
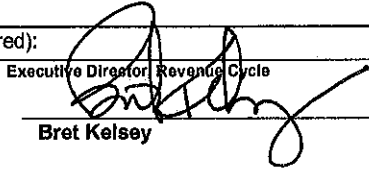
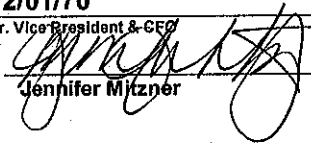
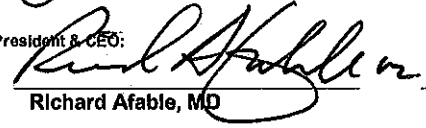


HOAG MEMORIAL HOSPITAL PRESBYTERIAN HOSPITAL POLICY	Number: 9.10	Page: Page 1 of 5
	Effective Date: 01/23/09	
	Supersedes (Date): 04/08/08	
	Original Date: 12/01/70	
Signatures of Policy Reviewers (*as required):		
Director of Business Services  Kevin Don	Executive Director Revenue Cycle  Bret Kelsey	Sr. Vice President & CFO  Jennifer Mitzner
President & CEO:  Richard Afable, MD		
Title/Subject: Charity Care and Self Pay Discount Payment Policy		

1.0 PURPOSE:

- 1.1 A significant component of Hoag Hospital's mission is to provide care for patients in times of need. Hoag provides charity care as a benefit to our community as a not-for-profit hospital. Hoag is committed to assisting low-income and/or uninsured eligible patients residing within its community through well-communicated and appropriately implemented discount payment and charity care programs. All patients will be treated fairly, with dignity, compassion, and respect.
- 1.2 Financial assistance policies must balance a patient's need for financial assistance with the hospital's broader fiscal stewardship.
- 1.3 Outside debt collection agencies and the hospital's internal collection practices will reflect the mission and vision of the hospital.
- 1.4 Financial assistance provided by Hoag Hospital is not a substitute for personal responsibility. It is the responsibility of the patient to actively participate in the financial assistance screening process and where applicable, contribute to the cost of their care based upon their individual ability to pay.

2.0 POLICY:

- 2.1 Hoag Hospital provides financial assistance to patients who do not have insurance coverage at family income levels up to four times the Federal Poverty Income Guidelines. The Hospital gives consideration to eligible patients residing within its community and to patients, whether or not they have insurance and regardless of income level if there are exceptional circumstances.
- 2.2 Business services staff will discuss program options with patients who have expressed a need for financial assistance in resolving their hospital bills. Qualifying patients are referred to MSI or Medi-Cal and those not eligible are reviewed for Patient Assistance under Charity Care. Adjustments are made based upon the patient's eligibility level in the programs.
- 2.3 Any patient seeking financial assistance (or the patient's legal representative) shall provide information concerning health benefits coverage, financial status, and any other information that is necessary to make a determination regarding the patient's status relative to the hospital's charity care policy, discounted payment policy, or eligibility for government-sponsored programs. Confidentiality of information and the dignity of the individual will be maintained for all that apply for charitable services.

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- 2.4 Charity guidelines will be reviewed and adjusted annually according to the Federal Poverty Guidelines established by the Department of Health and Human Services (see FPL Table below).
- 2.5 Hoag Hospital will define the standards and scope of practices to be used by its outside (non-hospital) collection agencies, and will maintain written agreements from such agencies that they will adhere to such standards and scope of practices.
- 2.6 Hoag Hospital, or outside agencies operating on behalf of the hospital shall not, in dealing with low-income uninsured patients who are at or below 200% of the Federal Poverty level, use wage garnishments or foreclosure of liens on primary residences as a means of collecting unpaid hospital bills. This requirement does not preclude Hoag Hospital from pursuing reimbursement from third party liability settlement or tortfeasors or other legally responsible parties.
- 2.7 Patients who have an application pending for either government-sponsored coverage or for Hoag Hospital's own charity care and financial assistance, will not knowingly be referred to a collection agency prior to 120 days from the date of discharge or date of service.
- 2.8 At the time of billing, Hoag Hospital will provide to all low-income uninsured patients the same information concerning services and charges provided to all other patients who receive care at the hospital.
- 2.9 Patients who have been denied charity care or other discounts may appeal the denial, in writing, within 10 days of receiving the denial. The appeal should include supporting documentation and evidence as to why the appeal is being following address:

Hoag Memorial Hospital
One Hoag Drive, P.O. Box 6100
Newport Beach, CA 92658-6100
Attention: Director PFS, Business Services

The patient's appeal will be considered and a response with the decision will be mailed to the patient within 10 days of receiving the appeal. All decisions of the Director will be considered final and additional appeals will not be permitted.

