

Providing Charity Care

POLICY

John T. Mather Memorial Hospital recognizes that many of the patients it serves may be unable to access quality health care services without financial assistance. The John T. Mather Memorial Hospital Charity Care Policy was developed to ensure that the Hospital continues to uphold its mission of providing quality health care to the community, while carefully taking into consideration the ability of the patient to pay, as applied in a fair and consistent manner.

PROCEDURE

A. Purpose

The purpose of Charity Care is to provide services free of charge, or at a reduced rate, for all or part of a patient's care.

For the purpose of determining which services may be offered Charity Care, services will be defined by all of Nassau and Suffolk County's primary service areas for emergency services. Charity Care will be utilized in those cases where the Senior Director of Patient Financial Services, or other authorized personnel, determines that the patient, due to their financial position, or assets, is unable to pay for all or part of their care (including: deductibles, co-payments, coinsurance and/or services not covered by insurance or other third party payer).

The Senior Director of Patient Financial Services, or authorized personnel, makes a final decision on charity care (on a case-by-case basis). In the event that a patient's bill is not eligible for Charity Care, either in part or in its entirety, the hospital can provide interest free payment plans that correlates with the patient's income and assets, but will not exceed ten percent of the patient's gross monthly earnings (some elective cases may require an initial deposit). If a patient is cooperating with an agreed upon extended payment plan to settle an outstanding bill with the facility, the hospital will not send the unpaid bill to a collection agency/attorney.

B. Publication/Public Access

It is the hospital's policy to have bilingual signs in both English (primary language) and Spanish (secondary language) informing patients about our Charity Care program posted in selected patient registration areas.

Postcards with the Charity Care Representatives contact information are provided to patients who express a need for Charity Care. Each admission packet contains an insert informing patients about the Charity Care program.

All of the patient statement mailers include a Charity Care statement informing patients of the program and contact information. The hospital's website also has a dedicated Charity Care section which includes frequently asked questions and the Charity Care program summary.

C. Application Process

In accordance with the Affordable HealthCare 501R regulations, all self-pay patients are no longer billed for total charges. At the time of bill, the account is reduced to the AGB (Accounts Generally Billed) rate of 35% of charges. (For further details of the AGB, and how it is calculated, please see the Amounts Generally Billed Policy and Procedure). The Patient is then offered to either pay in full or enter into an appropriate payment arrangement. If the patient believes they are still unable to afford the bill, they may then complete a Charity Care Application. Any discount the patient is eligible for under the Charity Care guidelines is applied to the balance after the AGB reduction.

Patients who inquire about Charity Care to help satisfy their balance after insurance, for example allocated copays, coinsurances, and deductibles, are first to be offered to settle their account using the Amounts Generally Billed discount (AGB). Using the AGB, the patients' responsibility is reduced to 35% of the current balance. (For further details of the AGB, and how it was calculated, please see the Amounts Generally Billed Policy and Procedure.) The Patient is then offered to either pay in full or enter into an appropriate payment arrangement. If the patient believes they are still unable to afford the bill, they may then complete a Charity Care Application. Any discount the patient is eligible for under the Charity Care guidelines is applied to the balance after the AGB reduction.

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D. Application Criteria

A Charity Care Application is provided to all patients who inquire about the program. Each application includes a checklist of all required documentation and a self-addressed return envelope.

Once the application and all required documentation have been returned, John T. Mather Hospital utilizes guidelines for the current Federal Poverty Level to determine eligibility under the Charity Care Program. If Charity Care in part or whole is determined to be applicable, the designated Charity Care Representative uses the Charity Care Allowance code to make all necessary adjustments.

E. Determining Applicable Discounts

The discount a patient receives is based on the family income, the size of the family, and how it aligns with the Federal Poverty Guidelines. Patients who fall below 150% of the Federal Poverty guidelines are eligible for a 100% discount, with the exception of a nominal fee when applicable. Patients who fall 451% and above the federal poverty guidelines are responsible for the Amounts Generally Billed. For a full breakdown of all discounts, please see table A below.

**All Patients eligible for a 100% discount are subject to a nominal fee as defined by New York State.*

Table A

Family Size	Family Income	*Eligible for 100% Charity Care (Up to 150%)	Eligible for 75% Charity Care (Up to 250%)	Eligible for 50% Charity Care (Up to 350%)	Eligible for 25% Charity Care (Up to 450%)
1	\$12,060.00	\$18,090.00	\$30,150.00	\$42,210.00	\$54,270.00
2	\$16,240.00	\$24,360.00	\$40,600.00	\$56,840.00	\$73,080.00
3	\$20,420.00	\$30,630.00	\$51,050.00	\$71,470.00	\$91,890.00
4	\$24,600.00	\$36,900.00	\$61,500.00	\$86,100.00	\$110,700.00
5	\$28,780.00	\$43,170.00	\$71,950.00	\$100,730.00	\$129,510.00
6	\$32,960.00	\$49,440.00	\$82,400.00	\$115,360.00	\$148,320.00
7	\$37,140.00	\$55,710.00	\$92,850.00	\$129,990.00	\$167,130.00
8	\$41,320.00	\$61,980.00	\$103,300.00	\$144,620.00	\$185,940.00

Source: Calculated using data from the Federal Register, January 2016 for families/households with more than 8 persons, add \$4,160 for each additional person. U.S. Department of Health and Human Services (HHS)

- 150% & Below: Patient's bill is discounted 100%
- 151-250%: Patient's bill is discounted 75%
- 251-350%: Patient's bill is discounted 50%
- 351-450%: Patient's bill is discounted 25%
- 451% & Above: Patient is responsible for amounts generally billed in accordance with the Affordable Healthcare 501R regulations.

F. Nominal Payment Guidelines

In accordance with New York State regulations, a nominal fee is charged to patients who are eligible for 100% Charity Care. They are as follows:

- Inpatient Services - \$150/Discharge
- Ambulatory Surgery - \$150/Procedure
- MRI Testing - \$150
This includes CAT Scans, Nuclear Medicine, & Ultrasounds
- Adult ER/Clinic Services - \$15/Visit
This includes Speech Therapy, Physical Therapy & Lymphedema
Infusion center patients will also be subject to a \$15 nominal fee, with a cap of \$150 per month.
- Prenatal and Pediatric ER/Clinic Services – No Charge

G. Outpatient Clinic Nominal Payment Guidelines

The Senior Director of Patient Financial Services, or his/her designee, determines each patient's eligibility for all

patients who use our outpatient clinics, or affiliated physician offices, who inquire about the Charity Care program. Once a patient inquires about Charity Care, they are required to complete a full application, omitting the items listed below. The items listed below are excluded from determining eligibility for the program:

- The patient's primary residence
- Tax-deferred or comparable retirement savings accounts
- College savings accounts
- Automobiles used by the patient or the patient's immediate family

The chart below represents the John T. Mather Memorial Hospital nominal payment charity care guidelines for the outpatient clinic patients. At 150% (or below) the Federal Poverty Guideline (FPG), the patient is required to make a nominal payment of \$15.00. If a patient is over 451% of the FPG, the patient is responsible for the Amounts Generally Billed.

Patient Financial Responsibility

Federal Poverty Level	Fee per visit
Under 150%	\$15
151% - 250%	\$35
251% - 350%	\$77
351% - 450%	\$153
451% & Over	AGB discount *

**The AGB discount will never be lower than the \$15 nominal fee, as referenced in New York State regulations.*

On a case by case basis, if a patient has multiple weekly visits and the per-visit rate becomes a financial burden; additional discounts can be applied by the Senior Director of Patient Financial Services or Director of Patient Access.

H. Time Requirements for Determination:

Once an application has been received and a comprehensive review has been conducted, one of the following letters is forwarded to the patient, via mail, explaining the result of the application. This letter is mailed within 30 days of the hospital receiving the Charity Care application. The letters are as follows:

- Letter #1: Confirms the patient is eligible for Charity Care
- Letter #2: Confirms the patient is eligible for partial Charity Care
- Letter #3: Informs the patient they are not eligible for Charity Care at this time
- Letter #4: Informs the patient that additional information is required in order to determine Charity Care eligibility
- Letter #5: Final reminder letter to the patient to apply for Charity Care

Please note that patients have up to 90 days from the date of discharge or date of Medicaid denial to apply for Charity Care. If a patient inquires about applying for Charity Care after the 90 day timeframe, the Senior Director of Patient Financial Services may grant certain exceptions to this rule. The patient must still provide all required documentation proving they're indigent. If a patient applies for Charity Care in regard to an open balance from a previous year, or to have the previous year's account considered, the patient must provide their tax return for the year of the account in question.

All discounts received through the Charity Care program are effective for one year. Therefore, if a patient continues to require financial assistance, they must re-apply for Charity Care on an annual basis.

I. Billing/Collections

A patient is allowed to apply for Charity Care at any point from admission to final payment of the bill. The facility does recognize that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in a need for charity services.

The collection agencies and collection attorneys we utilize are advised to adhere to the same high standards incorporated in the hospital's Charity Care policy. Our collection agencies and attorneys do not begin their collection process on an open account if a patient has submitted a completed Charity Care application and is in the process of

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being reviewed to determine eligibility.

Legal action, including the garnishing of wages, may be pursued by the hospital only when there is sufficient evidence that the patient or responsible party has the income and/or assets to meet his/her obligation. The facility does not force the sale or foreclosure of a patient's primary residence to pay an outstanding medical bill. Liens are permitted only when there is evidence that the patient or responsible party has sufficient income and or assets to meet his/her obligation.

J. Presumptive Eligibility

Charity Care determination may not require extensive documentation based on account balance criteria. Accounts below a certain dollar amount may not require extensive documentation to administer a charity care allowance.

The facility considers significant assets owned by a patient and or a legally responsible individual for all cases including patients at or below 150% of the Federal Poverty Level. A decision may be made by the Senior Director of Patient Financial Services to grant charity care based on the following: account balances, information received via phone calls, face to face interviews, admitting information and/or medical record information. An example of these types of cases might include homeless patients, foreign patients, drug rehabilitation, non-retroactive Medicaid coverage, Medicaid co-payments, etc.

The facility also runs an estate search on all deceased patients with an open balance. If the estate search deems the patient is without an estate, all open balances are written-off as Charity Care using the presumptive eligibility allowance.

K. Recordkeeping/Reporting

The Business Office maintains a detailed log of all Charity Care applicants and recipients in accordance with the necessary criteria required for annual reporting to various governmental agencies.

On a monthly basis, the Systems Analyst sends Transunion the Bad Debt qualified accounts. When returned from Transunion, the accounts are divided into four tiers which include the following: Presumptive Eligibility, Low Collectability, Medium Collectability and High Collectability:

- Presumptive Eligibility: Accounts are automatically written off using the Presumptive Eligibility allowance.
- Low Collectability/Medium Collectability: Accounts continue through the collections process and are assigned to an agency. If the patient contacts the agency inquiring about Charity Care, these cases require the Senior Director's approval. A full and completed Charity Care application must be returned promptly within 90 days in order to be considered for financial assistance.
- High Collectability: These accounts are reviewed by our credit and collection unit and held from collections for 30 days. If after 30 days the patient has not created a payment arrangement or paid in full, the account is sent for further collection efforts.

L. Approval Authorizations Levels

Effective January 1, 2013 the facility has assigned specific members of the management team to oversee write-off approvals by specific dollar amount ranges. Below are the individuals assigned to the three approval tiers:

- \$10,000 and Under - Manager of Patient Accounts
- \$10,001-\$25,000 - Assistant Director of Patient Financial Services
- \$25,001 and Over - Senior Director of Patient Financial Services

M. Appeal Process

In the event a Charity Care applicant is denied or does not agree with the determination, they may appeal the decision by contacting the Charity Care Representative at extension 4037 for a Charity Care Appeal Form.

