

**New Charity Care Requirements
Provisions to Add to Charity Care Policies**

- **Definition of “Charity Care.”** The statutory definition of charity care was revised. A sample definition is as follows:

Charity Care and/or Financial Assistance means medically necessary hospital health care rendered to indigent persons when Third-Party Coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductible or coinsurance amounts required by a third-party payer based on the criteria in this policy.

- **Definition of “Third Party Coverage.”** A statutory definition of third party coverage was added. A sample definition is as follows:

Third-Party Coverage means an obligation on the part of an insurance company, health care services contractor, health maintenance organization, group health plan, government program (Medicare, Medicaid or medical assistance programs, workers compensation, veteran benefits), tribal health benefits, or health care sharing ministry as defined in 26 U.S.C. Sec. 5000A to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others (for example, auto accidents or personal injuries) which have resulted in the medical condition for which the patient has received hospital health care services.

- **Notice and Language Requirements.** There are new, specific notice and language requirements.
 - Physical notices about availability of charity care in all languages spoken by more than 10% of the population of the hospital service area must be posted and prominently displayed in areas where patients are admitted or registered, emergency departments, if any, and financial service or billing areas where accessible to patients. The following is sample policy language:

A notice advising patients that the HOSPITAL provides Financial Assistance and Charity Care will be posted in key public areas of the hospital, including Admissions and/or Registration, the Emergency Department, Billing and Financial Services.

- Materials that must be available on a hospital’s website include current versions of the hospital’s charity care policy, a plain language summary of the hospital’s charity care policy, and the hospital’s charity care application form. The summary and the application form must be available in all languages spoken by more than 10% of the population in the hospital service area. The following is sample policy language:

The HOSPITAL will make available on its web site, current versions of this policy, a plain language summary of this policy, and the HOSPITAL's Charity Care application form.

- A specific statement advising patients that they may qualify for free care or a discount on their hospital bill must appear on the first page of the billing statements and other communications concerning billing, in both English and the second most spoken language in the hospital's service area. Any preprinted hospital billing statements existing as of October 1, 2018 need not be altered. The following is sample policy language:

HOSPITAL billing statements and other written communications concerning billing or collection of a hospital bill by HOSPITAL will include the following statement on the first page of the statement in both English and the second most spoken language in the HOSPITAL's Service Area:

You may qualify for free care or a discount on your hospital bill, whether or not you have insurance. Please contact our financial assistance officer at [web site] and [phone number].

- The following is a sample policy provision to meet the language requirements:

The written notices, the verbal explanations, the policy summary and the application form will be available in any language spoken by more than ten percent of the population in the HOSPITAL's service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the writing and/or explanation. The following non-English translation(s) of these are currently made available:

- **Staff Training Requirements.** Providing meaningful access for limited English proficiency and non-English-speaking patients applies to billing and charity care. Hospitals are required to develop and provide regular standardized training programs to their staff regarding their charity care policies and use of interpreter services. Training must include "appropriate staff" including staff who perform functions relating to registration, admissions or billing. The following is sample policy language:

The HOSPITAL has established a standardized training program on its Financial Assistance and Charity Care policy and the use of interpreter services to assist persons with limited English proficiency and non-English-speaking persons in understanding information about its Financial Assistance and Charity Care policy. The HOSPITAL will provide regular training to front-line staff who work in registration, admissions and billing, and any other appropriate staff, to answer Financial Assistance and Charity Care

questions effectively, obtain any necessary interpreter services, and direct inquiries to the appropriate department in a timely manner.

- **Timing of Income Determinations.** In addition to making reasonable efforts to determine the existence or nonexistence of private or public sponsorship which might cover the charges for hospital care provided, hospitals are required to determine the annual family income of the patient *as of the time the health care services were provided, or at the time of application for charity care if the application is made within two years of the time of service, the patient has been making good faith efforts towards payment of health care services rendered, and the patient demonstrates eligibility for charity care.* (Italicized language is new.) At their discretion, hospitals may consider applications for charity care at any time, including any time there is a change in a patient's financial circumstances. The following is sample policy language:

Timing of Income Determinations. Annual Family Income of the Applicant will be determined as of the time the Appropriate Hospital-Based Medical Services were provided, or at the time of application for Charity Care or Financial Assistance if the application is made within two years of the time the Appropriate Hospital-Based Medical Services were provided, the Applicant has been making good faith efforts towards payment for the services, and the Applicant demonstrates eligibility for Charity Care and/or Financial Assistance

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