TITLE: CHARITABLE CARE

PURPOSE:

Southern NH Medical Center is committed to providing charitable care to persons who have health care needs and are uninsured, underinsured, and ineligible for governmental programs and are otherwise unable to pay for medically necessary care based on their individual financial situations. Southern NH Medical Center strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Charitable care is not considered to be a substitute for personal responsibility and patients are expected to cooperate with Southern NH Medical Center’s policies and procedures for obtaining charitable care and to contribute to the cost of their care based on their individual ability to pay. Patients with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health and protection of their individual assets.

Since July 2010, the State of New Hampshire has mandated that any uninsured patient who receives non-elective, medically necessary hospital services are billed an amount no greater than the amount generally received from patients covered by insurance. Additionally, the 2015 Federal 501(r) regulations further require that when calculating this discount, Medicare reimbursement must be included. Southern NH Medical Center included Medicare in this discount calculation as of October 1, 2014. Amounts owed by uninsured patients are reduced by the uninsured discount prior to the patients receiving their first statements of balances due. These discounted balances, and not gross charges, are the balances upon which financial assistance is based, awarded and classified for reporting purposes.

The Patient Protection and Affordable Care Act of 2010 (PPACA) mandates insurance coverage for individuals starting on January 1, 2014. Additionally, it expands Medicaid coverage to all individuals at or below 100% of the Federal Poverty Level (FPL). The New Hampshire Legislature approved Medicaid expansion effective August 15, 2014. The New Hampshire Health Protection Program (NHHPP) extends NH Medicaid eligibility to all individuals at or below 138% of the Federal Poverty Level.

The granting of charitable care shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

SCOPE:

This Charitable Care policy applies only to charges generated by Southern NH Medical Center. It does not apply to any charges generated by independent physician groups, including, but not limited to, North American Partners in Anesthesia (New Hampshire) or Pathology Specialists of New England.
POLICY:

1. Patients who cannot pay their medical expenses are encouraged to be screened for all assistance available to them, including Charitable Care under this policy. Patients who do not request and follow through with the screening for financial assistance will have their balances follow the Southern NH Medical Center Patient Accounting Credit & Collections policy.

2. Charity care will only be considered for medically necessary, urgent or emergent services, and not for purely elective services or patient convenience. For example, services that are excluded from this policy are cosmetic surgery, fertility treatment, sterilization procedures and hearing aids. The determination of which services are considered purely elective resides with Southern NH Medical Center.

3. Charity care is only available to residents of Southern NH Medical Center’s primary and secondary service areas. The following towns are located within these areas.
   b. In Massachusetts: Dunstable, Pepperell, Townsend and Tyngsboro.
   c. Charity care may be extended to residents outside of these areas at the discretion of Southern NH Medical Center.

4. All patients who are unable to pay their medical expenses will be encouraged to apply for charity care and will be referred to a Financial Counselor for an application and instructions.

5. All applicants will be counseled as to the availability and eligibility for funds from Local, State and Federal agencies to ensure exhaustion of all other sources of reimbursement prior to approval for charity care. If a patient refuses to apply for, or follow through with, an application for New Hampshire Medicaid and that patient is likely to be eligible for the assistance; the patient’s charity application will automatically be denied.
   a. Note: one source of reimbursement beginning January 2014 is the new health insurance exchanges that will offer insurance coverage at discounted rates to eligible individuals between 100% and 400% of the FPL, which varies with family size. Applicants, who refuse to purchase federally-mandated health insurance when they are eligible to do so, will not be awarded charitable care.
   b. Another source of reimbursement beginning August 15, 2014 is the New Hampshire Health Protection Program that offers expanded Medicaid benefits to individuals at or below 138% of the FPL. Applicants, who refuse to apply for and follow through with an application for the NHHPP, will not be awarded charitable care.

6. The primary factor in qualifying for charity care will be the patient’s or guarantor’s income level with consideration given to other available assets. Other circumstances that may constitute eligibility for charity care are hardship due to unemployment, illness, death or medical indigency.
7. The charity care eligibility period is one year prior and six months forward from approval date.

8. Southern NH Medical Center reserves the right to modify charity care eligibility criteria on a case by case basis as needed. Additionally, charity care may be provided without formal application at the discretion of Southern NH Medical Center.

PROCEDURE:

1. Notification to the public of Southern NH Medical Center’s charity care program may include maintaining posted signs in the hospital, an outline of the charity care program in the patient handbook and individual notices to uninsured or self-pay patients.

2. If during preadmission, admission or the billing and collection cycle, a patient indicates the inability to pay for the care received, the patient or patient’s family will be provided a notice of the availability of charity care and referred to a Financial Counselor.

3. All means of receiving payment from third-party payors will be explored. If it appears the patient may qualify for public assistance, the Financial Counselor will assist the patient or patient’s family in applying for the appropriate program. Upon application for public assistance and confirmation of estimated amounts due from third-parties, the hospital may review and conditionally approve or deny the application for charity care. Conditionally approved charity care would not be available until a denial/payment from the third-party was received.

4. Candidates for charity care must complete an application within 14 working days of receipt. Proof of income should be attached and must be at least two of the following: 3 current payroll stubs, current year federal tax return, W-2 form, written documentation from employer, proof of unemployment/worker’s compensation/social security or letter of support from the provider of that support.

5. Charity care applications will also be reviewed for other criteria, i.e., asset ownership. These additional criteria may factor into the approval decision.
   
   a. Charity care approval will be based primarily on income and family size.

   b. In a limited set of circumstances, there may be patients who do not qualify for Local, State or Federal programs for reasons other than income level. Patients who fall into this category will be eligible for charity care if their income is less than or equal to 225% of the FPL.

6. Upon satisfactory completion of the application, which includes submitting proof of income and/or support, it will be reviewed by the Financial Counselor and recommended for approval or denied. Recommended approvals will be reviewed by the Credit and Collections Manager for a final decision. Further approval requirements are based on the account balance and are as follows:

   a. Balances below $10,000 require Credit and Collections Manager approval only;

   b. Balances between $10,000 and $20,000 require the approval of the Director of Patient Business Services;
c. Balances between $20,000 and $100,000 require the approval of the VP of Revenue Cycle Operations;

d. Balances greater than $100,000 require the approval of the CFO.

7. Patients will be notified within 14 working days of Southern NH Medical Center’s decision regarding the charity application. Patients who were denied charity may be eligible for other discounts offered by Southern NH Medical Center. Further information regarding discounts and eligibility criteria can be provided by the Financial Counseling Department, or by contacting the Patient Accounting Department. If not eligible for a discount, interest-free payment arrangements are available.

8. Applicants will have the opportunity to appeal any charity care denial or partial charity decision. If an appeal is requested, the decision will be reviewed by the VP Revenue Cycle Operations, CFO or CEO as appropriate. A written notification of the outcome of the re-review will be issued to the patient within 10 days of the request.

9. The charity care award will be applied to eligible candidates in the following manner:

   a. An approved application for charity care will cover any accounts with dates of service one year prior to the date of the application;

   b. An approved application for charity care will cover any future accounts with dates of service up to six months from the date of the application. At the expiration of six months, the patient must reapply and provide all relevant documentation for continued charity status.

REQUIRED RECORDKEEPING:

- See above

RELATED DOCUMENTS:

Administrative Policy & Procedure Manual

- Application for Charity Care

REFERENCES:
