



Corona Regional Medical Center

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Subject: Charity Care and Financial Assistance	Date Issued:	7/5/1995
	Date Reviewed:	3/30/2011
	Date Revised:	7/1/2011
Approval by:		
Originator: Business Office		

I. SCOPE:

The purpose of this policy is to insure a consistent and uniform method for compliance with Assembly Bill 774 effective January 1, 2007 and the State Bill 350 effective January 1, 2008. The Legislature requires each hospital, as a condition of licensure, to maintain written policies about discount payments and charity care for financially qualified patients. This policy is also designed to ensure that obtaining any insurance and/or financial information is compliant with Emergency Medical Treatment and Active Labor Laws

II. POLICY:

Any Self Pay, Uninsured or Underinsured patient that indicates a hardship will be screened for eligibility for a variety of government sponsored programs and possible Charity Care. As Part of the ongoing commitment to affordable healthcare, Corona Regional Medical Center (CRMC) will partner with all patients to address financial responsibilities that is fair and sensitive to their financial circumstances pursuant to this CRMC policy Charity Care determination shall be subject to the prevailing Federal Poverty Levels defined as Exhibit A. Corona Regional Medical Center has the right to pursue and recover the full balance from any third party resource. Charity eligibility applications will be approved in compliance with applicable State and Federal Regulations and or Managed Care contractual agreements. Patients or Patient's family that do not qualify under the terms of this policy for Charity Care may qualify for payment arrangements as specified under Section F of this policy.

WHO MAY PERFORM/RESPONSIBLE/AFFECTED DEPARTMENTS:

CRMC Financial Counselor, Cash Collector, Central Business Office (CBO) or agent of CRMC will supply the patient or patient's family with the Charity



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Application with instructions for completion. CRMC representatives will be available to assist in answering questions during the Application process.

III. PROCEDURES:

Charity Care Eligibility System

A. Application: Patient or patient’s family must complete the application in its entirety and attach all requested documentation and meet the qualifications listed below. For the purpose of determining eligibility for the CRMC Charity Care Program the patient or patient’s family must submit:

- Proof that all Government Programs have been denied with full compliance in the approval process.
- Charity Application completed in full.
- Documentation of all assets will include information on all monetary assets, but shall not include statements on retirement, deferred compensation plans qualified under the Internal Revenue Code or the first \$,10,000 in monetary asset.
- Release from the patient or patient’s family for an asset search, authorizing the hospital or their agent to obtain financial information. The patient will authorize CRMC or its agents to obtain the financial information by any means possible which will not be limited to a credit check.
- CBO has the ability on individual cases of less than \$15,000 in gross charges to waive the charity application process and base the charity approval on the results of the Search America Charity Advisor program with the credit and income documentation to determine eligibility.
- In cases where the accounts gross charges are greater than \$15,000 a charity application is required. If the CBO is unable to obtain a charity application then a charity approval based on the results of the Search America Charity Advisor program can be approved and adjusted, however, notification to the facility will be required.
- Patients that are deemed homeless will be automatically approved for the charity program if the account is clearly documented by First Source



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that the patient was screened for all government programs and was not deemed eligible.

B. Financially Qualified Patient: Patient or patient’s family eligibility for Charity Care can be determined by measuring Immediate Family Member Income, size and meet the Federal Poverty Level (FPL). The Facility shall require that any patient or patient’s family requesting financial relief under Charity Care verify apply and produce the denial for all government programs available to them and comply with any requirements for approval of said government program. If the government program states that acceptance is contingent on meeting certain qualifications the patient or patient’s family must prove that they have complied with the requirements.

- **Uninsured:** Patient or patient’s family that do not have health insurance and their annual income is between 100% and 200% of the LFP.
- **Underinsured:** Patients or patient’s family that have some form of health care, however, their annual income from all sources is between 201% and 350% of the FPL. **Self Pay Patient:** Is a patient that does not have health care or third party coverage and are not currently enrolled in a government sponsored programs.
- **Patient with High Medical Costs:** Patient or patient’s family whose family income does not exceed 350% of the FPL and patient cost of care is deem catastrophic
- **Catastrophic Care:** Patient or patients annual out-of –pocket cost exceed 15% of the patient’s or patient’s family’s annual income. The patient or patient’s family must provide documentation that supports the medical expenses paid for the prior 12 months combined with a completed Charity Application.

C. State and Federal Programs: For purposes of this policy both State and Federal programs will be classified as government programs. All government programs through both the State and Federal system that the patient or patient’s family may qualify for eligibility. The patient or patient’s family must prove they applied for and were denied with full compliance of all the requirements for potential eligibility.



