



Current Status: Active

PolicyStat ID: 7536525



**Origination:** 01/2005  
**Effective:** 02/2020  
**Last Approved:** 02/2020  
**Last Revised:** 02/2020  
**Next Review:** 02/2022  
**Owner:** Jeanene Chipp: Office Manager  
**Area:** Business Office  
**References:**  
**Applicability:** Franklin General Hospital

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## Charity Care

### POLICY:

Franklin General Hospital/Franklin Medical Center (FGH/FMC) will provide access to health care services for the area's financially challenged populations by reducing the impact of those factors that cause them to avoid health care treatment. A means will be developed to identify this population, determine their health care and related needs, and provide them access to health care services.

### PURPOSE:

The availability of charitable services will be communicated to all FGH/FMC patients. Assistance will be provided to patients by FGH/FMC staff regarding the policy and application process. Information will also be communicated regarding other financial assistance programs, which may be available to qualified patients (i.e. Medicaid, Social Security, etc.)

### PROCEDURE:

- The determination of eligibility for financial assistance is based on the individual's demonstrated inability to pay for such services due to inadequate resources. It may include those persons who are uninsured or underinsured and/or not eligible for any private or publicly underwritten health care coverage program as documented in the patient's financial record.
- Charity care is "free or discounted health services to persons who cannot afford to pay." The term in dealing directly with patients is "financial assistance" terminology when used in referring to charity care in a patient setting.
- Charity Care does not include partial and/or total write-offs of amounts due and owing for reasons unrelated to the individual's or family's ability to pay. Individuals qualifying for Charity Care must meet certain pre-established criteria.
- Eligibility for Charity Care will be based on earned and unearned income of the patient and/or household and assets.
- Earned income includes salary, wages, self-employment income and tips earned by the patient, spouse or parent. Also included is unearned income received from Social Security, disability payments, retirement benefits, child support, alimony, interest earnings, dividends, and income from another source (e.g. cash assistance programs such as temporary assistance to needy families, unemployment and workers compensation, etc.)
- Assets, which will be considered liquid, include those, which could be converted to cash within one year. These assets include checking accounts, savings accounts, trust funds, and other investments.

Additionally countable assets include the liquidated value of luxury items, equity in recreational vehicles, a second home, etc.

- In lieu of liquidating the assets, the assets may be counted as current year's income in determining what level of Charity Care should be provided. Assets not countable/ineligible include the patient's residence, adequate transportation (e.g. a vehicle), and adequate life insurance.
- The Charity Care Policy is to apply to all patients regardless of race, creed, sex, age, or payer.
- Eligibility for Charity Care will be determined on an individual basis and evaluated on an assessment of the patient's and/or family's need and financial resources.
- The Charity Care Policy is to apply to all types of medically necessary services, including medical and support services, rendered by FGH/FMC. Such services include, but are not limited to inpatient, outpatient, emergency and clinic services.
- Trauma and emergency care will be provided to all patients, regardless of the patient's ability to pay. Such care will continue until the patient's condition has been stabilized prior to any determination of payment arrangements.
- In general, FGH/FMC will not provide Charity Care to those who are not residents of the service area unless the patient presents with an urgent, emergent, or life-threatening condition.

## FINANCIAL ELIGIBILITY GUIDELINES

- A Charity Care determination will be made once the Charity Care assessment has been completed for the patient and approval(s) have been received. A Completed Charity Care Assessment will serve as the basis for documenting the patient's eligibility for assistance.
- The assessment will include the following information:
  - Earned income including monthly gross wages, salary, and self-employment income
  - Unearned income including dividends interest and miscellaneous income from any other source such as cash assistance, unemployment and workers compensation, etc.
  - Number of dependents in household.
  - Information to determine the patient's financial status, including assets.
  - Supporting documents such as payroll stubs, tax returns, credit reports, etc. will be requested to support information reported and will be filed with the completed assessment.
- It is also appropriate to use proxy information to determine if the individual is eligible for Charity Care. For example, the fact that an applicant "Stays with friends", and "only occasionally works" are good proxies for income levels when income is unable to be determined directly.
- Charity care will be considered for patients that have private insurance or other coverage but do not have the financial resources to pay co-insurance or deductible amounts.
- Documentation of charity eligibility (i.e. financial statement) with appropriate approvals must be maintained in hard copy or other form of storage media. Charity eligibility documentation should also be noted on the patient's account on the accounts receivable system.

## FINANCIAL SUPPORT & GUIDELINES:

Income as a % of Poverty Level	% of Charity
Equal to or Less than 100%	100%
Greater than 100%/Less than 120%	80%
Greater than 120%/Less than 140%	60%
Greater than 140%/Less than 160%	40%
Greater than 160%/Less than 180%	20%

Income as a % of Poverty Level	% of Charity
Greater than 180%/Less than 200%	10%
Greater than 200%	0%

- If patient is uninsured and they meet the 200-300% of poverty guidelines, they will receive a 5% discount. Payment plans may be initiated with the balance.

## 2020 POVERTY GUIDELINES

Size of the Family Unit	Guidelines
1	\$12,760
2	\$17,240
3	\$21,720
4	\$26,200
5	\$30,680
6	\$35,160
7	\$39,640
8	\$44,120

For family units with more than 8 members, add \$4,480 for each additional member.

Source: Federal Register, January 17, 2020

### Attachments

[Financial Assist App-Spanish.doc](#)  
[Financial Assist App.doc](#)

### Approval Signatures

Step Description	Approver	Date
Management Council & Board of Trustees	Tina Reynolds: Manager/Administration & IT	02/2020
Medical Staff Committee	Tina Reynolds: Manager/Administration & IT	02/2020
Leader Review	Jeanene Chipp: Office Manager	01/2020
	Jeanene Chipp: Office Manager	01/2020

### Applicability

Franklin General Hospital