SUBJECT: CHARITY POLICY FOR MEDICAL SERVICES

RATIONALE: To provide guidelines for determining potential eligibility for financial relief to patients who do not qualify for state or federal assistance and are unable to pay their balance or establish partial payment arrangements.

SCOPE: Clinical Care Managers (CCM), Patient Account Representative (PAR), Controller, Vice President of Finance (VPF)

POLICY: Charity discounts result from a determination of a patient’s ability to pay. The charity care assistance offered under this policy does not apply to physician or other professional fees billed separately from the hospital fees.

PROCEDURE:

I. Criteria to determine eligibility

A. Colorado Law SB 134 states that the following three criteria automatically qualify a patient to apply for charity care:
   1. An individual who is uninsured.
   2. Family income is not more than 250 percent of the Federal Poverty Level (FPL).
   3. The services provided are not eligible for discount under the Colorado Indigent Care Program (CICP).

B. At Craig Hospital, any patient with an outstanding account balance is eligible for consideration for charity care assistance. Criteria to be considered in determining eligibility include but are not limited to the following:
   1. Household income post injury
   2. Family size
3. Net worth and liquidity
4. Current care needs
5. Employment status and capacity for future earnings
6. Other living expenses and financial obligations including expectations of future care needs
7. Exhaustion of all other available resources, including Medicaid, CICP, Victims Assistance, 3rd Party Liability and Liquid Assets

C. Taking this information into consideration, the attached Financial Assistance Eligibility Discount Guidelines (FAEDG) are utilized to determine what, if any, percentage of the patient’s bill will be discounted. In certain situations when a patient’s circumstances do not satisfy the requirements under the FAEDG, a patient may still be able to obtain assistance. These situations will be reviewed on a case by case basis.

D. The hospital shall limit the amounts charged for medically necessary care provided to individuals eligible for assistance under this law to no more than the lowest negotiated rate from a private health plan.

E. Before initiating collection proceedings, the hospital will offer a qualified patient a reasonable payment plan; and allow for at least thirty days past the due date of any scheduled payment that is not paid in full. The thirty-day period applies only for the first late payment.

II. Application for Charity Care assistance

A. Financial counseling or screening for payment assistance eligibility is available from the Clinical Care Management Department.

B. The patient may request the Financial Assistance Application (FAA) in person, over the phone, by mail or by accessing the electronic version via the Craig Hospital website.

C. Craig Hospital CCM staff may initiate the application on behalf of the patient under circumstances where the patient may be unable to complete the application. It is ultimately the patient’s responsibility to provide the necessary information for the determination.

D. In order to process the FAA supporting documentation will be required from the patient and may include the following:

1. Household information:
   a. Family size
   b. Dependents
   c. Physical address

2. Income documentation (one or more of the following):
   a. Income tax return
b. IRS form W-2  
c. Paycheck stub  
d. Bank statements  
e. Signed attestation to income

3. Liquid Assets:  
a. Investments  
b. Trust funds  
c. Money market accounts

E. In cases where a reasonable effort has been made to provide Craig Hospital with documentation and none is available or the patient is not able to provide information; the VPF can override any missing documents in order to approve charity.

III. Applications are reviewed by the VPF and/or Controller and when it is determined that charity is appropriate, the VPF or Controller will communicate the decision to the Accounts Receivable Manager who will oversee the process of notifying the patient and applying the appropriate adjustments to the outstanding accounts. The FAA and supporting documents will be scanned into the relevant accounts.