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- A. **D. Income Verification.** The patient or patient’s family must verify the income reported on the application. The acceptable proof of income will be:
 - with three (3) months of prior bank statements, two (2) years completed and filed tax returns, current pay stubs spanning six (6) months or greater, unemployment, workers compensation or disability stubs spanning six (6) months or greater, and a signed authorization for a credit an asset search. This application will also include a letter from the patient or patient’s family stating the financial hardship they have incurred and the reason for the request for financial assistance under the CRMC Charity program.
- E. Documentation Unavailable:: In only the case where the patient expired without an estate and there is no immediate family will Charity Care be considered without the supporting documentation.
- B. **F. Expired Patients.** Expired patients may be deemed to be financially eligible for the CRMC Charity Program provided the conditions outlined below:
 - Immediate family member cannot be located for submission of the government application to State or Federal Programs
 - Copy of Death Certificate is provided.
 - No Estate can be verified
- C. **G. Verification Procedure.** In verification and qualification process in determining a patient’s total income, CRMC may consider other financial assets and liabilities of the patient or patient’s family but at no time will the patient or patient’s family’s retirement or deferred compensation be taken into consideration in the approval process. The hospital may verify credit history and financial assets at any time during the application process. If a determination after the patient or patient’s application process is made that a patient has the ability to pay. A re-determination of the patient’s or patient’s family’ ability to pay will be accepted upon presentation of additional supporting documentation.
- H. Classification Pending Income verification.** Hospital may consider a request for financial assistance at anytime; before, during or after the dates



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of service. At no time will the patient or patient’s family be requested to disclose any insurance or financial information, nor will any financial or insurance information be accepted during the Medical Screening process compliant with the Emergency Medical Treatment and Active Labor Law (EMTALA) until the patient has been Medically cleared. During the process of verification and determination that the patient or patient’s family meets the qualifications listed above CRMC will classify the patient as pending Charity using the I-Plan of 904.

I. Information Falsification. Falsification of information may result in denial of the financial assistance application. If, after a patient is granted financial assistance, the hospital finds material provision(s) of the financial application to be untrue, charity care status may be revoked and the financial assistance will be withdrawn.

J. Acceptance: Payments may only be granted classification as financially indigent if their yearly income is less than or equal to 350% of the poverty guidelines updated annually in the Federal Register by the U.S. Department of Health and Human Services (“Federal Poverty Guideline”). The updated Federal Poverty Guidelines will be applied beginning the first day of the month following their release.

K. Classification for Medically Indigent, Charity Care or Discounted programs.

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Charity Care, Discounted Care and Payment Arrangements shall be granted to self pay uninsured, underinsured and/or catastrophic care patients and patient’s family whose asset and family income does not exceed the percentage of the FPL listed in Exhibit A.

100% to 200% of the Federal Poverty Level	100%
201% to 300% of the Federal Poverty Level	Medi-Cal
301% to 350% of the Federal Poverty Level	Medicare
351% to 400% of the Federal Poverty Level	70 % of charges
400% or greater of the Federal Poverty Level	80% of charges



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L. If at any time the patient may request to make payment arrangements to CRMC for the balance owed on their account. CRMC will review that request: For the purpose of determining eligibility for discounted care and payment arrangements documentation will be limited to recent three (3) months of recent pay stubs , one (1) current year filed income tax return, credit check and asset search.

M. Classification/Acceptance: Patient may only be granted classification as Charity Care if the amount owed by the patient after all third-party payers exceeds fifteen percent (15%) of the patient's yearly income and the patient is unable to pay the remaining balance and their yearly income is less than 350% of the FPL.

N. Approval for Charity write-offs shall be documented in the facility patient Accounting system, SMS comments section and entered through collector work list and appropriate activity code utilized.

O. Approval Authority:

The charity approval forms will be authorized at the following approval levels: Approval levels:

\$25,000 or greater Business Office Director, Patient Access Director or Designee

\$75,000 or greater Chief Financial Officer or Designee

P. Approval of Form Documentation. A charity approval form will be documented and scanned into Document Imaging under the encounter folder, for all accounts approved for charity.

Q. Retention of Records. All applications used in this Charity process/procedure shall be scanned and maintained in accordance with Federal program retention schedules.



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R. Notification of Eligibility. Patients may request a written determination of their application for Charity assistance, otherwise a determination letter shall not be provided.

IV. S. Collection of Debt: If the patient or patient’s family has been notified that they fail to meet the programs available at CRMC or fail to meet the payment arrangements agreed to by CRMC, the debt will be assigned to a contracted agent for collection of that debt. This policy does not diminish or reduce the *protections the patient may have under the current Federal and State Fair Debt Collection Laws.*

V. REFERENCES:

NFPA 101-2000 Life Safety Code

AB 774

SB 350

Fair Debt and Collections Act

Federal Register

VI. ATTACHMENTS:

Exhibit A - Federal Register – HHS Poverty Guidelines



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EXHIBIT A

The 2011 Poverty Guidelines for the 48 Contiguous States and the District of Columbia	
Persons in family	Poverty guideline
1	\$10,890
2	14,710
3	18,530
4	22,350
5	26,170
6	29,990
7	33,810
8	37,630

For families with more than 8 persons, add \$3,820 for each additional person.