



Administrative Policy - Finance

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Charity Care Program

Policy

This policy is designed to aid CaroMont Regional Medical Center, CaroMont Specialty Surgery, and CaroMont Endoscopy Center in identifying and determining the financial responsibility for patients who are low income, uninsured, underinsured, and/or medically indigent.

Purpose

Appropriately identifying patients eligible for Charity Care will eliminate the need for unnecessary billing and collection efforts and will help ensure that these patients receive the needed medical care that they could not otherwise afford.

Responsibility/Scope

Patient Financial Services is responsible for the Charity Care Program for CaroMont Regional Medical Center, CaroMont Specialty Surgery, and CaroMont Endoscopy Center.

Procedure/Guidelines

Non-discrimination

CaroMont Regional Medical Center, CaroMont Specialty Surgery, and CaroMont Endoscopy Center shall render services determined to be emergent or medically necessary by medical opinion, regardless of the ability of the patient to pay for such services. Charity Care is available to residents of Gaston County who are also United States citizens, lawful permanent residents with a Green Card, aliens with an Employment Authorization Card, or individuals on a non-immigrant Visa. Determination of Charity Care will be based on the patient's income and assets and will not be abridged on the basis of age, sex, race, creed, disability, sexual orientation, or national origin.

No More Than Amount Generally Billed (AGB)

A patient determined to be eligible for Financial Assistance may not be charged more than amounts generally billed for emergent or other medically necessary care to patients who have insurance for such care.

Staff Training/Assistance

Employees involved in the process of patient registration, billing, and collection are trained to understand the basic information related to the organization's Charity Care policy and procedures. Translation services and assistance in completing the Financial Assistance Application are available to those unable to do so or those with special needs.

Application Process

Financial Assistance

Uninsured and underinsured patients may qualify for a Charity Care Discount based on their annual income, family size, and assets.

Charity Care Applications can be obtained by calling 704-834-2931 or coming to Customer Service inside the entrance off the parking deck at CaroMont Regional Medical Center at 2525 Court Drive, Gastonia, N.C. and asking for a Financial Counselor. Completed applications and documentation required for Charity Care consideration should be submitted back to the same address.

Revenue Manager

The Revenue Manager system may be used to obtain information about patients being considered for Charity Care. Revenue Manager will be utilized in circumstances outlined in Appendix D.

Financial Assistance Application

The Financial Assistance Application may be used to obtain information from patients being considered for Charity Care. The application will be utilized in circumstances outlined in Appendix D.

Timing

The patient or his/her representative may request Charity Care consideration before services are rendered, at the time of service, or after services are rendered. However, applications received 240+ days from the date of the first post discharge billing will only be considered on a case-by-case basis. Documentation must be provided if the request is more than 90 days after the service date. Failure to return the requested documents within 30 days of application or within 240 days from the date of the first post discharge billing is considered to be incomplete and may result in denial of Charity Care for the services.

Eligibility Review Process

Revenue Manager

Revenue Manager Responses may be used as documentation to verify financial information in circumstances outlined in Appendix D.

Financial Assistance Documentation

Financial assistance documentation will be used to verify financial information in circumstances outlined in Appendix D. Patients may use a variety of documents to substantiate financial circumstances, such as paycheck stubs, W-2 forms, income tax returns, unemployment benefit statements, disability statements, bank statements, etc. If these items are unavailable, a letter of support from individuals providing for the patient's basic living needs may be accepted.

Third Party Payers

All other avenues to obtain third party payment and financial assistance must be exhausted prior to any patient receiving Charity Care. An applicant's failure to pursue an eligible health plan or assistance program could result in denial of Charity Care.

Annual Income

Income is defined as all sources of income (i.e., wages, tips, alimony, child support, unemployment income, disability income, retirement income, interest, dividends, social security, income received from property or real assets, etc.) for all family members residing in the household.

Exempt Assets

The primary residence on up to one (1) acre of land, one automobile for each working aged adult, and other assets, including but not limited to, retirement funds, investments and other financial assets, cash value of life insurance policies, and equity in property or real assets, totaling up to \$25,000 are exempt from consideration as assets in determining Charity Care eligibility. Annual income received from property or real assets will be deducted from the amount of equity in the asset when calculating the exemption.

Adjusted Annual Income

Adjusted annual income will be used in determining eligibility for Charity Care. Twenty percent (20%) of the value of non-exempt assets will be added to the household annual income to determine the Adjusted Annual Income.

Approval Process**Charity Care Discount**

To qualify for services at no cost or a 100% Charity Care Discount, a patient's household Adjusted Annual Income must be equal to or below 200% of the Federal Poverty Guideline for their family size. A patient approved for Charity Care will not be charged more than Amounts Generally Billed for emergency and other medically necessary care. AGB for purposes of this policy are defined as the amounts that would be paid through Medicare if such services were rendered to Medicare fee-for-service or Medicaid beneficiaries. The organization will not bill more than these applicable rates to patients who have qualified for Charity Care approval.

