Hospital Accountability Project

LUNCHEON

A project of the Citizens Action Coalition Education Fund in collaboration with Indiana Legal Services
Funded by: The Nina Mason Pulliam Charitable Trust
AGENDA

- Welcome and Introductions
- History of HAP
- Overview of the Problem
- Provisions for Charitable Care in State Law
- Provisions in the Affordable Care Act
- Hospital Policies
- Legal Rights and Consumer Tips
- Complaints
- Resource Guide
- Questions and Discussion
Mission

HAP is working to ensure that non-profit hospitals in Marion County earn the tax breaks they receive by providing an adequate amount of financial assistance/charity care to underinsured and uninsured citizens.
Mission

HAP is working to address the significant medical debt problem in Indianapolis by educating the public about their rights and responsibilities as health care consumers.
Hospital Accountability Project
Activities

- Canvassing
- 2 Reports
- Community Meetings
- Meetings with Hospitals
Non-Profit Indianapolis Hospitals

- IU Health
  - University
  - Methodist
  - Riley
- Community Health
  - North
  - East
  - South
  - Westview
- St. Vincent Health
  - Indianapolis Hospital
  - Peyton Manning’s Children’s Hospital
  - St. Vincent Women’s Health
- Franciscan St. Francis Health
What about Wishard?

- Marion County Public Hospital focused on meeting the needs of the underserved.
- Under different supervision than the private non-profits
  - Wishard is governed by a Board of Trustees, part of the Health and Hospital Corporation of Marion County
- Financial Assistance Program
  - Financial Counselor #: 317-630-6574
Overview of the problem

- Medical Debt = Huge Problem
- Best Kept Secret
- Charity Care Vs. Revenue
- CEO Pay
- Tax Exemptions
Evidence of Medical Debt Problem

- #1 Cause of Personal Bankruptcy
- According to CDC, problem worse in Marion County than other parts of the state
- Insurance doesn’t necessarily protect
Best Kept Secret

- HAP survey indicates almost half were never told about any financial assistance
- State not enforcing signage requirements
- Mistaken assumptions based on prior experience
ST. VINCENT HEALTH

Charity Care: $24,726,418
Total Operating Revenue: $1,120,308,430

ST. FRANCIS HEALTH

Charity Care: $17,693,847
Total Operating Revenue: $608,862,512

COMMUNITY HEALTH

Charity Care: $26,954,561
Total Operating Revenue: $883,940,583

IU HEALTH

Charity Care: $71,024,000
Total Operating Revenue: $2,275,090,000
CEO Pay

- Community Health- $1.35 million
- St. Vincent Health- $1.86 million
- St. Francis Health- $1.27 million
- IU Health- $2.08 million
’09-10 Tax Write-Offs

- Clarian Health
  - $9,524,436.68
- St. Vincent Health
  - $5,857,605.94
- Community Health
  - $6,223,086.50
- St. Francis Health
  - $5,564,595.40
State and Federal Law

Community Benefits and Charity Care
Provisions for Charitable Care in State Law

- **Regulatory Oversight**
  - ISDH oversees nonprofit hospital compliance with charitable care reporting.

- **Definition of Charity Care**

- **Free Care as Community Benefit**

- **Community Benefits Plan and Annual Report**
New Provisions in the Affordable Care Act

- Conduct a Community Health Needs Assessment
- Establish a written financial assistance policy (FAP)
- Limit what they charge the uninsured for services
- Observe fair billing and debt collection practices
FAP

At a minimum the FAP must state:

- whether the hospital offers free or discounted care
- eligibility criteria for receiving financial assistance
- the basis used to decide how much patients are charged for care
- a description of how to apply for financial assistance
- steps the hospital might take to collect payment, unless the hospital has a separate billing and debt collection policy in place
- measures to publicize the policy widely in the community the hospital serves
Limits on Charges

- Hospitals are prohibited from using “gross charges” for uninsured patients.
- Patients that need emergency or “medically necessary” care and are eligible for assistance may only be charged the “amounts generally billed” to insured patients for the same services.
Observe Fair Billing and Debt Collection

- The new law prohibits non-profit hospitals from engaging in “extraordinary collection actions” before making a “reasonable effort” to determine whether a person qualifies for the hospital’s financial assistance policy.
IU HEALTH

Financial Assistance Policy and Application Procedures
Things to Know

Policy
- Eligibility based on household income and # of family members
- At or below 200% of FPG=full write-off
- 201%-400% of FPG=partial write-off
- For uninsured patients, partial assistance to those over 400% of FPG
- Uninsured Discount

