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## Policy : Charity Care Program

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### I. Scope

This policy applies to all EvergreenHealth (EH) hospitals and to all emergent and medically necessary services provided by EH hospitals.

### II. Policy Statement

EvergreenHealth is guided by a mission to advance the health of the community it serves through our dedication to high quality, safe, compassionate, and cost-effective health care. In recognition of the need of individuals with limited financial resources to obtain emergent and medically necessary hospital health care services, EH herewith adopts a Charity Care Program (the "**Program**").

### III. Reason for Policy (Purpose)

To provide, within reasonable limitations and the financial ability of EH, emergent and medically necessary hospital health care services to patients who do not have sufficient financial resources to pay for services rendered or to be rendered. The Program provides for evaluation, consistent with the criteria stated below, of financial need of the patient or responsible party for the patient.

### IV. Who is Affected by this Policy

Including but not limited to the following:

- All EH staff who perform functions relating to registration, admissions, or billing
- EH vendors who perform functions relating to registration, admissions, or billing
- All Emergency Department employees
- Administration, directors, managers and supervisors

## V. Who Should Read This Policy

Including but not limited to the following:

- All EH staff who perform functions relating to registration, admissions, or billing
- EH vendors who perform functions relating to registration, admissions, or billing
- All Emergency Department employees
- Administration, directors, managers and supervisors

## VI. Definitions

**EvergreenHealth (EH):** For the purposes of this policy, “EvergreenHealth” includes King County Public Hospital District No. 2 d/b/a EvergreenHealth (EvergreenHealth Medical Center, EvergreenHealth Pain Center and Evergreen Surgical Clinic Ambulatory Surgery Center), and Snohomish County Public Hospital District No. 1 d/b/a EvergreenHealth Monroe.

**Charity Care:** Medically necessary hospital health care rendered to indigent persons when third-party coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer, as determined by the department. Charity care is also referenced as Financial Assistance.

**Indigent Persons:** Patients who have exhausted any third-party sources, including Medicare and Medicaid, and whose income is equal to or below 200% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payor.

**Third-Party Coverage:** An obligation on the part of an insurance company, health care service contractor, health maintenance organization, group health plan, government program, tribal health benefits, or health care sharing ministry as defined in 26 U.S.C. Sec. 5000A to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others which have resulted in the medical condition for which the patient has received hospital health care service. The pendency of such settlements, judgments, or awards must not stay hospital obligations to consider an eligible patient for charity care.

**Family:** A group of two or more persons related by birth, marriage, or adoption who live together; all such related persons are considered as members of one family.

**Federal Poverty Level (FPL):** The poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.

## VII. Policy Procedures

### Eligibility Requirements:

- A. The patient requesting charity care must be a Washington State resident.
  1. For purposes of this policy, a patient is considered a resident of Washington if
    1. the patient is not entering Washington State solely for the purpose of seeking medical care, and

2. prior to the beginning of the course of care, the patient's primary residence is located in the State of Washington.
2. Exceptions to the Washington State residency requirement in the Charity Care Policy are:
  1. A patient who has an emergency medical condition, consistent with applicable federal and state laws and regulations.
  2. A refugee, asylee, or a person seeking asylum who possesses and can present United States Citizenship and Immigration Services (USCIS) documentation.
- B. Patient with income within EH's Poverty Guidelines (refer to Hospital's Sliding Fee Schedule) which are based on the Federal Poverty Guideline.
- C. Patient has been screened and determined ineligible for Medicaid or other state programs.
- D. Patient must first exhaust all other funding sources for which the patient may be eligible.

