



Effective: 1/1/2006  
 Last Approved: 7/8/2021  
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 Owner: Anna Robinson: Revenue Cycle Director  
 Policy Area: Business Services Policies  
 References:

## Financial Assistance Policy

### PURPOSE:

It is the policy of Hugh Chatham Memorial Hospital to assess and provide financial assistance to those patients deemed appropriate based on their individual ability to pay.

### POLICIES:

Hugh Chatham Memorial Hospital will give uncompensated care as a community service to those who require medical care, but are unable to pay. This community service will be available to all persons residing in the service area without discrimination based upon race, color, national origin, creed or other grounds unrelated to the individuals need for the service of this facility.

### PROCEDURE:

- A. Uncompensated care may be given in full or partial based upon the applicant's ability to pay in relation to federal poverty level guidelines. Criteria for uncompensated care will be based upon a scale of 100% to 200% of the annual federal poverty levels. This scale is established to meet the needs of those applicants whose income is not low enough but qualify based upon individual or unusual circumstances, such as excessive medical bills, long term illness, Medicaid spend-downs, inadequate health care coverage, Medicaid deductibles or their incomes is so low that payment of the medical bill would seriously hinder their ability to pay for their basic necessities of life.
- B. Every applicant will be assessed individually and the information in the application will remain valid for a period of six months, unless there is a significant change in the applicant's status.
- C. This policy will be updated yearly to reflect current poverty levels. These levels are published annually (Feb.) in the Federal Register.
- D. Any person requiring medical care may request a determination of eligibility for uncompensated care prior to the service, after the service is provided or ever after the collection actions has begun (unless the account is moved to bad debt status, at which time the account will not be considered for uncompensated care): however the hospital reserves the right to require proof of need. This requirement will be proof of income or assets, as well as denials from public aid applications prior to a decision for uncompensated care. In addition, the hospital may require child care or child support payments, pay check stubs, unemployment checks, IRS returns or any other information that is reasonable and necessary to substantiate the applicant's income.

- E. The hospital will give free care to Medicaid patients that we do not have a current contract with.
- F. The hospital will give free care to expired patients without an estate.
  - 1. The hospital will NOT consider applications for free care on elective procedures, such as cosmetic procedures that ultimately will not result in the loss of life or limb if not performed.

**Financial Assistance Income Guidelines  
BASED ON 2021 FEDERAL POVERTY GUIDELINES**

Family Size	Income based on Poverty Levels					
	100% Uncompensated Care		75% Uncompensated Care		60% Uncompensated Care	
	100%	150%	151%	175%	176%	200%
1	12,880.00	19,320.00	19,448.80	22,540.00	22,668.80	25,760.00
2	17,240.00	25,860.00	26,032.40	30,170.00	30,342.40	34,480.00
3	21,960.00	32,940.00	33,159.60	38,430.00	38,649.60	43,920.00
4	26,500.00	39,750.00	40,015.00	46,375.00	46,640.00	53,000.00
5	31,040.00	46,560.00	46,870.40	54,320.00	54,630.40	62,080.00
6	35,580.00	53,370.00	53,725.80	62,265.00	62,620.80	71,160.00
7	40,120.00	60,180.00	60,581.20	70,210.00	70,611.20	80,240.00
8	44,660.00	66,990.00	67,436.60	78,155.00	78,601.60	89,320.00

**\*\*\*\*Add \$ 4,540.00 for each additional family member over 8\*\*\*\***

- G. Uncompensated care will be giving based on this eligibility scale.
  - 1. 100%-150% of poverty level for family size = 100% uncompensated care Internal Code - 99015
  - 2. 151-175% of poverty level for family size = 75% uncompensated care Internal Code 99100
  - 3. 176-200% of poverty level for family size = 60% uncompensated care Internal Code 99017
- H. If an applicant does not receive 100% of uncompensated care, they will be required to set up payment arrangements on the remaining balance, should they not be able to pay in full. Non eligible applicants should be documented in CPSI with Internal Code 99094 for tracking
- I. Any employee that has prior payroll deductions arranged will not be eligible to apply for uncompensated care on that balance. Uncompensated care can only be determined on current accounts for employees.
- J. For those patients that are currently enrolled in a commercial insurance plan or any governmental sponsored plan, their application will be processed based on 100% of the poverty level income guidelines.
- K. The eligibility criteria is listed in part A. The criteria is based upon a scale of 100% to 200% of the annual federal poverty levels. See the chart in part F for more detail. The FAP Application also lists the example proofs of income: pay stub, W-2, tax return, social security verification, letter from employer, etc. The method for applying for financial assistance is provided: Return completed application form and proof of income to the following address: Hugh Chatham Memorial Hospital, PO Box 560, Elkin, NC 28621, Attention: Financial Assistance.

The following statement satisfies the list of providers that do and do not follow the financial assistance policy. Notice 2015-46, Section 03.02 allows a hospital facility to specify providers by reference to a department or a type of service. All departments in the hospital follow the financial assistance policy except for the following: emergency medical services, radiology interpretation services, pathology diagnostics, emergency room physicians, anesthesia services, and hospitalist.

All revision dates:

7/8/2021, 7/3/2020, 7/1/2019, 7/2/2018, 7/2/2018, 4/25/2018, 1/18/2018, 4/28/2017, 1/1/2016

## Attachments

No Attachments

## Approval Signatures

Approver	Date
Anna Robinson: Revenue Cycle Director	7/8/2021