
Policy : Charity Care

Overlake Medical Center and Overlake Clinics

Charity Care/Financial Assistance Policy

Effective April 1st, 2025

Purpose

Overlake Medical Center (OMC) and Overlake Clinic (OC) are committed to the provision of medically necessary health care services to all persons in need of such services regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of Charity Care/Financial Assistance, consistent with the requirements of the Washington Administrative Code; RCW 70.41.020(8).

Communication to the Public

OMC and OC's Charity Care/Financial Assistance policy shall be made publicly available through the following elements:

- A. A notice advising patients that OMC and OC provides Charity Care/Financial Assistance shall be displayed in key areas of the facility. A copy of the policy will also reside on the Overlakehospital.org website.
- B. OMC and OC will make available a written notice indicating the policy to patients in the form of a "plain language" flyer. This written information will be available throughout the hospital and shall also be verbally explained on request. If for some reason, for example in an emergency situation, the patient is not notified of the existence of Charity Care/Financial Assistance before receiving treatment; he/she shall be notified as soon as possible.
- C. Both the written information and the verbal explanation shall be available in any language spoken by more than 1000 people in OMC's primary service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the writing and/or explanation.
- D. OMC and OC shall train front-line staff to answer Charity Care/Financial Assistance questions effectively or direct such inquiries to the appropriate department in a timely manner.
- E. Written information about OMC Charity Care/Financial Assistance Policy shall be made available to any person who requests the information, either by mail, by telephone or in person.

Eligibility Criteria

Charity Care/Financial Assistance is secondary to all other financial resources available to the patient, including but not limited to group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services such as automobile or home owner liability insurance. The medically indigent patient will be granted Charity Care/Financial Assistance regardless of race, national origin, or immigration status.

In those situations where appropriate primary payment sources are not available, or for balances after payments from other sources, patients shall be considered for Charity Care/Financial Assistance under OMC's policy based on the following criteria:

- A. To meet the requirements, OMC and OC has adopted the model outlined by SHB1616:

1. All patients and their guarantors whose income is not more than 300 percent of the federal poverty level, adjusted for family size, shall be deemed charity care patients for the full amount of the patient responsibility portion of their hospital charges, Overlake will not consider assets as part of the income when determining eligibility. Section 2(5)(c) of SHB 1616.
2. All patients and their guarantors whose income is between 301 and 350 percent of the federal poverty level, adjusted for family size, shall be entitled to a 80 percent discount for the full amount of the patient responsibility portion of their hospital charges
3. All patients and their guarantors whose income is between 351 and 400 percent of the federal poverty level, adjusted for family size, shall be entitled to a 75 percent discount for the full amount of the patient responsibility portion of their hospital charges.
4. The amount an individual is personally responsible for paying after all discounts, deductions, and reimbursements are applied (including those from insurance and the hospital facility's financial assistance policy) shall not be more than the Amounts Generally Billed (AGB) to individuals who have insurance covering such care. Overlake uses the "look-back" method to calculate the AGB. Under this method, the AGB percentage is based on all claims allowed by Medicare and private health insurers over a 12-month period, divided by the associated gross charges for those claims.
 1. If you have questions or would like a description of the AGB calculation and applicable calculated percentages, a copy can be provided free of charge by contacting the Director of Patient Financial Services at 425-688-5132 or justin.sampson@overlakehospital.org.
5. OMC and OC elected to use the 24-month look-back method from the time the balance is patient responsibility. Patients will be eligible for financial assistance for six (6) months following determination date.
6. Income is defined as total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to the individual.
7. All patients will be screened for Washington Health Exchange or Washington Medicaid prior to a charity applicaiton. Section 2(5) of SHB 1616

B. OMC and OC may offer Catastrophic Charity, which means OMC and OC may write off as Charity Care/Financial Assistance amounts for patients with family income in excess of 300% of the federal poverty level when circumstances indicate severe financial hardship or personal loss that goes beyond the Charity Care/Financial Assistance discount as outlined above. In these cases, patients should submit a written request for a further review along with the details of the catastrophic situation. The decision to grant Catastrophic Charity and the amount to be written off shall lie with OMC Pricing Committee in accordance with other existing policies regarding the approval for authority to purchase/spend OMC financial resources.

Process for Eligibility Determination

A. Initial Determination:

1. OMC and OC shall use an application process for determining eligibility for Charity Care/Financial Assistance. Requests to provide Charity Care/Financial Assistance will be accepted from sources such as patient's family, physicians, community/religious groups, social services, financial services staff, and the patient.