Extenuating Circumstances

If the patient is unable to provide information on the Financial Assistance Application, Patient Financial Services may nevertheless review and consider the account eligible for Charity Care.

Uninsured Discount

Uninsured patients who do not qualify for a Charity Care Discount will be eligible for an uninsured discount.

Approval/Denial Notification

Patients who request consideration for a Charity Care Discount shall be notified in writing within thirty (30) working days after receipt of the Financial Assistance Application and all required supporting documentation as to whether the patient qualifies for Charity Care. If a patient is denied Charity Care, the reason(s) for the denial shall be provided in writing.

Continuing Eligibility

Patients who have previously been approved for Charity Care may be deemed eligible for Charity Care on future visits without having to submit a new Financial Assistance

Application if their financial situation has not changed. Medicare patients may be deemed eligible within 12 months and all other patients within 3 months of their previously approved date of service.

Expired Patients

Patients, including out of county residents, who have died, have no estate, and have no responsible spouse are deemed to have no income for the purpose of determining Charity Care eligibility.

Agreement with Other Providers

There are no formal agreements with other providers that participate in our Patient’s Care who follow this policy. However, those providers may on a case by case basis consider their services to be “no cost” if deemed a Charity Care Discount by CaroMont.

Other providers may include but are not limited to:

- Emergency Room Physician
- Radiologist
- Anesthesiologist
- Pathologist
- CaroMont Medical Group

Adjustment Approval Levels

The Approval levels per account for Charity Care Discounts and Extenuating Circumstances are outlined below.

| Charity Care | |
|------------------------|---|
| <i>Discount Amount</i> | <i>Authorization Level</i> |
| \$0 - \$9,999 | Patient Financial Services Representatives |
| \$10,000 - \$24,999 | Assistant Manager, Access Management or higher level PFS Management |
| \$25,000 - \$99,999 | Assistant Manager, Access Management and Manager Access Management |
| \$100,000+ | Manager, Access Management, Manager, Business Services, and Director, PFS |

Approval/Adjustment Restrictions

CaroMont Health employees shall not process or approve Charity Care Discounts for any relative or friend. All accounts involving relatives or friends should be immediately elevated to the appropriate supervisor.

False Information

If fraudulent or false information is discovered, the Charity Care Discounts may be reversed, and the account balance becomes the responsibility of the patient and/or guarantor.

Extraordinary Collection Actions

Balances will be the financial responsibility of the patient and/or guarantor unless deemed Charity Care. If the account is not paid within 120 days from the date of the first post

discharge statement, it may be placed with an outside collection agency. A thirty-day notice will be sent to the patient prior to outside collection agency placement. If a patient qualifies and applies for Charity Care after placement with an outside collection agency, the process of collection action will be suspended pending Charity Care determination. Other extraordinary collections actions may include reporting the debt to the credit bureau, placing liens on personal property, garnishment of SC State taxes, Attorney representation, and possible foreclosure of personal property.

If a patient is approved for Charity Care after extraordinary collection actions are initiated, all reasonable efforts will be made to reverse any negative effects of the action.

Patient payments made prior to Charity Care approval for the patient accounts approved for Charity Care will be refunded to the patient and/or guarantor if the services were deemed medically necessary.

Definitions

- “Charity Care” means inpatient and outpatient medical treatment and diagnostic services provided at no cost for uninsured and underinsured patients who cannot afford to pay for the care according to established organization guidelines.
- “Bad Debt” means expenses resulting from treatment for services provided to a patient who, having the financial resources to pay for health care services has nevertheless demonstrated by his/her actions an unwillingness to comply with the contractual arrangements to resolve the bill for such services.
- “Medically Necessary” means Services or Supplies: (a) provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease, not for experimental, investigational, or cosmetic purposes; (b) necessary and appropriate for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms; (c) within generally accepted standards of medical care in the community; (d) not solely for the convenience of the patient or the patient’s family, and; (e) as determined by a medical team.
- “Revenue Manager” is a software system that supplies confidential patient information that includes, but is not limited to, credit scores, family income estimation, available credit lines, and status of outstanding debts. The information is obtained from TransUnion, which is one of the three major credit reporting agencies.

FAP Provider Listing:

| Providers who follow the FAP | Providers not obligated to follow the the FAP | Discretionary |
|----------------------------------|---|--|
| CaroMont Regional Medical Center | Gastonia Physician Services, LLC | All CaroMont Health providers, which includes primary care, specialty, and urgent care practices |
| CaroMont Specialty Surgery | Gaston Radiology | |
| CaroMont Endoscopy Center | Gaston Anesthesia | |
| | Pediatrix | |
| | GEMS (Gaston Emergency Medical Services) | |
| | OrthoCarolina | |
| | Carolina Orthopaedics & Sports Medicine | |
| | Carolina Urology | |