

**Policy Title: Financial Assistance/Charity Care**

**Policy #:**

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**Approved:**

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**Last Reviewed:**



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**POLICY:**

**It is the policy of Coulee Medical Center to provide quality healthcare to all patients regardless of age, sex, race, religion, disability, veteran status, national origin and/or ability to pay. The Coulee Medical Center's Financial Assistance/Charity Care program is established to assist patients and guarantors using the guidelines set forth in this policy and in conjunction with the most current publication of the Federal Poverty Guidelines, to manage and resolve the payment of their healthcare debt at CMC when they do not have the ability to pay.**

**PURPOSE:**

Coulee Medical Center (CMC) is dedicated to providing quality healthcare to all patients regardless of age, sex, race, religion, disability, veteran status, national origin and/or ability to pay. CMC makes every effort to complete a financial evaluation at the earliest possible point in the registration/accounting process for all patients indicating an inability to meet their financial obligation. Coulee Medical Center works with eligible patients and families to secure government assistance or charity programs for hospital services. If patients and their families are not eligible for government assistance, CMC may be able to offer financial assistance in the form of prompt pay discounts if the patient has no insurance, and payment plans based on the CMC Payment Policy, and consideration for Financial Assistance/Charity Care Write-Offs based on the submission of all requested documentation by the patient or guarantor, and the approval of the Financial Counselor, Chief Financial Officer or designee.

The Financial Assistance Program is available to all patients who reside in the state of Washington at the time of service and do not have health insurance or have patient pay responsibility after all insurance claims have been adjudicated that they are unable to pay. Families are required to use all other resources available to them before financial assistance will be considered. This includes the expectation that families will apply to their county's local Department of Human Services for Medicaid Assistance. Patients must follow through on State and County assistance programs and receive a denial and provide all documentation requested as part of the financial assistance application process in order to be considered for financial assistance. This policy applies to the Covered Services CMC provides our patients, either through governmental sources, commercial insurance or for patients who are self-pay. It is intended to apply only to the portion of charges for which the patient has personal responsibility, e.g. self-pay portion, co-insurance, deductibles, co pays, etc. after insurance. This policy does not apply to charges for services from other providers

whose services are coincident to those provided by CMC, e.g., surgeons, specialty physicians, etc.

### **Definitions/Terms:**

#### **A. Medicaid**

1. The use of the term "Medicaid" throughout this document will refer to all State and Federal Programs offered through Washington Medicaid.

**B. Eligibility** for partial or full financial assistance will be based on the completion of the application, the provision of all documentation requested to establish the amount of medical debt and the patient or guarantor's ability to meet the financial obligation for the claim in question based on income and assets using most current publication of the Federal Poverty Guidelines.

C. Upon approval for eligibility, Financial Assistance/Charity Care **write-offs** will be processed promptly in accordance with procedures, state statutes and regulations.

#### **Services will be eligible for write-off are:**

Partial or full Financial Assistance/Charity Care adjustments based on the patient's application and provision of all requested documentation and the recommendations and approval of the Chief Financial Officer or designee.

D. Patients who are able, but unwilling, to pay for hospital services are considered uncollectible bad debts and will be referred to outside agencies for collection.

E. Financial Assistance Program write-offs will be granted subject to the approval of the Chief Financial Officer/or designee.

F. The CFO or designee will be responsible to monitor the appropriateness of the Financial Assistance Program, the charges, patient days, and allowances.

G. A patient who fails to fully cooperate with the Medicaid eligibility process will not be eligible for CMC Financial Assistance Program.

H. Excluded Applicants:

- If the CMC charges are a direct result of the patient or guarantor violating the law and who has also received a conviction for the crime

### **Procedure/Intervention(s)**

A. Document eligibility for Financial Assistance Program.

1. Patient and their guarantors are expected to apply to Washington Medicaid as part of the CMC Financial Assistance/Charity Care Program. CMC Financial Assistance/Charity Care is available to Patients with no insurance or insufficient coverage, who cannot pay in full at time of service and/or at the time the self-pay portion of the patient services is established, and are unable to make payments in accord with the CMC Payment Policy

2. CMC has the right to request all of the following documents:

Any one of the following documents shall be considered sufficient.

- W-2 withholding statement
- Last three Pay stubs
- Income tax return from most current calendar year
- Forms approving or denying eligibility for Medicaid
- Forms approving or denying unemployment compensation or
- Written statements from employers or welfare agencies
- Completed CMC Financial Assistance/Charity Care application

(1) In the event that the responsible party is not able to provide any of the documentation described above, CMC will rely upon written and sign statements from the responsible party for making a final determination of eligibility for classification as an indigent person.

(2) In the event that the responsible party is not able to provide any of the above documents CMC shall rely upon written and signed statements from the responsible party for making a final determination of eligibility.