Each year the hospital includes in the Annual Operating Budget an amount which is approved by the Board of Directors for the purpose of providing Charity Care.

2017 Charity Care Guidelines

The following represents the John T. Mather Memorial Hospital Charity Care guidelines that are based on the 2017 Poverty Guidelines for all States issued by the Department of Health and Human Services. The scale represents the percentage applicable to patient responsibility as follows:

Family Size	Family Income	* Eligible for 100% Charity Care (Up to 150%)	Eligible for 75% Charity Care (Up to 250%)	Eligible for 50% Charity Care (Up to 350%)	Eligible for 25% Charity Care (Up to 450%)
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2	\$16,240.00	\$24,360.00	\$40,600.00	\$56,840.00	\$73,080.00
3	\$20,420.00	\$30,630.00	\$51,050.00	\$71,470.00	\$91,890.00
4	\$24,600.00	\$36,900.00	\$61,500.00	\$86,100.00	\$110,700.00
5	\$28,780.00	\$43,170.00	\$71,950.00	\$100,730.00	\$129,510.00
6	\$32,960.00	\$49,440.00	\$82,400.00	\$115,360.00	\$148,320.00
7	\$37,140.00	\$55,710.00	\$92,850.00	\$129,990.00	\$167,130.00
8	\$41,320.00	\$61,980.00	\$103,300.00	\$144,620.00	\$185,940.00

Source: Calculated using data from the Federal Register, January 2016
For families/households with more than 8 persons, add \$4,180 for each additional person
U.S. Department of Health and Human Services (HHS)

☞ 150% & Below: Patient's bill is discounted 100%

☞ 151-250%: Patient's bill is discounted 75%

☞ 251-350%: Patient's bill is discounted 50%

☞ 351-450%: Patient's bill is discounted 25%

☞ 451% & Above: Patient is responsible for amounts generally billed in accordance with the Affordable Healthcare 501R regulations.

In addition, the hospital shall take into consideration the following conditions, as follows:

Discounts may be considered if medical expenses incurred, for the twelve month period (window) exceeds 50% of gross income.

Discount levels will be based on net income as shown on filed copy of tax return or acceptable documentation showing proof of income.

If patient has little or no income but has considerable savings and/or assets, discount may be reviewed, and prorated.

If you would like further information regarding Charity Care please contact the Charity Care Representative at (631) 473-1320, extension 4037. All English documents are available in Spanish and can be furnished upon request.

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John T. Mather Memorial Hospital Charity Care Application Form

You are required to supply proof of statements made in this application, including identity, place of residence, income and resources.

Patient's Name: _____ SS#: _____

Person responsible for bill: _____ SS#: _____

Address: _____ Phone #: _____

Employer: _____ Address: _____

Phone #: _____ Position: _____ Salary: \$ _____

Union or Local Affiliation: _____

Number of Dependents in Household: _____

Do you have any Hospitalization insurance? Yes No

If yes, is it Medicare Medicaid Blue Cross

Other (specify): _____ Insurance Policy or Certificate #: _____

Name of Bank: _____ Address: _____

Savings Account #: _____ Checking #: _____

Credit Cards:

Name: _____ Account #: _____ Balance: \$ _____

Name: _____ Account #: _____ Balance: \$ _____

Other income: \$ _____ Specify Source: _____

Have you applied for Medicaid medical assistance? Yes No

If yes, when: ____/____/____ Results: _____

I understand that by signing this document I am applying for Charity Care at John T. Mather Memorial Hospital. I certify that the above information is true and accurate to the best of my knowledge. I also understand that John T. Mather Memorial Hospital may verify the information I am providing and that deliberate falsifications may disqualify my application from being considered or charity. I will cooperate with this verification and provide all needed evidence to support the information I have declared on this application.

Effective 2/1/98, a Trans Union credit report may be required on specific Charity Care requests.

Signature of Patient or Responsible Party _____

Charity Care Representative _____ Date: _____

All English documents are available in Spanish and can be furnished upon request at (631) 473-1320 X4037