### Criteria for Evaluation:

- A. Charity care will be granted to all eligible persons regardless of age, race, color, religion, sex, sexual orientation or national origin in accordance with WAC Chapter 246-453 and RCW 70.170.
- B. Requests for charity care will be accepted from any source. Typically that will be patients, family members, physicians, community or religious groups, social services or financial services personnel. If the hospital becomes aware of factors which might qualify the patient for charity care under this policy, it will advise the patient of this potential and make an initial determination.
- C. The patient indicates and appropriately and adequately demonstrates an inability to pay for services rendered or to be rendered. For all purposes of this Policy and the Program, all references to "patient" shall include, as may be applicable, the responsible party for the patient. The Program recognizes, addresses, and is limited to the needs of patients who are "indigent persons" as defined by WAC 246-453-010(4), which may include those who need assistance with medical bills due to temporary or permanent disability or inability to work as a result of catastrophic illness or injury.
- D. In the event that there are limited charity care resources due to budgetary constraints, District residents may be granted priority consideration of charity care eligibility for non-emergency care only. Under no circumstances will the Hospital deny access to emergency care to any individuals based on an inability to pay and/or inability to qualify for charity care.
- E. Pursuant to RCW 70.170.020(4) services covered under the Program shall include medically necessary hospital health care rendered to indigent persons when third-party coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer, as determined by the department.
- F. When a patient wishes to apply for charity care sponsorship in the Program, the Patient shall complete a Charity Care/Financial Assistance Application Form ("**application**") and provide necessary and reasonable supplementary financial documentation to support the entries on the application. The application procedures shall not place an unreasonable burden upon the patient, taking into account any barriers which may hinder the patient's capability of complying with the application procedures. Screening for eligibility for DSHS Medicaid will be coordinated through the EH contracted DSHS Medicaid eligibility vendor, the Social Work Services Department, or through the Community Healthcare Access Team (CHAT).
  1. Any of the following documents shall be considered sufficient evidence upon which to base the final determination of charity care sponsorship status: a "W-2" withholding statement; pay stubs; an income tax return from the most recently filed calendar year; forms approving or denying eligibility for DSHS Medicaid and/or state-funded medical

assistance; forms approving or denying unemployment compensation; or written statements from employers or welfare agencies. In the event the Patient is not able to provide any of the documentation described above, the Hospital shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person.

2. The Patient may also be asked to provide documentation of outstanding obligations and/or other financial resources (e.g., bank statements, loan documents).
- G. Initial review of a patient's application and recommendation for approval of charity care sponsorship shall be the responsibility of appropriate EH personnel. Patient Financial Services representative(s) shall make the "initial determination of sponsorship status," which means an indication, pending verification, that the services provided may or may not be covered by third party sponsorship, or an indication from the patient, pending verification, that he or she may meet the criteria for designation as an indigent person qualifying for charity care. Charity care determinations will preferably be made during pre-admission contacts but will be accepted during admission or at any other time. If the patient is unable to provide supporting documentation, EH will rely upon a written and signed statement from the patient. If it is obvious to EH staff that a patient meets the criteria as an indigent person meeting the above income guidelines, it is not necessary to establish the exact income level or require supporting documentation. Examples of this might include an unemployed or homeless individual. An initial determination of sponsorship shall precede collection efforts directed at the patient, provided the patient is cooperative with EH efforts to reach an initial determination of sponsorship status. During the pendency, EH may pursue reimbursement from any third-party coverage that may be available or identified.
- H. A patient who has been initially determined to meet the criteria for Program sponsorship shall be provided with at least fourteen (14) days, or such time as the patient's medical condition may require, or such time as may be reasonably necessary, to secure and present documentation supporting status as an indigent person, in accordance with WAC 246-453-030, prior to receiving a final determination of Program eligibility. If the patient does not respond to the Hospital's reasonable requests for information and/or documentary evidence within fourteen (14) days (or such time as may be necessary considering the patient's medical condition), EH may deem the charity care application incomplete and pursue such collection activity as it deems necessary and appropriate.
- I. In determining the status of a patient as an indigent person qualifying for charity care sponsorship in the Program, the Patient Financial Services Representative shall use the criteria set forth in RCW 70.170.060 and WAC 246-453-010 et.seq., which includes a family income (as defined in WAC 246-453-010(17), which is equal to or below 200% of the published federal poverty standards, adjusted for family size, or is otherwise not sufficient to enable payment for the care or to pay deductibles or coinsurance amounts required by a third-party payer. In accordance with WAC 246-453-010(4), the patient must also have exhausted any third party payment sources, including (but not limited to) Medicare and DSHS Medicaid.
1. Patients with family income equal to or below one hundred percent (100%) of the federal poverty standard, adjusted for family size, shall, pursuant to WAC 246-453-040(1), be determined to be indigent persons qualifying for charity sponsorship for the full amount of hospital charges related to appropriate hospital-based medical services that are not covered by private or public third-party sponsorship and provided that such patients are not eligible for other private or public health coverage sponsorship.
  2. Patients with family income between one hundred one and two hundred percent (101% - 200%) of the federal poverty standard, adjusted for family size, shall, pursuant to WAC 246-453-040(2), be determined to be indigent persons qualifying for full or partial charity sponsorship, which allows for discounts from charges related to appropriate



hospital-based medical services that are not covered by private or public third-party sponsorship, in accordance with each EH hospital's sliding fee schedule and policies regarding individual financial circumstances as set forth herein.

3. Pursuant to WAC 246-453-040(3), the Hospital may, in appropriate circumstances and in its sole discretion, classify a patient whose family income exceeds two hundred percent of the federal poverty standard, adjusted for family size, as an indigent person eligible for a discount from charges based upon the patient's individual financial circumstances.
  4. Employment Standard – A patient and/or the account guarantor's employment status and future earning capacity will be evaluated. Patients may be qualified due to reduced future earning potential, even if past income exceeded standards. Alternatively, future earnings sufficient to meet the hospital obligation within a reasonable period (e.g., a patient's returning to work within 6 weeks after service) will also be taken into consideration.
- J. When the patient is eligible for and meets the guidelines and requirements for charity care sponsorship in the Program, the Patient Financial Services (PFS) Representative shall forward such recommendation to the authorized designee for review.
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| 1. PFS Manager/Supervisor                | Up to \$10,000    |
| 2. FO / Executive Director Revenue Cycle | Up to \$100,000   |
| 3. Sr. Vice President and CFO            | Up to \$1,000,000 |
| 4. Chief Executive Officer               | Over \$1,000,000  |
- K. Within fourteen (14) days of receipt of all necessary information to make a final determination of Program eligibility, the PFS designee shall notify the patient of the final determination, including a determination of the amount for which the patient will be held financially accountable.
- L. In the event of a recommendation of denial of an application for charity care sponsorship in the Program, the PFS Representative shall forward such recommendation to the PFS authorized designee for review. The PFS designee will, after review of all relevant information, make a final determination of sponsorship status of the patient. The final determination shall be made within fourteen (14) days of receipt of all necessary information.
- M. The patient/guarantor may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the PFS department within thirty (30) days of receipt of notification. All appeals will be reviewed by the PFS Administrative Management Team and the Chief Financial Officer or equivalent designee. If this determination affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law. The failure of a patient to reasonably complete appropriate application procedures shall be sufficient grounds for EH to initiate collection efforts directed at the patient.
- N. Refund: In the event that a patient pays a portion or all of the charges related to medically necessary hospital health care services, and upon submitting an application is subsequently found to have met the Charity Care criteria at the time the payment was made, any payments for services above the qualified amount will be refunded to the patient within 30 days of the eligibility determination.
- O. Approval for charity care sponsorship is valid for medically necessary hospital health care services provided within the subsequent one-hundred-eighty (180) day period from application approval date.

### **Presumptive Charity:**

EH may approve a patient for a charity adjustment to their account balance by means other than completing an application. Such determinations will be made on a presumptive basis using an

electronic screening process that evaluates ability to pay based on publically available data sources. The information returned via this electronic screening will constitute sufficient evidence upon which to base the final determination of charity care.

### Staff Training:

All relevant and appropriate staff supporting Hospital based locations who perform registration, admission, billing, or other related functions shall participate in standardized training based on this Charity Care Policy and the use of interpreter services to assist persons with limited English proficiency and non-English-speaking persons in understanding information about the availability of Financial Assistance. The training shall help ensure staff can answer charity care questions effectively, obtain any necessary interpreter services, and direct inquiries to the appropriate department in a timely manner.

### Medical Staff and Allied Health Professionals:

Except as provided within this policy, Medical Staff members (and Allied Health Professionals) not employed by EH are encouraged but not obligated to provide charity care in accordance with this Policy, and they may grant full or partial fee waivers in their discretion.

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<b>Review Date:</b>	
<b>Attachments:</b> (REFERENCED BY THIS DOCUMENT)	Charity Care Schedule A - Sliding Fee Scale Federal Poverty Guidelines RCW 70.170 RCW 70.170.020(4) WAC 246-453-010(4) WAC 246-453-010(4), WAC 246-453-040 WAC Chapter 246-453
<b>Other Documents:</b> (WHICH REFERENCE THIS DOCUMENT)	Patient Access Self Pay Discount Policies Self Pay Discount Policies Financial Clearance for Hospital Scheduled Services Waiver of Patient Financial Responsibility Patient Access

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<https://www.lucidoc.com/cgi/doc-gw.pl?ref=everg5:10070>.