

Nathan Littauer Hospital Charity Care

I. Policy Statement:

The hospital, as a provider of emergency and medically necessary care, has a mission and a responsibility to provide such care to those patients in need. It is the practice of the hospital that the fear of a hospital bill should not prevent a potential patient from receiving essential health services. The hospital will maintain financial aid policies that are consistent with its mission and values, taking into account each patient's ability to pay for services while considering the hospital's financial ability to provide care.

In an effort to ensure that Nathan Littauer Hospital provides health care services to the sick and afflicted regardless of ability to pay, we have adopted a standard Charity Care Policy. Nathan Littauer Hospital & Nursing Home will make available Charity Care to our Primary Service Area, which is defined by the following counties, Fulton, Hamilton, Herkimer, Montgomery and Saratoga. The Charity Care Policy is part of Nathan Littauer Hospital's overall Financial Counseling and training curriculum, which in part educates our staff to identify patients that can benefit from our Financial Counseling services and Charity Care. Our Financial Counseling and Charity Care Policies will assist Nathan Littauer Hospital & Nursing Home in promoting financial health, which enables us to continue our mission of providing high quality of health and wellness services and improving the health of our communities in a caring, contemporary environment.

II. Definitions:

- 1. Charity Care** - a Nathan Littauer Hospital program through which medically necessary and preventative services are provided at a reduced cost or without charge when it has been determined that payment for those services cannot be obtained through insurance, outside agencies, or private means.
- 2. Financial Counseling** - a process of working together with our patients in a compassionate and caring manner to identify options for resolving their Nathan Littauer Hospital financial obligations.
- 3. Guarantor** - A guarantor is a person age 18 or over, regardless of marital status, who has legal financial responsibility for services provided to him/her and/or his/her legal minor children.
- 4. Household** - includes the following people living in the same home:
 - Guarantor
 - Guarantor's spouse
 - Guarantor's children/minor dependents and step-children (i.e. children living with grandparents that are legal guardians)
 - Guarantor's unmarried partner, if they have a child(ren) in common. If they have a child(ren) in common, the unmarried partner's child(ren) from previous relationships also qualify if living in the home

A household does not include any of the following people:

Roommates, extended family members, such as aunts, uncles, cousins, parents, etc.

The Guarantor's unmarried partner, if they don't have a child together, nor the unmarried partner's other child(ren) from a previous relationship

5. **Income** – Total receipts before taxes, from all sources, including wages, self-employment income, retirement, workers compensation, strike benefits, alimony, child support, military allotments, dividends, interest and rent.
6. **Medical Necessity** – Medically necessary care is the care that, in the opinion of the treating physician/clinician, is reasonably needed:
 - To prevent the onset or worsening of an illness, condition, or disability;
 - To establish a diagnosis;
 - To provide palliative, curative or restorative treatment for physical, behavioral and/or mental health conditions; and/or
 - To assist the individual to achieve or maintain functional capacity in performing daily functional capacities that are appropriate for individuals of the same age.

Each service must be performed in accordance with standards of medical practice generally accepted at the time the services are rendered. Each service must be sufficient in amount, duration, and scope to reasonably achieve its purpose.

III. Relevant Forms:

1. Charity Care Long Application and Instructions
2. Charity Care Short Application and Instructions
3. Charity Care Medicare Patient Application And Instructions
4. Charity Care Income Guidelines
5. Charity Care Approval Letter
6. Charity Care Denial Letter
7. Charity Care Clarification Letter
8. Response to an Appeal Letter

IV. Charity Care Overview:

1. Charity Care is secondary to all other financial resources available to the patient, including but not limited to insurance, third party liability payers, government programs, and outside agency programs.
2. Charity Care is granted for medically necessary and preventative services only.
3. Charity Care determination and approval process will be the same regardless of the amount of the patient's balance.

4. Patients may apply for Charity Care before, during, or after treatment or at any time during the billing and collection process.
5. Signage and brochures have been developed to inform patients about Nathan Littauer Hospital's Financial Counseling Programs and Charity Care. These must be placed at all appropriate access areas, including registration areas.

V. Charity Care Eligibility and Determination:

1. The provision of necessary healthcare shall never be delayed by an assistance determination. Emergency care should never be delayed by requests for financial or other information regarding ability to pay.
2. Charity Care is not granted for elective cosmetic surgery or other special situations, such as that of an individual who is eligible for insurance or government programs but has refused to apply.
3. Requests for Charity Care may be made at any point before, during or after the provision of care. Anyone seeking Charity Care will be given an application. Charity Care requests may be proposed by sources other than the patient, such as the patient's physician, family members, social services, or hospital personnel. Pending final eligibility determination, Nathan Littauer Hospital will not initiate collection efforts or requests for deposits provided that the responsible party is cooperative with Nathan Littauer Hospital's efforts to get payment from other sources. If initial screening does not disqualify someone for Charity Care they will be given an application, which includes instructions on how to apply. For non-Medicare patients, if the balance is under \$100.00 for Primary Care and \$500.00 for Hospital services, the Short Form Application can be utilized.
4. Consideration for Charity Care will occur once a completed application has been submitted to Nathan Littauer Hospital.
5. Consideration for Charity Care includes a review of the responsible party's annual household income and the number of people in the home. Subject to any governmental requirements securable assets (including primary residence, family's primary mode of transportation, and retirement accounts), special medical costs, reasonable living expenses, credit history, existing debt, and other indicators of the party's ability to pay will not be utilized in making a determination of eligibility.
6. Charity Care shall be granted to all applicants whose annual incomes fall at or below 100% of the current Federal Poverty Levels. Charity Care may also be awarded to applicants whose annual income falls at or below 250% of current Federal Poverty Level (FPL). Assets will not be considered for these applicants.
7. The Federal Poverty Levels will be revised in conjunction with the FPL updates published by the Center for Medicare and Medicaid Services.

