

ADIRONDACK MEDICAL CENTER

DEPARTMENT POLICY AND PROCEDURE

TITLE: Charity Care/Enhanced Enrollment For the Uninsured	POLICY #:	DEPARTMENT: Patient Financial Services	REVISED: 12/28/06
PREPARED BY: Melody Thornton Director, Patient Financial Services	APPROVED BY: Chandler M. Ralph, President/CEO		DATE: 4/04

PURPOSE:

The Uninsured Program has been established to provide financial relief to those who are unable to meet their financial obligations to Adirondack Medical Center and to assist patients who qualify for insurance by enrolling in the available programs. Eligible patients include all patients regardless of race, religion, or national origins, which meet the financial guidelines, set forth in the current poverty guidelines and are not eligible for or enrolled in the state Medicaid.

In 2005 Adirondack Medical Center provided a total of \$394,532 in charity care.

PRINCIPLES:

- Fear of a hospital bill should never get in the way of a New Yorker receiving essential health services. Hospitals should proactively convey this message to prospective patients, the public in general, and local community service agencies.
- Hospitals must have financial aide policies that are consistent with the mission, vision and values of the hospital and that take into account each individual's ability to contribute to his or her care and the Hospital's financial ability to provide the care.
- Financial aid policies should be clear and understandable, and communicated in a manner that is dignified and in multiple languages appropriate to the communities and patients served.
- Debt collection policies, by both hospital staff and external collection agencies must reflect the mission and values of the hospital.
- Financial assistance provided by the hospital is not a substitute for the responsibility of government and employers to find solutions to expand access to health care coverage for all New Yorkers.
- Financial aid policies do not eliminate personal responsibility. Eligible patients are encouraged to access public or private insurance options. All patients are expected to contribute to their care based on their individual ability to pay.

POLICY:

It is the responsibility of Adirondack Medical Center to respond to all patient requests for charity care eligibility during any one or more patient business interactions; namely registration, pre-registration, discharge, statements, clinic visits, or at any other time the facility staff encounters information detailing the patient's financial need.

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It is the responsibility of the patient to actively participate in the financial assistance screening process.

Adirondack Medical Center's new policy provides fair discounts to low income uninsured and under insured patients and ensures consistent and fair collection practices while preserving the financial viability that is key to preserving and growing services in the communities we serve.

The Adirondack Medical Center's Charity Care/Uninsured Program is designed to:

- Help the uninsured identify insurance coverage that is of no or low cost to them
- Provide full charity care to low income uninsured patients earning less than 200% of the Federal Poverty Guidelines
- Provide the following discounts based on the current Federal Poverty Guidelines (FPG) (See Charity Care/Partial Charity Care Table):
 - 300% FPG Discount off charges will be 15%
 - 400% FPG Discount off charges will be 10%
 - 500% FPG Discount off charges will be 5%
- Enhance communication of available assistance by expanding communication channels (example: registration, pre-registration, discharge, statements, brochures locations, web site, clinics, all registration sites, etc).

This charity care policy is limited to Adirondack Medical Center charges which includes the following:

- Outpatient (Non-elective)
- Dental
- Inpatient (Non-elective)
- Emergency Department
- Professional Charges if providers are employed by Adirondack Medical Center

This charity care policy does not include:

- Bills from other hospitals
- Providers not employed by Adirondack Medical Center (anesthesiologists, radiologists, pathologists, cardiologists)
- Elective (non-emergent services)
- Dispensing Pharmacy

Charity Care applicant's will meet with the Adirondack Medical Center's Financial Counselor or go through one of the facilitated enrollers to provide the personal and financial documentation in order to determine their eligibility for this program. This information need only be given to either of these parties if you sign a release so that we may share the information provided, as the facilitated enrollers are not Adirondack Medical Center employees.

Charity Care approval will affect all accounts the approved guarantor is responsible for. The approved charity care percentage will be applied to all existing accounts with debit balances. Accounts may also be returned from Bad Debt status if financial circumstances warrant and charity

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care may be applied. Patient's requesting Charity Care is **required** at a minimum to apply for Medicaid.

Charity Care will be assigned using the most recently published Federal Poverty Guidelines.

The Director of Patient Financial Services and/or senior management may approve Charity Care in extenuating circumstances.

