



Title of Policy/Procedure:

CHARITY HOSPITALIZATION

Administration Approval:

Rappahannock General Hospital will consider for charity, those who cannot pay their hospital bill, because of insufficient income or other resources. The hospital will also consider those whose ability to pay is contingent upon the sale, liquidation, or disposal of life necessities, such as home, automobile (required) or retirement funds.

Determination of charity will be made through knowledge of the medical and socio-economic situation and its various financial implications; an interview with the patient (responsible party) and investigation of financial resources. The decision will be based on cooperative medical, social service, and administrative judgment.

A distinction will be made between the "categorically needy" and the "medically needy". The hospital will provide free service to those considered to be medically needy.

"Categorically needy" (Medicaid) will be construed to mean those individuals receiving or eligible for cash assistance because they meet the social and physical conditions for eligibility under Title XIX.

"Medically needy" (hospital uncompensated care) will be construed to mean those individuals who meet the social and physical conditions of eligibility for the categorically needy grouping, but those whose income are above the welfare level. However, their income and resources are deemed too low to meet the costs of needed medical care according to other guidelines such as The Federal Poverty Income Guidelines as published by The Virginia Hospital Association.

Consequently, a medically indigent classification will be established to recognize the hospital's responsibility to the needs of a segment of patients for whom adequate health financing is not provided. An advisory committee consisting of the Vice President - Finance, Accounts Receivable Supervisor, and the Business Manager will review all applications for "free care". Accounts with balances greater than \$15,000 will be submitted to the Administrator for final approval. All others will be approved by the Vice President - Finance. Appropriate files will be maintained and periodic reports will be made to the Administrator and the Board of Directors.

Requests for elective admission "free care" status must be referred to administration for consideration by the physician prior to treatment.

There is an active verbal agreement between the Chief Physician of the Northern Neck Free Health Clinic and the Administration of Rappahannock General Hospital, to provide ancillary services (mainly laboratory and diagnostic radiology) to the patients who are seen at the Clinic, provided a

copy of the screening reports, which include accurate financial information, is shared with the Hospital's Business Office, so that accurate steps may be taken to qualify these patients for the Charity Trust Program. Any extraordinary care that is required will be done as long as prior approval has been obtained through the Hospital's Administration.

All requests for "free care" must be accompanied by a financial statement from the patient/responsible party. The financial statement should include but is not limited to income and proof of same, dependents, assets, liabilities, etc. The request should also include any additional information that aid in a "free care" determination.

The following categories will be considered:

1. Those whose income is above the welfare/medicaid level but nevertheless is deemed too low to meet the cost of needed medical care (as set forth by Federal Poverty Guidelines or other appropriate guidelines).
2. Those whose income is above the minimum level needed for subsistence, but who cannot pay a hospital bill without encroaching on the life necessities.
3. Those whose medical condition adversely affects their post-discharge employability and thus their payability.
4. Those elderly persons without family ties whose life situation did not permit accumulation of savings or insurance to cover the retirement years.
5. Those whose level of indebtedness and required expenditures makes payment of a hospital bill over a long term impossible.