

# 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

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- ✧ Canvassing
- ✧ 2 Reports
- ✧ Community Meetings
- ✧ Meetings with Hospitals

# Non-Profit Indianapolis Hospitals

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## ❧ 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



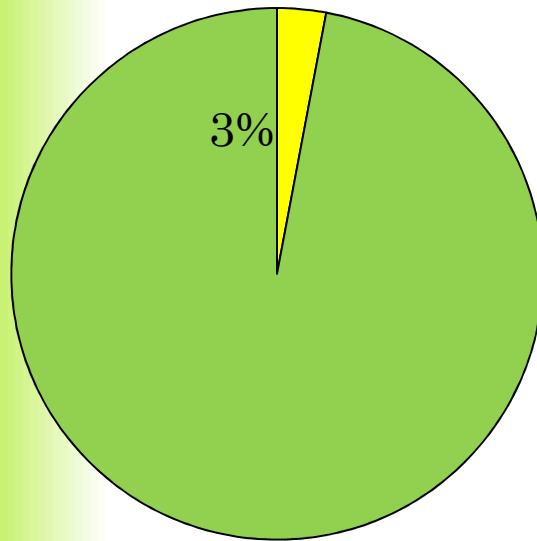
- œ #1 Cause of Personal Bankruptcy
- œ According to CDC, problem worse in Marion County than other parts of the state
- œ Insurance doesn't necessarily protect

# 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

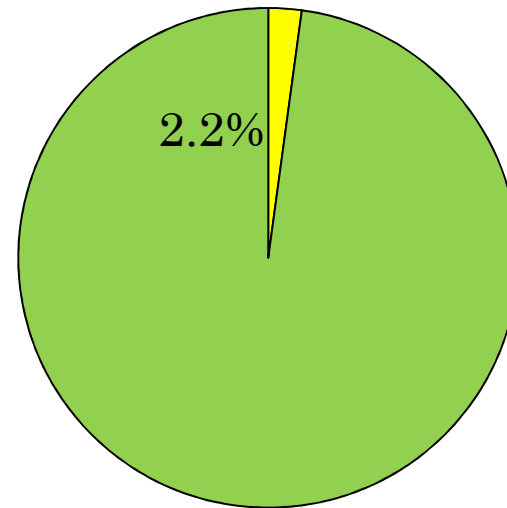
## COMMUNITY HEALTH



■ Charity Care:  
\$26,954,561

■ Total  
Operating  
Revenue:  
\$883,940,583

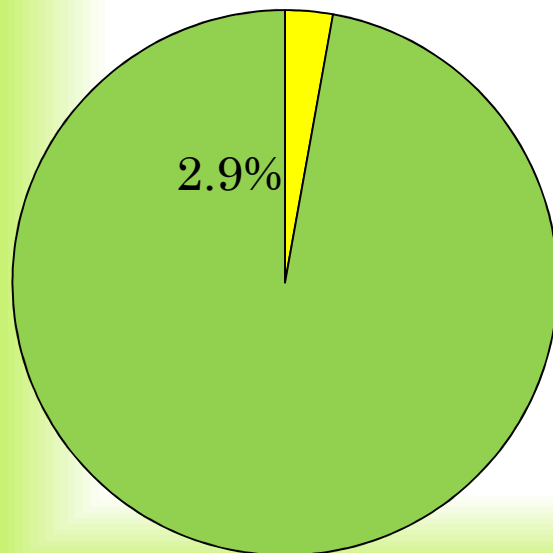
## ST. VINCENT HEALTH



■ Charity Care:  
\$24,726,418

■ Total  
Operating  
Revenue:  
\$1,120,308,430

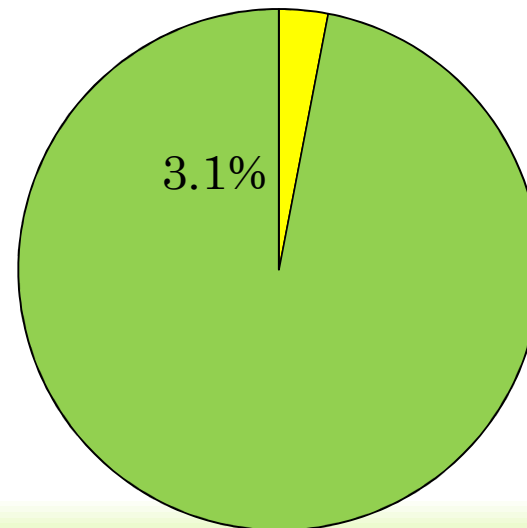
## ST. FRANCIS HEALTH



■ Charity Care:  
\$17,693,847

■ Total  
Operating  
Revenue:  
\$608,862,512

## 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

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- ✧ 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](mailto: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