forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;
 5. forms approving or denying unemployment compensation;
 6. written statements from employers or welfare agencies; or
 7. letters of support from family members who are providing living expenses to applicant.
 - b. Balances above \$15,000 will be reviewed for potential Presumptive Charity based on the Healthcare Credit report for the patient.
3. During the initial request period, the patient and OHMC AND OMC may pursue other sources of funding, including Medical Assistance Administration and Medicare. OHMC and OMC may not require that a patient applying for a determination of indigent status seek bank or other loan source funding.
4. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.
5. In the event that the responsible party is not able to provide any of the documentation described above, OHMC AND OMC shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person. (WAC 246-453-030 (4)).

- C. OHMC and OMC will allow a patient to apply for Charity Care/Financial Assistance at any point from pre-admission recognizing that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in the need for charity services. If the change in financial status is temporary, OHMC AND OMC may choose to suspend payments temporarily rather than initiate Charity Care/Financial Assistance.

D. External Providers

Overlake Imaging Associates, Puget Sound Physicians, and Group Health Physicians accept Overlake Hospital's Uncompensated Care Determinations and will adjust patient balances according to the Percentage Discount applicable to their charge amounts. Other non-employed medical providers

associated with providing services at OHMC may accept charity determinations but are not obligated to do so.

E. Time Frame for Final Determination and Appeals.

1. Each Charity Care/Financial Assistance applicant who has been initially determined eligible for Charity Care/Financial Assistance shall be provided with at least (30) calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her Charity Care/Financial Assistance application prior to receiving a final determination of uncompensated care status.
2. OHMC AND OMC shall notify the applicant of its final determination within fourteen (14) days of receipt of all application and documentation material.
3. The patient/guarantor may appeal the determination of eligibility for Charity Care/Financial Assistance by providing additional verification of income or family size to the Director of Revenue Cycle within thirty (30) days of receipt of notification
 - a. First level of appeal consists of a housing adjustment to income.
 - b. Second level of appeal will be handled at the discretion of the OHMC Pricing Committee.
 - c. The timing of reaching a final determination of Charity Care/Financial Assistance status shall have no bearing on the identification of Charity Care/Financial Assistance deductions from revenue as distinct from bad debts, in accordance with WAC 246-453-020 (10).
 - d. All collection activity shall cease pending outcome of the appeal determination.

F. If the patient has paid some or all of the bill for medical services and is later found to have been eligible for Charity Care/Financial Assistance at the time the payment was made, he/she shall be reimbursed for any amounts in excess of what is determined to be owed within 30 days of that determination.

G. Adequate notice of denial:

1. When a patient's application for Charity Care/Financial Assistance is denied, the patient shall receive a written notice of denial which includes:
 - a. The reason(s) for the denial and the rules to support OHMC AND OMC's decision;
 - b. The date of the decision; and
 - c. Instructions for appeal or reconsideration.
2. When the applicant does not provide requested information and there is not enough information available for OHMC AND OMC to determine eligibility, the denial notice also includes:
 - a. A description of the information that was requested and not provided, including the date the information was requested;
 - b. A statement that eligibility for Charity Care/Financial Assistance cannot be established based on information available to OHMC AND OMC; and
 - c. That eligibility will be determined if, within thirty days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.
3. The Pricing Committee will review all second level appeals. If this review affirms the previous denial for Charity Care/Financial Assistance, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

Approval Process

Once a determination of eligibility and amount is made, the application and accompanying information shall be reviewed sequentially by the appropriate persons as noted below

- Patient financial services manager/supervisor Up to \$10,000
- Director revenue cycle Up to \$100,000
- Vice president finance Over \$100,000

Documentation and 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. Documents pertaining to the charity case shall be retained according to the retention policy.