

SAINT BERNARD HOSPITAL AND HEALTH CARE CENTER

326 West 64th Street
Chicago, Illinois 60621

POLICY STATEMENT:

- A. In recognizing the medical needs of the indigent, **SAINT BERNARD HOSPITAL AND HEALTH CARE CENTER** provides quality medical health care regardless of race, creed, color, sex, national origin, sexual orientation, handicap, age or inability to pay.
- B. **SAINT BERNARD HOSPITAL** recognizes its responsibility to the community by providing that no patient requiring medically necessary care will be refused services solely due to a lack of financial means. This policy is intended to provide the framework under which such care will be rendered.
- C. Although reimbursement for services rendered is critical to the operation and stability of **SAINT BERNARD HOSPITAL**, it is recognized that not all individuals possess the financial ability to purchase essential medical services. Therefore, in keeping the hospital's commitment to serve all members of its community, charity care will be considered in situations where the need and inability to pay to coexist.
- D. As a health care institution, it is part of our mission to care for the sick and special needs of the poor. Keeping its commitment to the community, **SAINT BERNARD HOSPITAL** recognizes and acknowledges the financial needs of patients who are unable to afford the charges associated with their medical care. The health care services provided will be provided at an uncompensated or reduced level based on established criteria. The dignity of the individual remains paramount during such consideration.

PURPOSE:

- A. To ensure prompt and compassionate care to those in need, and to determine eligibility for charity care.
- B. To define charity policy guideline in order to facilitate a consistent approach to accounts receivable write offs.
- C. This policy identifies circumstances under which **SAINT BERNARD HOSPITAL** will extend care free of charge, or at a discount commensurate with the ability to pay to a patient whose financial status make it impractical or impossible to pay for necessary medical services. The necessity for medical treatment of any patient will be based upon clinical judgment without regard to financial status of the patient.

DEFINITIONS OF TERMS:

- A. **BAD DEBT EXPENSE:** The provision for actual or expected uncollectibles resulting from the extension of credit.
- B. **CHARITY CARE:** Health care services provided free or at a reduced rate for individuals who meet certain financial criteria.
- C. **CONTRACTUAL ADJUSTMENTS:** Difference between revenue at established rates and amounts realized from third party payers under contractual agreements.
- D. **FAMILY INCOME:** Wages, salaries, dividends, interest, Social Security benefits, unemployment benefits, welfare payments, child support, alimony, strike benefits, workers' compensation, veterans' benefits, training stipends, military allotments, regular support from family member not living in the household, government pensions, private pensions, insurance and annuity payments, income from rents, royalties, estates and trusts.
- E. **HOSPITAL UNINSURED PATIENT DISCOUNT ACT:** Pursuant to Public Act 95-0965 the hospital will extend a 50% discount to uninsured residents of Illinois whose family income is not more than 600% of the Federal Poverty Guidelines.

- F. CHARITY CARE is that portion of patient care services provided by a hospital for which a third-party payer is not responsible and a patient has the inability to pay. Any portion of costs that a patient is unable to pay can count as charity care.
- G. Charity Care does not include bad debt, contractual adjustments, or unreimbursed costs (Payment shortfalls). Charity care may include unpaid coinsurance; deductibles and non-covered services if the patient meets the hospital's charity care eligibility criteria.
- H. Denial of payment by Medicaid for any reason for services provided and any lack of payment for non-covered services provided to a Medicaid patient shall be considered charity.
- I MEDICALLY NECESSARY SERVICES are those services as defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

ELIGIBILITY CRITERIA:

SAINT BERNARD HOSPITAL uses the Federal guidelines for poverty levels published as guidelines to define recipients of charity care. Eligibility for charity care may be determined at any time by the hospital as information on the patient's eligibility becomes available.

UNINSURED DISCOUNT ELIGIBILITY

Pursuant to the Hospital Uninsured Patient Discount Act, the hospital will extend a 50% discount to uninsured residents of Illinois whose family income is no more than 600% of the Federal Poverty Guidelines. All uninsured patients (with an account balance greater than \$300.00 and a resident of the State of Illinois) will be eligible for this immediate 50 % discount, once a determination is made that there is no potential third party reimbursement for the services provided. The uninsured discount will be reversed if there is evidence of third-party responsibility for the charges.

Any uninsured patient that does not pass the screening for charity will receive the uninsured discount, charged to bad debt, and a notice will be sent to the patient for the remaining balance.

CHARITY ELIGIBILITY

Presumptive Eligibility

All uninsured patients will be screened for charity, and considered presumptively eligible for financial assistance based on the following provided and verified information:

Homelessness

Deceased with no estate

Mental incapacitation with no representative to act on the patient's behalf

Current Medicaid eligibility, but not at the time of service

Enrollment in WIC

SNAP benefits

Illinois free lunch and breakfast program

Low income Home Energy Assistance Program (LIHEAP)

Enrollment in an organized community-based program providing access to medical care (income/financial status verification is criteria for membership)

Receipt of grant assistance for medical services

St Bernard Hospital will screen uninsured outpatients through an Electronic and Information Technology (EIT) system. Based on family income standards if the total reported family income falls below 200% of the Federal Poverty (FPL) guidelines, the entire account (excluding luxury items) is charged to charity care. Patient's annual family income above 200%, but less than 300% of the FPL will have a financial responsibility of 25% of

the bill. Patient's annual family income above 300%, but less than 400% of the FPL will have a responsibility of 50% of the balance. A patient's annual family income above 400%, but less than 500% of the FPL will have a responsibility of 75% of the balance. If the patient's circumstances changes that will impair their financial obligation, the patient (or the patient's representative) must promptly notify the hospital of this change. Consideration for changes or additional adjustments will be considered at the time of notification, and will be considered on a case-by-case basis. Additional documentation may be requested for an additional determination based on what changes have occurred.

APPLICATION PROCESS

Inpatients- Uninsured Inpatients that are admitted will be screened and interviewed for determination of the programs that the patient would be eligible to apply. Applications for any third-party payer that the patient may qualify for based on submitted information will be completed with cooperative efforts of the patient, the patient's family or representative, and a hospital representative. At the same time, the application for charity assistance will be completed and considered.

Any patient completing an application will sign the application; provide the needed documents for verification of information and a determination by St Bernard Hospital for any state, federal or local assistance. The patient and/or guarantor agrees to assist in the application for assistance.

If the patient meets the presumptive eligibility criteria as identified in the Presumptive Eligibility section, the patient will not be required to complete the section of the application regarding the monthly expenses for the purpose of consideration of charity, this is required information for the consideration of state or federal assistance.

All insured patients, may apply for charity benefits for medically necessary care by accessing an application on St Bernard Hospital website or from the Patient Accounts Department. St Bernard Hospital will apply the same family income standards to any self-pay balance after insurance payment, will be processed through the EIT system and discounts will apply based on FPL guidelines.

If the patient is uncooperative in the application process or not forthcoming with information regarding third party coverage, the application for charity assistance can be denied by the hospital and the patient may be made responsible for the payment of the hospital bill.

COLLECTIONS

All patients asking to be considered for charity assistance will be placed in a special financial class that will not have any active collection activity related to the balance.

If the hospital has reason to believe that a lawsuit may be filed on behalf of the patient, the hospital will invoke its right to file a lien with an itemized statement.

Policy approved.