3. Use the most current publication of the Federal Poverty Guidelines as a source to determine eligibility for Financial Assistance Program for each year as published by DHHS. Net worth (income plus assets, minus medical debt) will be factors considered where reviewing Financial Assistance/Charity Care applications and determination for full or partial charity care will be based on the most recent Federal Poverty Guidelines up to 200%.
4. Provide patient and /or the family with guidance through this process.
5. Write-off the approved amounts for the included patient accounts using the appropriate general ledger account number when it is determined that the write-off is appropriate. A monthly allowance for Financial Assistance Program is also calculated to properly reserve accounts receivable.
6. The appropriate Financial Assistance Program funding will be reversed if patient becomes eligible for any third-party funding source.
7. Financial assistance is approved for a period of 1 year from the date of the completed and signed application. Should a patient's inability to pay and/or financial circumstances change after a year from the date of their approved application, the patient or guarantor will be required to complete a new application for financial assistance and supply updated financial documentation to be re-considered for additional financial assistance.

**PROCESS:**

1. Patient or guarantor is informed of/or requests information about the CMC Payment Policy and the Financial Assistance/Charity Care Program
2. Patient submits signed and completed application with all required documentation within 30 days of the signed application

3. Business Office Staff completes work sheets and attaches supporting documentation relevant to each work sheet for INCOME, SELF, LIQUID AND TANGIBLE ASSETS, SELF EMPLOYMENT INCOME & EXPENSES, MEDICAL EXPENSES. Should the application be missing or in need of additional required documentation, a Business Office Staff person will send an inquiry to the patient and allow 15 additional days for response.  
Applications that are incomplete greater than 45 days for the date the Application was signed become denied and the patient is notified. Patients may reapply when they have all the required documentation.
4. Completed application, work sheets and documentation is submitted to the Chief Financial Officer or designee for review and approval. Incomplete applications or applications that require additional documentation will be turned back to the Business Office Staff Member to follow-up with the patient.
5. Within 14 days of receipt of the application and related documentation and recommendations for charity care from the Revenue Cycle Director, the Chief Financial Officer will review and approve or deny the application listing all reasons for denial, and return application to the Financial Counselor to notify the patient of the determination and process any associated Charity Care Adjustments. Included in the notice are their appeal rights. The patient has thirty calendar days to appeal the decision no collection efforts will be made during this time.
6. The patients or guarantors who receive partial Financial Assistance/Charity Care or are denied Financial Assistance/Charity Care are contacted by a Business Office Staff Member to set up payment arrangements consistent with the CMC Payment Policy. In the event that a responsible party pays a portion or all of the charges related to the appropriated hospital-based medical care services, and is found to have met the charity care criteria at the time that services were provided, any payments in the excess of the amount determined to be appropriate shall be refunded to the patient within thirty days of determination.
7. Charity Care awards are in effect for one year from the date of the patient application. In circumstances where the financial assistance need is on-going, After a year, the patient or guarantor must reapply.

#### **REFERENCES:**

The current federal poverty guidelines can be found at:  
<http://aspe.hhs.gov/poverty/11poverty.shtml>

Washington's charity care law was established in 1989. The law can be found in the Revised Code of Washington, Chapter 70 Section 170:  
<http://apps.leg.wa.gov/RCW/default.aspx?cite=70.170>

The rules implementing the law can be found in the Washington Administrative Code at Chapter 246, Section 453: <http://apps.leg.wa.gov/WAC/default.aspx?cite=246-453>

The Washington State Department of Health does an annual report on charity care. The latest annual report can be found at:<http://www.doh.wa.gov/EHSPHL/hospdata/CharityCare/Default.htm>

Washington's charity care law is administered by the Washington State Department of Health. If you have questions about the law, you can contact Randy Huyck at the Department of Health at 360-236-4210 or [Randall.Huyck@DOH.WA.GOV](mailto:Randall.Huyck@DOH.WA.GOV)

Sliding Scale:

Coulee Medical Center 2018 Sliding scale

Size of family unit	100 percent of poverty	110 percent of poverty	120 percent of poverty	130 percent of poverty	140 percent of poverty	150 percent of poverty	160 percent of poverty	170 percent of poverty	180 percent of poverty	190 percent of poverty	200 percent of poverty
1	\$12,140	\$13,354	\$14,568	\$15,782	\$16,996	\$18,210	\$19,424	\$20,638	\$21,852	\$23,066	\$24,280
2	\$16,460	\$18,106	\$19,752	\$21,398	\$23,044	\$24,690	\$26,336	\$27,982	\$29,628	\$31,274	\$32,920
3	\$20,780	\$22,858	\$24,936	\$27,014	\$29,092	\$31,170	\$33,248	\$35,326	\$37,404	\$39,482	\$41,560
4	\$25,100	\$27,610	\$30,120	\$32,630	\$35,140	\$37,650	\$40,160	\$42,670	\$45,180	\$47,690	\$50,200
5	\$29,420	\$32,362	\$35,304	\$38,246	\$41,188	\$44,130	\$47,072	\$50,014	\$52,956	\$55,898	\$58,840
6	\$33,750	\$37,125	\$40,500	\$43,875	\$47,250	\$50,625	\$54,000	\$57,375	\$60,750	\$64,125	\$67,500
7	\$38,060	\$41,866	\$45,672	\$49,478	\$53,284	\$57,090	\$60,896	\$64,702	\$68,508	\$72,314	\$76,120
8	\$42,380	\$46,618	\$50,856	\$55,094	\$59,332	\$63,570	\$67,808	\$72,046	\$76,284	\$80,522	\$84,760
for each additional person add \$4,320											
% of discount	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	0%