

Gateway Ambulatory Surgery Center
1025 Northeast Gateway Court, NE
Concord, NC 28025

POLICIES AND PROCEDURES

TITLE: Charity Care Policy

Prepared By: _____

Authorized By: _____

Endorsed By: _____

Effective Date: 01/05/06

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WHEREAS, The Gateway Ambulatory Surgery Center, L.L.C. operates a Medicare certified ambulatory surgical center; and

WHEREAS, the Center intends to participate in the provision of indigent and charitable care to residents of the community who are uninsured or underinsured and do not have adequate financial resources to pay for necessary healthcare services.

NOW THEREFORE, the Center hereby adopts the following Indigent Care Policy to more fully reflect its ongoing indigent care practices:

Center Policy.

- Eligible patients shall have access to services of the Center at reduced rates.
- The Center shall not discriminate against Medicare or Medicaid or indigent patients.
- The Center intends to provide services at a reduced charge to eligible patients who are indigent.

Indigent Care. Indigent care is subsidized health services provided by the Center to low-income individuals without other forms of coverage.

Eligibility for Indigent Care. Indigent care shall or may be provided to:

- Uninsured patients whose family income is equal to or below one hundred percent (100%) of the federal poverty standard, adjusted for family size;
- Patients who are determined eligible upon consideration of the factors in Section 4 hereof;
- Insured patients whose coverage is inadequate to cover a catastrophic situation;
- Patients whose income is sufficient to pay for basic living costs but not medical care;
- Patients who demonstrate the ability to pay part but not all of their liability.

Determination of eligibility for Indigent Care shall remain valid for six (6) months for all necessary Center services; provided, however, if there is a change in the financial circumstances of a patient, an updated or new application for Indigent Care must be completed.

Procedure for Determining Eligibility.

- Eligibility for Indigent Care shall be determined at the time of scheduling or as soon as possible thereafter.
 - Indigent Care considerations shall be initiated by business office staff. However, any Center employee can inform a patient about the Indigent Care program.
 - Applications for Indigent Care shall be reviewed and approved within fourteen (14) business days.
 - The Center shall consider the following criteria in determining eligibility for Indigent Care:
 - Area of residence of the patient. Applications from patients residing outside the Center's service area shall be reviewed only upon the request of a physician or collection supervisor.
 - Whether patient's gross income falls within federal standards for determining the poverty level, taking into consideration family size, geographic area and other pertinent factors.
 - The patient's net worth, taking into account all liquid and non-liquid assets owned less any liabilities or claims against such assets.
 - The patient's current employment status and future earnings potential.
 - Patient's family size.
 - Other financial obligations of the patient, including living expenses and other items of a reasonable and necessary nature.
 - The amount and frequency of other healthcare/medication related bills relative to the factors listed above.
 - Amounts received from all other sources of payment, including, but not limited to, third party payors, victims of crime programs and Medicaid.
- I. If patient does not currently have Medicaid but qualifies for Medicaid, the patient must apply for Medicaid. If the application is denied, the patient will be considered for Indigent Care.
 - II. If the patient has Medicare but no secondary coverage and patient's income is within the federal poverty guidelines contained in this Policy and updated each April in the Federal Register, such patient shall be required to apply for Medicaid. If such application is denied, the patient will be considered for Indigent Care.
 - III. The appropriate amount of Indigent Care, if any, to be offered to patient for any amounts due shall be determined after all other sources of payment have been applied. If it is determined that the patient can afford to pay for a portion of the services, such patient

- will be expected to do so. If the patient does not pay the amount deemed to be such patient's responsibility, such uncollectible amount shall become bad debt.
- IV. Verification of Eligibility. Verification of income must be provided with the application for Indigent Care (Charity Care Letter and CREDIT APPLICATION). Acceptable forms of verification include:
- V. The prior year's tax return and current pay stubs or written verification of wages from patient's employer;
- Unemployment letter;
 - Social Security check;
 - Bank statement;
 - Disability check;
 - Letter of eligibility for cash assistance;
 - Credit reports; and
 - **Medicaid denial letter**
- VI. *Approval of Application and Right to Appeal.* Patients and physicians shall be notified in writing of the approval, denial or pending determination of eligibility for Indigent Care. If full or partial Indigent Care is approved, the Center shall send a letter to the patient's attending physician requesting that such physician extend similar indigent to the patient.
- VII. If the application is denied, the patient shall be notified of the right to appeal such denial by providing supporting documents that show the patient's inability to pay and that were not part of the initial consideration for Indigent Care. The patient shall have thirty (30) days from the receipt of notification of denial to request an appeal such denied.

Re-Evaluation of Approval.

Patients within the Federal Poverty Guidelines will automatically be approved on a semi-annual basis.

A patient's eligibility will be re-evaluated either six (6) months after such patient's last application for Indigent Care or upon any of the following changes in circumstances, whichever occurs first:

- Subsequent rendering of services;
- Change in income;
- Change in family size; or
- When any part of patient's account is written off as a bad debt or is in collections.

Sliding Fee Schedule. The following Sliding Fee Schedule shall be used to determine the maximum amount of charges for which a patient whose family income is between one hundred one (101) and two hundred (200) percent of the federal poverty standard will be expected to pay; provided, however, that the Center has the authority to hold the patient responsible for a lesser amount after taking into consideration the factors in Section 4D hereof.

Monthly Reports. The Center shall provide monthly reports to the Board of Managers of the Center reflecting the amount of Indigent Care and Medicaid Care provided by the Center for the previous month.

Public Awareness. The Center shall publicize its Indigent Care Policy and its intent to serve indigent care, low income and Medicaid outpatient surgical patients to the Center's service area.

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	PERCENTAGE DISCOUNT
101% to 133%	50%
134% to 166%	25%
167% to 200%	10%