3.0 DEFINITION OF CHARITY CARE SERVICES AND PATIENT ASSISTANCE SERVICES:

- 3.1 Charity Care may be provided for the following:
 - 3.1.1 Patient services provided to uninsured patients who qualify for financial assistance based on the hospital's charity care policy.
 - 3.1.2 Underinsured patients who indicate an inability to pay their unpaid balance may be screened for possible financial assistance.
 - 3.1.3 Uninsured patients, who can pay for part of their care, but indicate an inability to pay the remainder.
- 3.2 Charity Care Excludes:
 - 3.2.1 Elective services are generally not eligible for consideration under the Charity Care program.
 - 3.2.1.1 Certain specialty services are excluded. Following are a few examples: CDU, cosmetic and gastric bypass services.

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4.0 CHARITY CARE ELIGIBILITY REQUIREMENTS:

- 4.1 The following factors will be considered when determining the amount of charity write-off provided.
- 4.2 Patient should reside in hospital's primary or secondary service area or have received emergency or specialty services.
- 4.3 Uninsured patients at or below 400% of the Federal Poverty Income Guidelines are eligible to apply for financial assistance under Hoag Hospital's Charity Care Discount payment policy (see Table below).
- 4.4 Evidence of eligibility will be requested and must be provided if patient/family are available. Patients should be screened for charity care prior to admission, at time of admission, or as soon as possible following treatment.
- 4.5 Additional considerations will be made such as:
 - 4.5.1 employment status,
 - 4.5.2 family size,
 - 4.5.3 certain living expenses of a reasonable and necessary nature,
 - 4.5.4 amount and frequency of hospital and other health care bills, and
 - 4.5.5 assets and liabilities.
- 4.6 All payment resources must first be explored and applied to health care expenses including third party payers, Medicare, Medi-Cal, Cal-OPTIMA, MSI, and Victims of Crime.
 - 4.6.1 If a patient is eligible for Medi-Cal, any charges for Days of Service Not Covered by the patient's coverage may be written off to charity without a completed financial statement. This does not include any Share of Cost (SOC) amounts that the patient must pay before the patient is eligible for Medi-Cal.
 - 4.6.2 Patients unable to pay the total billing for specialty services not covered by their insurance may be considered for charity coverage for a portion of the cost.
 - 4.6.3 Patients unwilling to disclose any financial information during charity screening or Medicare/Medi-Cal screening will not be processed as charity care.

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Title/Subject:

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5.0 CHARITY CARE DISCOUNT:

2009 HHS Poverty Guidelines						
Up to 400% FPL = Discount to 125% Medicare DRG Rate						
Up to 350% FPL = Discount to Medicare DRG Rate						
Up to 200% FPL = 100% Charity Write Off						
Size of Family	Gross Yearly (100% of FPL)	Gross Yearly 200% of FPL	Gross Yearly 300% of FPL	Gross Yearly 350% of FPL	Gross Yearly 400% of FPL	** For Each Add'l Person Add
1	\$ 10,830	\$ 21,660	\$ 32,490	\$ 37,905	\$ 43,320	\$ 3,740
2	\$ 14,570	\$ 29,140	\$ 43,710	\$ 50,995	\$ 58,280	\$ 7,480
3	\$ 18,310	\$ 36,620	\$ 54,930	\$ 64,085	\$ 73,240	\$ 11,220
4	\$ 22,050	\$ 44,100	\$ 66,150	\$ 77,175	\$ 88,200	\$ 14,960
5	\$ 25,790	\$ 51,580	\$ 77,370	\$ 90,265	\$ 103,160	\$ 18,700
6	\$ 29,530	\$ 59,060	\$ 88,590	\$ 103,355	\$ 118,120	\$ 22,440
7	\$ 33,270	\$ 66,540	\$ 99,810	\$ 116,445	\$ 133,080	\$ 26,180
8	\$ 37,010	\$ 74,020	\$ 111,030	\$ 129,535	\$ 148,040	\$ 29,920
* Patients who qualify for Charity services but are > 200% FPL will be given a 60% discount for Outpatient Services						
** For families with more than 8 persons, add \$3,740 for each additional person.						

6.0 SELF-PAY PATIENT DISCOUNTS ELIGIBILITY REQUIREMENTS:

- 6.1 Patients who do **NOT** qualify for Charity Care under Hoag Hospital's Charity program in accordance with Sections 4.0 and 5.0 above, and who do not have insurance or who have inadequate insurance coverage and are considered "Self-Pay" will be eligible for a Prompt Payment discount.
 - 6.1.1 Excludes cosmetic and other specified cash programs.
 - 6.1.2 Prompt Payment discount requires full payment is made at the time of service or within 30 days of discharge or date of service unless other arrangements have been made.
 - 6.1.3 Patients who qualify for a discount **MUST** make a full deposit of estimated charges at the time of, or prior, to receiving services in order to qualify for the discount.
 - 6.1.4 Unless other payment arrangements have been made, patients will be billed for the remainder of their balance due and the balance must be paid in full within 15 days of receipt of the bill. If payment is not received within 15 days, the discount will be removed and the full billed charges will be due and payable upon receipt.

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7.0 SELF-PAY DISCOUNT:

7.1 35% off charges for Prompt Payment, as defined in section 6.0 above.

Multidisciplinary Review:

Review and/or input were given by the following: Administration; Business Services

Policy Originator: Business Services

Reference:

Filename: 9.10 Charity Care