

**HOSPITAL POLICY – Housewide**

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**APPROVAL:****SOURCE:** Patient Accounts**EFFECTIVE DATE:** 3/1/95**DATES OF REVIEW:****POLICY NUMBER:** 02**DATES OF REVISION:** 12/1/00, 3/4/05,  
1/1/08, 4/10

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**POLICY:** Charity is to be awarded only after the utilization of all third party payor sources, including Federal, State, and local assistance program have been exhausted. Charity awards are predicated upon the completion of a hospital financial evaluation (attached), submission of supporting documentation, and requested, the completed cooperation of the requestor and the demonstrated need of a financial assistance. Charity Care may also be granted if it is determined the patient indigent, has a small balance or the patient is incarcerated without providing supporting documentation.

**IDENTIFYING CHARITY PATIENTS:** While it is desirable to determine if a patient qualifies for charity care services as close to the time of service as possible, there is no rigid limit on the time when the determination is made. In some cases, eligibility is readily apparent and a determination can be made before or soon after the date of service. In other cases, it may take investigation to determine eligibility, particularly when the patient has limited ability or willingness to provide the needed information.

**GENERAL CRITERIA:** Elkhart General Healthcare System recognizes that each family or individual, requesting charity case, represents a unique financial and socioeconomic situation. Guideline and criteria utilized to be approved for charity care are as follows:

1. Assets both liquid and non-liquid, will be analyzed to determine sources of payment or borrowing potential to meet hospital obligations.
2. The Health and Human Services Federal Poverty Level Guidelines may be considered to establish financial need.
3. Family Size will be considered and used to establish financial need.
4. Employment Status will be considered along with future earnings capacity and ability to meet hospital obligations within a reasonable period of time. Items of temporary nature, such as short term layoff, unemployment or disability will be given careful consideration when determining the need for financial assistance.
5. Ordinary Family Expenses including basic housing, food, utility, and transportation expenses and other related items will be analyzed for reasonableness and appropriateness.
6. Extraordinary Household Expenses including medical bills and expenses, excessive credit obligations, luxury items or services, excessive spending and contributions, new or recently purchased major expenditures, etc. will be reviewed for appropriateness and in the keeping with the purpose of this policy.

7. Other Information as may be presented or come to the attention of Elkhart General Healthcare System, will be utilized to determine edibility for charity.
8. Partial Charity awards may be granted for those families or individuals who are only able to pay a portion of the total hospital obligation within a reasonable period of time.
9. All Applicants need and are expected to cooperate in applying for any appropriate State or National subsidy programs (examples include Medicaid, Health Indiana Plan, etc.), if eligible.

**INTERNAL PROCESS:** For those patients who meet the criteria for Charity Services, the account will be adjusted off Accounts Receivable using a specific charity adjustment code. At any time, a report can be produced for charity services and can be retrieved from the account selection report. This report will list the patient's name, date of service, discharge date, and account balance.

**APPROVAL LEVEL/LIMITS:** Please refer to Patient Accounts Hospital Policy #6, Account Write-Off Authorization.