Application
- Available online or by calling the billing office
- 21 calendar days to complete and return
- Additional documentation is required
- Submit annually
- Determination made within 90 days
- FA may be requested for accounts transferred to a collection agency.
ST. FRANCIS HEALTH

Financial Assistance Policy and Application Procedure
Things to Know

Policy
- Eligibility- minimum income test and a means test
- At or below 200% FPG=full free care
- 201%-400% of FPG=partial free care
- Medical Hardship Adjustment for uninsured & underinsured patients with bills > 20% annual income
- Uninsured discount

Application
- Available by calling the billing office or online pre, throughout, and prior to stay.
- 30 days to complete
- Accounts will be placed on hold
- Notification within 45 days via written letter
- If balance-30 days to set-up payment plan that will not exceed 10% of income
- Minimum amt.= $25
COMMUNITY HEALTH

Financial Assistance Policy and Application Procedures
Things to Know

Policy
- Eligibility based on family income and size
- Below 200% = full free care
- 200%-300% = partial free care
- Patients above 300% of FPG = case by case review and medical/dental debt limited to 25% of annual family income
- Uninsured discount

Application
- May not need to fill out an application depending on patients FPL
- Upfront Screening
- Request in person or via mail
- 15 calendar days to complete and return
- May request extension of 15 days
- Given or mailed notification letter within 30 days
- Determination may be made at any point in the collection cycle with 2 restrictions
ST. VINCENT HEALTH

Financial Assistance Policy and Application Procedure
Things to Know

Policy
- Eligibility based on household income
- Upfront Screening
- At or below 200% of FPG=full free care
- 201%-400% of FPG=partial free care
  - Cap on patient liability for single visit at 10% of annual income
- Uninsured patients over 400% of FPG eligible for 40% discount
- Uninsured Discount

Application
- For a majority of patients, applications are not required
- Upfront Screening
- Patients who qualify for assistance will receive written notification
Legal Rights and Consumer Tips
Legal Rights

Medical Treatment

Citizens have a right to EMERGENCY medical care from hospitals. The hospital gets to determine whether or not there is an actual life threatening emergency.

Hospitals cannot:

- Refuse treatment if there is an inability to pay or for a balance owed from previous treatment.
- May not delay treatment to collect payment information
- CAN ask about ability to pay
- CAN still charge and bill for care provided
Consumer Tips

Negotiating Hospital Bills

- If the bill is wrong, appeal immediately! Contact the hospital and/or the insurance company.
- Make arrangements to pay in installments
- Talk to a supervisor, request a discount
- For reduced costs or payment plans, make sure the agreement is in writing.
- Don’t Forget to ask about Charity Care and other Financial Assistance Programs.
Consumer Tips

- **Fair Credit Billing Act and EFT Act**
  - Citizens have the right to have mistakes fixed!
  - ...For Charges that the person has not made
  - ...For Charges that show incorrect information/dates/services
  - ...For Math Errors
  - ...For failure to post payments
  - ...For failure to send bills to current address (if a change of address was delivered within 20 days)

**Fair Debt Collection Practices Act**
Consumer Tips

Collections

Property Exempt from Collection:
- Certain income
- Most Government Benefits CANNOT be garnished
- Earned Income Credit
- SSI
Complaints

If someone had problems getting needed care at an area non-profit hospital, it is critical to report the problem to the Indiana Attorney General and to the Indiana State Department of Health!

- Denial of treatment
- Pressured for payment for past due bills before admittance to the Emergency Room
- Billed unfairly and too quickly sent to collections
- Asked for payment before being allowed to see the doctor or get treatment
Contact the Attorney General

- Request a complaint form.
- Call: 1-800-382-5516 or 317-232-6330.
- You can also request a form online at the Indiana Attorney General website, Consumer Complaint section.
- For further questions, comments, or assistance please contact HAP staff or call 317-735-7744.
Contact the ISDH

Include location, date, time and individuals or departments involved

Send written complaints to:
Indiana State Department of Health
Division of Long Term Care
2 North Meridian St., 4B
Indianapolis, IN 46204

Email: complaints@isdh.in.gov (Include name, address, and phone #)
Toll Free Complaint #: 1-800-246-8909
Wrapping Up

- Questions
- Ways to get more involved
  - Surveys
  - Community Meetings