Percentage Federal Poverty Level	Percentage of Charity Care Provided
0-100%	100%
101-125%	95%
126-150%	90%
151-175%	80%
176-200%	70%
201-225%	60%
226-250%	50%
251-275%	45%
276-300%	40%

8. Acceptable verification of income includes proof of all income for the past 90 days, including payroll stubs, Social Security or unemployment benefits, brokerage account statements; most recent year's tax return. An Income Statement for self-employed applicants is required.
9. Nathan Littauer Hospital will return to the responsible party written notice of its assistance determinations within 14 calendar days of receiving a completed Charity Care Application. This notification will include the level of reduction and reasonable payment arrangements consistent with the responsible party's ability to pay.¹ Denials will include the reason for denial and instructions for appeal or reconsideration.
10. If an incomplete application is returned to Nathan Littauer Hospital, a letter will be sent to the responsible party explaining what is required. The incomplete Charity Care Application will be pended for 14 days awaiting receipt of requested additional information.
11. Charity Care may be denied if the responsible party does not return the application or requested information to Nathan Littauer Hospital within 14 days from receipt.
12. Accounts in collection may be eligible for Charity Care for the following reason(s):
 - Drastic change in patient's ability to clear collection balance in the foreseeable future, along with a history of effort to make their payments on accounts in collection.
13. Accounts in collection that reflect no history of effort to clear the debt will not be eligible for Charity Care unless extenuating circumstances exists.
14. Nathan Littauer Hospital will keep all Charity Care Applications and supporting documentation confidential. Nathan Littauer Hospital may, at its own expense, request a credit report to further verify the information on the applications. Conflicting information between the credit report and the application may result in a denial or request for additional information.
15. A responsible party may be considered for Charity Care without a completed Charity Care Application if sufficient information can be obtained that allows for final determination.

VI. Appeals

The responsible party may appeal the determination of eligibility for Charity Care by submitting in writing additional information, such as income verification or an explanation of extenuating circumstances, to the Patient Financial Services Manager within 30 days of the denial notification. The Patient Financial Services Manager will review all appeals and make a final determination. If this determination affirms the previous denial of Charity Care, written notification will be sent to the responsible party. Collection follow-up on accounts will be pended for the first 15 days during the appeal process.

VII. Other Providers:

Nathan Littauer Hospital's decision to provide Charity Care in no way affects the responsible party's financial obligations to physicians or other health care providers not employed by the hospital.

VIII. Charity Care Operating Policy

Short Form Application: (Non Medicare Patient)

1. Used when the balance is under \$100 for primary care services and \$500 for hospital.
2. May be completed by the Financial Counselor, Patient Financial Services Department Secretary or other designated individual and mailed to the responsible party for signature.
3. Once granted, Charity Care is a one-time offer for the balance submitted on the application.
4. If Charity Care is not offered based on the information provided by the Short Form, the applicant may appeal the decision by completing and submitting the Long Form.

Long Form Application: (Non Medicare Patient)

1. Use for balances over \$100 for primary care services and \$500 for hospital.
2. Use if responsible party's Short Form Application was denied and they elect to submit additional information.
3. Once granted, Charity Care will cover all household members for 6 months beginning the date the completed Long Form Application was approved by Nathan Littauer Hospital.
4. Existing balances not in collection will be included in the program coverage.
5. Charity Care recipients will be issued two cards per household. The cards will include the name, medical record number of all household members, the expiration date. This is not an insurance card, and it may only be used at Nathan Littauer Hospital facilities. Patients will be required to present the cards and a picture ID each time they come to a Primary Care office or the Hospital for services.

Medicare Patient Application:

1. Use for all balances regardless of location of service.
2. Once granted, Charity Care will cover the Medicare recipient for 6 months beginning the date the completed Medicare Patient Application was approved by Nathan Littauer Hospital
3. Existing balances already written off to bad debt will not be eligible for consideration.
4. Charity Care recipients will be issued two cards per household. The cards will include the name, medical record number of all household members, the expiration date. This is not an insurance card, and it may only be used at Nathan Littauer Hospital facilities. Patients will be required to present the cards and a picture ID each time they come to a Primary Care office or the Hospital for services.

Application of Charity Care Discounts

1. Prior to applying any charity care discount the amount owed will be reduced By the average discount offered to or taken by governmental and non-governmental payers for services rendered to their patients. The discount will be calculated on an annual basis.

Collection Policies:

1. After charity adjustment has been computed and applied, the remaining balances will be treated in accordance with Patient Financial Services policies regarding self pay balances.

¹Patient balances that remain after the appropriate charity care discount has been applied will be calculated based on the average discount provided to all payers.

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