EVALUATION PROCESS:

The process for determining which patients qualify for charity care will include:

- Exhausted or not eligible for any third-party payment sources
All possible insurance payors have been billed
Medicaid benefits denied or Family Planning Only benefits assigned
Patient is not eligible for Medicare benefits
Patient does not qualify for any of the low cost insurance plans
- Making an initial determination whether the patient is eligible for Charity Care prior to initiating any collection efforts, assuming the patient cooperates with Adirondack Medical Center's attempt to make the determination;
- Making the initial determination prior to service, at the time of service, or as soon as practical after the service has been provided to the patient;
- Making reasonable attempts to determine if a third-party payor may pay some or all of the charges;
- Providing all patients who have been initially determined to meet the criteria for Charity Care with at least 15 days, or such time as may be reasonably necessary given the patient's medical condition, to provide any required documentation before Adirondack Medical Center reaches a final determination whether the patient is eligible for Charity Care. Adirondack Medical Center will notify the patient within 10 business days (from the time it receives necessary documentation) as to the outcome of Charity Care determination.
- The required documentation that will be necessary to complete the Charity Care Application is as follows: The lesser of the last twelve (12) weeks gross income (paycheck stubs, statements from employer); or the last twelve (12) months gross income from the date of application; and a copy of Determination Notice regarding medical coverage.

COMMUNICATION TO THE PUBLIC:

- Adirondack Medical Center will post notices regarding the availability of financial assistance to low-income, uninsured patients. These notices will be posted at all registration sites (i.e. clinics, outpatient/inpatient registration, emergency departments, Business Office).
- All self-pay patients will be provided information at point of registration outlining information on our financial assistance/Charity Care Program.
- A message will be included on all statements going out notifying them that they may qualify for our Financial Assistance Program with Adirondack Medical Center's contact information to obtain further information.

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- All Adirondack Medical Center employees will be educated on the availability of the Charity Care Program. This education will include the ability for the staff to identify possible patients that need and may qualify for either total charity care or discounting.
- Adirondack Medical Center will make known their Charity Care Policy/Procedure and Processes throughout the community including organizations that assist such patients.

BILLING PROCEDURE:

1. All patients that present at any Adirondack Medical Center’s registration site who are self-pay will be provided with information on Uninsured Program/Enrollment Process and the benefits of this program (i.e. 30% off total charges).
2. Bill status is put in “enrollment pending” for 15 days for patient to make an appointment with the enrollment office. This bill status will ensure that no billing process will occur until enrollment process is complete or the patient initiates no activity for 15 days.
3. If patient presents to enrollment office, no billing process will occur until eligibility determination is made.
4. If patient does not visit the enroller within 15 days of the service, the patient will be charged 100% of total charges.
5. Patient must apply for and be denied Medicaid, Child Health Plus or Family Health Plus. A copy of these denials must be provided to Adirondack Medical Center before final determination can be made.
6. If enrollment process is successful but Insurance Plan does not retroactive the eligibility date, all previous bills will be credited towards Charity Care.
7. If all enrollment processes fail and patient does not qualify for any of the Insurance Plans, a Charity Care application will be sent. The bill status will change from “enrollment pending” to “charity care pending”. No billing process will be started until this process is complete.
8. If a patient qualifies for total or partial charity care, all previous balances will be adjusted based on % of discounting determined. This amount will be adjusted off using the appropriate charity care adjustment charge code.
9. If patient does not respond within 45 days of receipt of Charity Care Application, but was determined to be eligible for charity care, based on information submitted to the facilitated enrollment office, AMC will still honor and make appropriate discounting without the patient signature.
10. If the patient does not visit the enroller or apply for Charity Care in 60 days, the patient will charged 100% of total charges as the patient or responsible party must participate in the process.

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1. Program Administration – The Charity Care Program will be administered according to the following guidelines:

- A.** The application information as well as proof of income (pay stubs, income tax forms, W-2’s, etc), and Medicaid, Child Health Plus or Family Health Plus denial information will be reviewed and verified by a Patient Financial Services account representative.
- B.** After reviewing income and expenses, patient financial services personnel will determine if the patient/guarantor qualifies for charity care benefits based on the income information provided previously through the enrollment process.
- C.** Patient/guarantor will be notified of charity care determination within 10 days of receipt of all required information.
- D.** Adirondack Medical Center reserves the right to change benefit determination if financial circumstances have changed.
- E.** All applications will be processed by the Self Pay Account Representative and co-signed by the Patient Financial Services Director unless the amount exceeds \$10,000. The Vice President of Finance will review and co-sign all amounts over \$10,000.
- F.** Coverage will be retroactive for six months prior to the receipt of the completed application by the Business Office.
- G.** Applicants may request a review of denial with the Vice President of Finance within thirty (30) days of receipt of such denial.
- H.** Approved applications will be valid for three (3) months. An updated application must be submitted for continued coverage
- I.** Once approval has been granted, all applicable accounts will be adjusted using the “Charity Care” adjustment code.
- J.** All applications must be maintained by year in a file kept in the Business Office pending future audits.
- K.** A ledger will be maintained and kept updated as to availability of funds.

REFERENCES: <i>Reference to all applicable laws, rules, regulations and standards.</i>		
NEW YORK STATE LAW		
REVIEWED BY:	TITLE:	DATE: