



Hardship, Discount and Charity

PURPOSE

All reasonable efforts must be made to ascertain benefits and financial status of the patient prior to admission. Qualification must be ascertained for Financial Hardship Discounts and/or Charity. Patients, who have applied for Medicaid but have not yet been approved for coverage, should provide documentation of their request, for review prior to admission.

SCOPE

n/a

DEFINITIONS

PAS – Patient Accounting System

ROLES & RESPONSIBILITIES

n/a

POLICY

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PROCEDURES

Policy Details

Policy ID

OPS-429

Audience

All

Effective Date

6/1/2009

Last Review Date

7/26/2013



1. Financial hardship discounts and/or charity must be approved by the Controller and Administrator. A Charity Request Form must be completed by the patient and approved by CEO and/or Controller prior to admission. If the patient has no medical coverage or has exhausted Medicare benefits, and has no available source for timely account payment, a Financial Disclosure and Hardship form and the Financial Hardship Discount Worksheet must be completed and approved prior to the patient receiving clinical services, in order to be considered, for cost report.
2. When requested, assistance shall be provided to complete all medical assistance paperwork and/or charity/hardship forms and documents. All state requirements, regarding posting and notification on websites, offering assistance and/or charity must be adhered to.

The financial hardship/charity worksheet is to be completed and returned with supporting documentation. Supporting documentation includes verification of income. Verification of income includes most recent federal income tax return or Form 1722 from the Internal Revenue Service confirming no tax return was filed and check stubs from the last month or a letter from the employer confirming income. Information on dependents, expenses and assets should also be provided. Lack of supporting documentation or failure to complete all information on the Financial Hardship worksheet can result in denial of financial assistance.

The Medicaid application or the Medicaid eligibility screening application can be used in lieu of the financial hardship worksheet when a patient has been denied Medicaid. Documentation exceptions may be made for homeless patients.

3. Once charity/hardship admission is approved, these forms along with the Financial Hardship Discount Worksheet shall be scanned into IPSCAN Admission Packet Addendum or ACEIT Admission Financial Folder. Charity/Hardship status should be indicated by selecting the CHAR plan in PAS. At the time of claim generation, an automated transaction W100 code will be posted to the patient account with 100% discount. For those patients qualifying for charity, post-discharge, an electronic adjustment request would be utilized for write-off procedures with a note in PAS that approved charity write-off documentation has been scanned.
4. Reduction of total charges will apply to charity care or reduced-fee patients who qualify for these services, based on the following percentages of the Federal Poverty Limits:

IncomeLevel	Reduction of Total Charges
0-200% FPL	100%
201-300% FPL	75%
301-400% FPL	50%

5. If hardship request is for the patient responsibility, the approved reduction should be posted after insurance benefits have paid-in-full. If patient has no benefits and qualifies for charity, the reduction should be posted after the claim generates.

GUIDELINES

Internal Controls

RE036

REFERENCES

n/a

NOTES

n/a