2. During the patient registration process, or at any time after the patient has been notified of the existence and availability of Charity Care/Financial Assistance, OMC and OC will make an initial determination of eligibility based on verbal or written application for Charity Care/Financial Assistance.
3. Pending final eligibility determination, OMC and OC will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with OMC and OC efforts to reach a final determination of uncompensated care status.
4. If OMC and OC becomes aware of factors which might qualify the patient for Charity Care/Financial Assistance under this policy, it shall advise the patient of this potential and make an initial determination that such account is to be treated as Charity Care/Financial Assistance.
5. Section 2(5)(c) of (SHB) 1616 indicates the Hospital may take assets into consideration for eligibility, Overlake will not use assets to determine eligibility for charity care assistance.
6. Overlake will utilize a third party vendor to screen uninsured patients to determine eligibility to health coverage. The third party vendor will interview patients and assist with an application to apply for health coverage through the Washington health benefit exchange and the Washington Medicaid program. Section 2(5) of SHB 1616

B. Final Determination:

1. Prima Facie Write-Offs. In the event that the responsible party's identification as an indigent person is obvious to hospital personnel, and the hospital can establish that the applicant's income is clearly within the range of eligibility, OMC may grant Charity Care/Financial Assistance solely on this initial determination. This same criteria holds true for deceased patients where OMC cannot identify a spouse, estate or other assets. In these cases, OMC is not required to complete full verification or documentation, per WAC 246-453-030 (3).
2. Charity Care/Financial Assistance forms, instructions, and written applications shall be furnished to patients when Charity Care/Financial Assistance is requested, when need is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or OMC, should be accompanied by documentation to verify income amounts indicated on the application form. :
 - a. Applications for Charity Care/Financial Assistance will require a completed application and any of the following documents:
 1. W-2 withholding statements;
 2. the 3 most current pay stubs;
 3. an income tax return from the most recently filed calendar year;
 4. forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;
 5. forms approving or denying unemployment compensation;
 6. written statements from employers; or welfare agencies; or
 7. letters of support from family members who are providing living expenses to applicant when other income verification is not available.
3. During the initial request period, the patient and OMC/OC may pursue other sources of funding, including Medical Assistance Administration and Medicare. OMC and OC may not require that a patient applying for a determination of indigent status seek bank or other loan source funding.
4. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.

5. In the event that the responsible party is not able to provide any of the documentation described above, OMC and OC shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person.

C. OMC and OC will allow a patient to apply for Charity Care/Financial Assistance at any point from pre-admission recognizing that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in the need for charity services.

D. Time Frame for Final Determination and Appeals.

1. Each Charity Care/Financial Assistance applicant who has been initially determined eligible for Charity Care/Financial Assistance shall be provided with at least (30) calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her Charity Care/Financial Assistance application prior to receiving a final determination of uncompensated care status

2. OMC and OC shall notify the applicant of its final determination within fourteen (14) days of receipt of all application and documentation material

3. The patient/guarantor may appeal the determination of eligibility for Charity Care/Financial Assistance by providing additional verification of income or family size to the Director of Revenue Cycle within thirty (30) days of receipt of notification

a. Second level of appeal will be handled at the discretion of the OMC Pricing Committee.

b. The timing of reaching a final determination of Charity Care/Financial Assistance status shall have no bearing on the identification of Charity Care/Financial Assistance deductions from revenue as distinct from bad debts, in accordance with WAC 246-453-020 (10).

c. All collection activity shall cease pending outcome of the appeal determination

F. If the patient has paid some or all of the bill for medical services and is later found to have been eligible for Charity Care/Financial Assistance at the time the payment was made, he/she shall be reimbursed for any amounts in excess of what is determined to be owed within 30 days of that determination.

G. Adequate notice of denial:

1. When a patient's application for Charity Care/Financial Assistance is denied, the patient shall receive a written notice of denial which includes.

a. The reason(s) for the denial and the rules to support OMC decision;

b. The date of the decision; and

c. Instructions for appeal or reconsideration.

2. When the applicant does not provide requested information and there is not enough information available for OMC to determine eligibility, the denial notice also includes:

a. A description of the information that was requested and not provided, including the date the information was requested;

b. A statement that eligibility for Charity Care/Financial Assistance cannot be established based on information available to OMC ; and

c. That eligibility will be determined if, within thirty days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.

3. The Pricing Committee will review all second level appeals. If this review affirms the previous denial for Charity Care/Financial Assistance, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

Approval Process

Once a determination of eligibility and amount is made, the application and accompanying information shall be reviewed sequentially by the appropriate persons as noted below:

- Patient Financial Services Manager/Supervisor Up to \$50,000
- Director Revenue Cycle Up to \$100,000
- Vice President Finance/VFO Over \$100,000

Documentation and Records

A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.

B. Documents pertaining to the charity case shall be retained according to the retention policy.

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