

Policy Name: Financial Assistance Policy

Chapter: Patient Financial Services

Policy Number: 01-950-92

Policy

It is the policy of **Roger Williams Medical Center** (referred to as **THE HOSPITAL** henceforth) to provide essential medical services to any person regardless of ability to pay in full or in part for those services provided by THE HOSPITAL.

A patient is eligible for Financial Assistance in accordance with [Hospitals about Charity Care: Department of Health](https://health.ri.gov/hospitals/about/charitycare/) <https://health.ri.gov/hospitals/about/charitycare/>

“Eligibility for charity care is based on [federal poverty guidelines](#) for family size and income. Rhode Island charity care regulations generally apply to uninsured, low-income Rhode Island residents who are otherwise ineligible for state, federal, or employe- sponsored health insurance.

See Section 23.14 of the Rhode Island Hospital Conversions regulations (216-RICR-20-10-23), "Provision of Charity Care, Uncompensated Care, and Community Benefits," for specific eligibility information.”

THE HOSPITAL will provide Financial Assistance to patients who meet specified financial criteria and request assistance. Consideration will be given to a patient’s financial status, including indebtedness for existing medical bills, pursuant to state regulation according to [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23> .

THE HOSPITAL will provide Financial Assistance counseling along with a packet of information that addresses the Financial Assistance policy, procedure, and appeals process including an application with cover letter for assistance, Sliding Scale and Financial Aid Criteria for qualifying patients/guarantors.

THE HOSPITAL will prominently post public “Notice of Hospital Financial Aid” at appropriate intake/registration locations, and make notice of availability to patients on patient bills and on the THE HOSPITAL’s website [Notice of Hospital Financial Aid | CharterCARE](#) or <https://www.chartercare.org/locations/rwmc/for-patients--caregivers/notice-of-hospital-financial-aid/>

THE HOSPITAL will make these notices available in other languages in accordance with the *“Standards for Culturally and Linguistically Appropriate Services in Health Care”*. [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23> Section 23.14.1 Statewide Standards for the Provision of Charity Care

8. The Hospital shall provide public 'Notice of Hospital Financial-Aid' on forms provided by the Department. This public Notice shall be approved by the Director, no less than standard 'letter' size (8.5" x 11"), and be prominently posted in Emergency Departments, admission areas, outpatient care areas and on The Hospital's website. The Hospital shall also make this notice available in other languages in accordance with the applicable provisions of the "Standards for Culturally and Linguistically Appropriate Services in Health Care" incorporated in § 23.2 of this Part.

Financial Assistance may be extended when a review of a patient's individual financial circumstance has been conducted and documented. This should include a review of the patient's existing medical bills (including any accounts that have gone to bad debt within six (6) months prior to the application date and twelve (12) months after the application date.

Definitions

Assets

Defined by the State of Rhode Island <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

6. "Assets" means cash, cash-equivalents and other hard assets that can be converted into cash, including: cash on hand, savings accounts, checking accounts, Certificates of Deposit (CDs), money market accounts, stocks (common and preferred), bonds, mutual funds, IRAs, 401(k)s, 403(b)s, 457s, cash-in-value of life insurance policies, personal property, motor vehicles other than for personal use, second homes and rental properties. Excluded from assets are a primary residence and a motor vehicle for personal use."

Assets Threshold

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State https://rules.sos.ri.gov/regulations/part/216-40-10-23](https://rules.sos.ri.gov/regulations/part/216-40-10-23)

Definitions:

7. "Assets protection threshold" means the maximum amount of assets that may be held and still allow the patient/guarantor to be eligible for full charity care. The assets protection threshold shall be \$8,000 for singles and \$12,000 for family units for 2006 and thereafter increased annually by the most current Consumer Price Index. Provided, however, that in instances in which an individual may be eligible for the state's Medical Assistance Program, a hospital may apply a lower threshold consistent with a threshold utilized by the state's Medical Assistance Program for the purpose of that individual qualifying for the state's Medical Assistance Program(s)."

Charity Care

Defined by the State of Rhode [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State https://rules.sos.ri.gov/regulations/part/216-40-10-23](https://rules.sos.ri.gov/regulations/part/216-40-10-23)

Definitions:

9. "Charity care" means health care services provided by a hospital without charge to a patient and for which The Hospital does not and has not expected payment. Said health care services shall be rendered to patients determined to be uninsured, underinsured or otherwise deemed to be eligible at the time of delivery of services. Charity care services are those health care services that are not recognized as either a receivable or as revenue in The Hospital's financial statements. Charity care shall not include health care services provided to individuals for the purpose of professional courtesy without charge or for reduced charge. Under no circumstances shall bad debt be deemed to be

charity care. Charity care shall be cost-adjusted by applying a ratio of cost to charges from The Hospital's Medicare Cost Reports to charity care charges-foregone."

Essential Medical Services:

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

16. "Essential services" means hospital services that are reasonably required to diagnosis, correct, cure, alleviate, or prevent the worsening of conditions that endanger life or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service."

Family Unit

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

18. "Family unit" means a group of two or more persons related by birth, adoption, marriage, or other legal means who either live together or who live apart and are claimed as dependents.

