

RANDOLPH HOSPITAL POLICY

Charity Care

I. POLICY

Randolph Hospital will provide medically necessary hospital care to individuals lacking adequate financial resources to pay for care.

II. PURPOSE

Randolph Hospital shall have an organized patient financial assistance program designed to help provide medically necessary health care. The policy in effect will be used to determine charity care eligibility.

III. IMPLEMENTATION

- A. Randolph Hospital's charity care guidelines consider gross income, family size, and federal income poverty guidelines published annually by the Department of Health and Human Services (Attachment I).
- B. All avenues to obtain financial assistance and third party payment must be exhausted prior to receiving charity care adjustments. Charity care will only apply to the remaining balance after all third party payments are applied. The hospital will maintain a listing of services, which may be considered ineligible for charity care.
- C. Formal applications for consideration must be complete, accurate, and include verifiable proof of income and/or assets. Required income verification includes previous year's federal tax return; past three months wage stubs, and/or most current year W-2 Income Tax form. An employer statement may be provided in lieu of wage stubs. Current bank statements will be required to verify bank account balances. The following will also be considered along with income: property other than primary residence, retirement benefits, certificates of deposits (CD's), stocks and other assets with cash value. Other asset verification must be provided upon request. Failure to provide adequate documentation to make a determination will result in an application denial. The burden of proof for determining eligibility will reside with the patient/guarantor.
- D. A sliding scale will be used to determine the income eligibility of an applicant for total or partial charity care assistance. The scale will be based on annually published federal poverty income guidelines establishing a 100% discount at 150% of the federal poverty level. A sliding scale up to a maximum 300% of federal poverty level will qualify applicants for a partial discount. The patient share

payment must be paid prior to charity write off.

- E. The following will be used as a guide to determine the asset eligibility of an applicant for charity assistance:

<u>Excluded Assets</u>	<u>Countable Assets</u>
-Tax value of home site up to \$75,000	-Bank accounts
-One vehicle per adult family member	-Stocks
	-Bonds
	-Other Assets with Cash Values
	-Tax value of additional real property or excess of home site (house and lot) value limit

The value of countable assets in excess of \$3,000 will be added to the applicant's gross income used to determine eligibility.

- F. Other criteria may be considered in determining eligibility such as the applicant/family's future work and earning capacity or ability to negotiate other acceptable payment terms.
- G. Patients with catastrophic hospitalization costs, in relation to their income and assets may be considered medically indigent and qualify for charity care. An additional discount may be given at the point hospital bills exceed 30% of the patient's annual gross income, providing asset criteria is met as set forth in E above. Patient responsibility for outstanding accounts exceeding the 30% test would be discounted at 100% for services provided during the calendar year of application.
- H. Charity applications will be reviewed for approval by the Director of Patient Financial Services. Applications recommended for approval with charges exceeding \$5,000 or outside the eligibility guidelines will require final approval by the Vice President of Finance and Support Services.
- I. Once an applicant is approved for charity assistance, all active outstanding accounts with the hospital may be included in the charity care determination. Patients approved for charity care requiring future services will be re-evaluated for eligibility each time service is rendered. All charity decisions will be communicated to the applicant in writing.
- J. Randolph Hospital reserves the right to reverse charity adjustments provided by the charity care policy if the information provided on the application is determined

to be falsified or if proof that the applicant has received compensation for services from another source is obtained.

IV. RESPONSIBILITY FOR INTERPRETATION

The Vice President of Finance and Support Services will be responsible for the interpretation of this policy.