



**Purpose:**

To establish procedures to provide financial assistance to persons who do not have the ability to pay for Medically Necessary Services.

**Objectives:**

We are committed to providing Medically Necessary Services to all patients in our community regardless of their ability to pay. Charity Care will be available on the basis of documented financial need when there are no Third Party Payers to pay the amount due. No patient will be denied Charity Care on the basis of age, sex or sexual orientation, race, religion or national origin. Eligibility for Charity Care will be determined using an application process that offers patient dignity and confidentiality.

**Definitions:**

1. Adjusted Gross Income: All income including but not limited to, income not subject to federal or state taxes, minus the deductions allowed under Section 62 of the Internal Revenue Code for purposes of determining adjusted gross income in a federal tax return.
2. Assets: All interests of the debtor in property other than income including, for example, bank accounts, trust accounts, tax refunds, investment accounts, stocks and bonds, probate and insurance claims, accounts receivable, but excluding the following.
  - a. Retirement funds in an account maintained to provide for retirement benefits through yearly tax deductible contributions into the fund.
  - b. The *value* of the homestead exemption for the home the debtor owns and occupies.
3. Debtor: A patient who is 18 years old on the date of service both parents of a patient who is less than 18 years old on the date of service; the spouse of a patient; and persons named in a court order to be legally responsible for the payment of the amounts due.
4. Dependent: The personal exemption the Internal Revenue Service allows to calculate the Debtor's annual taxable income.
5. Federal *Poverty* Guidelines: The federal *poverty* income annual guidelines published by the Department of Health & Human Services in the Federal Register and at [www.aspe.hhs.gov/poverty](http://www.aspe.hhs.gov/poverty).
6. Midwest Medical Center: Midwest Medical Center & Galena Stauss Senior Care Community.

**7. Medically Necessary Services:** Services and supplies that Medicare defines as proper and needed for the diagnosis, direct care, or treatment of the medical condition; as meeting the standards of good medical practice in the community of service; and not mainly for the convenience of the patient or the treating physicians.

**8. Third Party Payer:** Insurance providers responsible for payment of a patient's Medically Necessary Services including, but not limited to, Medicare; Medicaid; Kid Care; Family Care; all health plans; liability policies including amounts due on medical lien claims; and worker's compensation carriers.

**1. Communication of Policy:** Midwest Medical Center will communicate the availability of Charity Care to the community served in multiple ways including the following formats.

- a. Place signage, information, or brochures in appropriate areas of our facilities including the emergency departments, registration area, and business offices informing patients that Charity Care is available and how to obtain information to apply for assistance.
- b. Place a note on or in our statements explaining how to obtain more information to apply for charity assistance.
- c. Designate and train staff to explain our Charity Care Policy to patients. All staff in the Business Office and Registration Department will learn how to direct Charity Care questions they are unable to answer to the appropriate Midwest Medical Center Representative.

**2. Charity Care Application.**

- a. A Debtor must first apply for benefits from all Third Party Payers. Midwest Medical Center will assist and/or direct patients in obtaining payment from Third Party Payers.
- b. A Debtor may not receive Charity Care before each of the following requirements is satisfied.
  - I. All Third Party Payer benefit claims are exhausted.
  - II. Debtor has signed the Application in the space provided for certifying that all of the financial information and documents disclosed accurately reflect the Debtor's financial circumstances.
  - III. Debtor has attached all financial documents requested to the Application for verification of the Debtor's financial circumstances.
- c. If there is more than one Debtor for the account, Midwest Medical Center may consider the Application incomplete and deny Charity Care, unless all of the Debtors on the account complete a Financial Assistance Application.

**3. Eligibility Determination:** The Business Office will determine eligibility for Charity Care on the basis of the Debtor's Assets and Adjusted Gross Income. If the Debtor's Assets are insufficient to pay the amount due, the Debtor will qualify for financial assistance on a sliding scale comparing the Debtor's Adjusted Gross Income to the Federal Poverty Guidelines.

- a. Debtors with an Adjusted Gross Income at or below 150% of the Federal Poverty Guidelines for the number of Dependents in the Debtor's household will be eligible for 100% Charity Care.
- b. Debtors with an Adjusted Gross Income greater than 150%, but equal to or less than 300% of the Federal Poverty Guidelines for the number of Dependents in the Debtor's household, will be eligible for partial financial assistance.
- c. Debtors with insufficient Assets to pay the amount due, and who do not qualify for Charity Care on the basis of the Federal Poverty Guidelines, will be eligible for a catastrophic charity adjustment when the total amount due Midwest Medical Center equals at least 20% of the Debtor's Adjusted Gross Income. Catastrophic Charity is an eighty percent (80%) adjustment off billed charges for Medically Necessary Services.
- d. A charity adjustment may be reversed when Midwest Medical Center later learns that the Debtor failed to fully disclose or falsified financial information submitted to apply for financial assistance.

**4. Charity Care Notification.**

- a. Midwest Medical Center will send written notification of approval or denial of Charity Care to the Debtor within 30 working days following receipt of a completed and signed Application submitted with all requested financial information attached.
- b. If the Debtor is not eligible for 100% financial assistance, the Charity Care Notification will include notice of our payment policies for paying the balance due on the account.
- c. Midwest Medical Center will maintain a record of the total amount of Charity Care provided to patients for inspection by any government agency requiring this information to maintain exemption from federal, state or local taxes.