

KIDSPEACE POLICY
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Title: Charity Care	Chapter: Corporate
Policy Number: CORP.815	Subsection: Finance
Initiating Authority: Kathryn Sena, Manager Patient Accounts	Supersedes: FI.CORP.B.15
Origination Date: January 22, 2007	Implementation Date: February 4, 2016
Approving Authority: Michael Callan, Chief Financial Officer (CFO)	

I. POLICY STATEMENT

Consistent with the mission statement and the values of the KidsPeace Corporation, it is our intent to provide Behavioral Health Care Services to all clients regardless of their ability to pay for services.

II. PURPOSE

This Charity Care Policy applies to un-funded/uninsured and under-funded/under-insured clients who participate in the process to evaluate their ability to pay for services. The corporation will employ the Federal poverty guidelines published in the Federal Uncompensated Care and Uncompensated Services Program Bulletin issued annually by the U.S. Department of Health and Human Services in the evaluation process.

This Charity Care Policy applies to all clients based on the **U.S. Department of Health and Human Services Poverty Guidelines current at the time of consideration**. In some cases, the entire Client Responsibility Amount may be forgiven under this policy. Once eligibility is determined, all clients whose related family gross income is under 400% of the Federal Poverty Level may have all or substantial portions of their responsibility amount forgiven.

Clients whose gross income is greater than 400% of the Federal Poverty Level and who provide documented support of hardship or demonstrate other unusual circumstances will have their charges for care reduced to the client responsibility amount.

In cases of documented extreme hardship, and upon the approval of the KidsPeace Executive Vice President and CFO, an amount less than that calculated per the guidelines appearing on the U.S. DHHS Poverty Guidelines, or less than the client responsibility amount (for clients whose gross income is more than 400% of the FPL), may be accepted by the Corporation in satisfaction of a client’s obligation.

III. SCOPE

KidsPeace Corporation and all of its subsidiaries, including Admission, Patient Accounting, Finance, Utilization Management, and Program associates

IV. GENERAL

Definitions:

- **Charity Care** – an option allowing un-funded and/or under-funded clients to participate in a process to evaluate the client’s ability to pay for services.
- **Client Responsibility Amount** – The payment amount expected from uninsured or under-insured clients.

Provisions:

All clients indicating an inability to pay will be screened for eligibility for the Medical Assistance Program and referred to the Company’s Medicaid application contractor when necessary to help facilitate completion of the Medicaid Application.

All applicants will be screened without prejudice and without discrimination

Clients who do not qualify for Medical Assistance will be considered for charity care using the Corporation’s financial screening application and Payment Forgiveness Guidelines.

Information provided by clients and their families to obtain Medical Assistance and consideration for Charity Care will be used for that purpose only and will remain confidential.

References:

Copies of the following documents can be obtained from any member of the Patient Accounting or the Admissions Department:

Attachment A: Application for Reduced Cost of Care;

Attachment B: Income Guidelines & Sliding Fee Scale for Reduced Cost Care;

Attachment C: Determination Notice for Reduced Cost Care;

V. POLICY

- A. Program, Admissions and/or other corporate associates will assist un-funded (e.g. lack insurance) and/or under-funded (e.g. under-insured) clients with payment processing of their care bills.
- B. Program and/or Admission associates will make a determination on a client's lack of necessary funding and/or absence of funding during their placement or continuation of care protocol (See corporate policy Continuation of Care for Unfunded Clients,).
- C. Client cases will be reviewed based on medical necessity and those clients not able to meet financial responsibilities and/or are not meeting the criteria for Medical Assistance will be referred for evaluation and consideration for reduced cost care under this policy.
- D. Program and/or Admission associates will communicate to the parent and/or legal guardian information about the existence and option of Charity Care assistance at KidsPeace.
 1. Program and/or Admission associates will forward the Application For Reduced Cost Of Care to the clients' parent and/or legal guardian.
 2. Program and/or Admission associates will instruct the client/applicant to complete the form, in its entirety, and return to the KidsPeace Finance Department for review and consideration.
- E. The Finance Department will determine if client qualifies for reduced cost care and approves, partially approves, or denies reduced cost care depending upon the criteria stated in the Reduced Cost Care Payment Forgiveness Guidelines. Health and Medical saving Accounts, if any, will be applied to client balances prior to applying the Guidelines.
 1. Once eligibility is determined, all the clients/related family whose gross income is under 400% of the Federal Poverty Level may have all or substantial portions of their client responsibility amount forgiven. In some cases, the entire patient responsibility amount forgiven.
 2. Clients whose gross income is greater than 400% of the Federal Poverty Level and who provide documented support of hardship or demonstrate other unusual circumstances, may have their charges considered for reduction.
 3. All approved Charity Care applications will be reviewed Semi-annually for continuation of benefits.
 4. In cases of documented extreme hardship, and upon the approval of KidsPeace's Executive Vice President and CFO, an amount less than that calculated per the guidelines appearing on Payment Forgiveness Guidelines, or less than the client responsibility amount (for clients whose gross income is more than 400% of FPL), may be accepted by the Corporation in satisfaction of a client's obligation.
 5. Accounts for un-funded and/or under-funded clients qualifying for Uncompensated Care/Reduced Cost Care will be written-off using the appropriate charge master charity write-off code by the Patient Accounting Department.

- F. The Executive Vice President and CFO and Patient Accounts Manager will counter-sign the approval for account write-off.
- G. The Finance Department will inform the program and/or Admission associate on the approval and/or denial of a client's application within three (3) days of receiving a completed and fully documents application.