Federal Poverty Levels

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

19. "Federal poverty levels" or "FPL" mean the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. § 9902(2).

Free Care

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

21. "Free care" and "no cost care" means charity care.

Guarantor

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

22. "Guarantor" means a person or persons who has accepted or is required to accept responsibility for the patient's hospital bills."

Income

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

24. "Income" means the actual or estimated total annual cash receipts before taxes from: salaries, wages, self-employment income, child care income, rental income, unemployment compensation, temporary disability insurance, child support, alimony, workers' compensation, veterans' benefits, social security payments, dividend and interest income, royalties, private and public pensions, and public assistance. Also included in income are: strike benefits, net lottery and gambling winnings and one-time insurance payments or injury compensation received in the calendar year in which the financial aid is sought for The Hospital services."

Maximum amount that The Hospital may pursue for collection in determining eligibility for full charity care only

Defined by the State of Rhode Island [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

23.14.1 Statewide Standards for the Provision of Charity Care

5.If a hospital applies the assets criterion (§ 23.14.1(A)(4) of this Part) in addition to the income criterion (§ 23.14.1(A)(3) of this Part) in determining eligibility for full charity care only, in cases where a patient/guarantor qualifies for full charity care under the income criterion but does not meet the assets criterion (i.e., has assets in excess of the assets protection threshold), The Hospital must provide the patient/guarantor the highest discount offered by The Hospital under § 23.14.1(A)(6) of this Part on the whole hospital bill, and the maximum amount that The Hospital may pursue for collection shall be the patient/guarantor’s actual assets less the assets protection threshold.”

Medical Indigence

A patient’s medical indigence is determined by THE HOSPITAL by exclusively considering a patient’s income level in relation to the amount of their medical bills. Medically indigent patients are those who do not have appropriate insurance coverage that applies to services related to their significant or catastrophic health care requirements. Such patients may have a reasonable level of income, but a low level of liquid assets and payment of their medical bills would be seriously detrimental to their basic financial well-being and survival. THE HOSPITAL shall decide a Patient/Guarantor’s medically indigent status by reviewing formal documentation for any circumstance in which a patient is considered eligible for a financial assistance discount based on medical indigence.

In addition to the required information to be considered for financial assistance the following documents may be required to support medical indigence:

- I. Copies of all Patient/Guarantor medical bills.
- II. Information related to the patient’s prescription drug costs.
- III. Multiple instances of high-dollar patient co-pays, deductibles, and/or other medical liabilities.
- IV. Other evidence of high-dollar amounts related to healthcare costs such as documentation of an HSA that has been fully expended.

Denied Medicaid or Indigent Care Program Services:

Essential medical services provided to Medicaid or state assistance eligible beneficiaries as defined by Rhode Island Medicaid that after adjudication deny are considered a form of charity care.

Examples may include, but are not limited to:

- Services provided to Medicaid beneficiaries with restricted Medicaid (i.e., patients that may only have pregnancy or emergency benefits, but receive other hospital care)
- Medicaid-pending accounts
- Medicaid or other indigent care program
- Charges related to Medically Necessary days exceeding a length-of-stay limit
- Medicaid claims (including out of state Medicaid claims) with “no payment”

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcutelnpatientPPS/Downloads/Worksheet-S-10-UCC-QandAs.pdf>

*“The charges for patient days beyond a length-of-stay limit imposed on patients covered by Medicaid or other indigent care programs are reported on Worksheet S-10, line 20, column 2 and also line 25 and must be specified in The Hospital’s charity care policy or **FAP**.”*

Partial Charity Care

Defined by the State of Rhode Island pursuant to [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

6. Hospitals shall provide partial charity care (i.e., a discount less than 100%) to patients/guarantors whose annual income is between 200% and up to and including 300% of the Federal Poverty Levels (FPLs), taking into consideration family unit size. This partial charity care shall be on a sliding scale discount basis determined by each individual hospital pursuant to its own evaluation of its service area needs and financial resources. For purposes of determining eligibility for partial charity care only, hospitals may or may not also apply the assets criterion under § 23.14.1(A)(4) of this Part. Should a hospital apply the assets criterion, it has the discretion in how this criterion is evaluated in determining eligibility for partial charity care."

Presumptive Charity Care Eligibility

There are instances when a patient may appear eligible for charity care discounts; however, a financial assistance form cannot be completed due to a lack of supporting documentation. Often there is adequate information provided by the patient or other sources that could provide THE HOSPITAL with enough evidence that the patient would otherwise qualify for a financial assistance discount. Once eligibility has been determined, due to the inherent nature of the presumptive circumstances, a financial assistance discount of 100% of the account balance will be granted. The reason for presumptive eligibility may be reflected in the transaction code used to adjudicate the patient's claim.

Presumptive eligibility may be determined based on a patient's life circumstances that may include the following:

1. Homeless or living in a shelter.
2. No income.
3. Participation in Women's Infant's, and Children's programs (WIC).
4. Food stamp eligibility.
5. Eligibility for other state or local assistance programs that are unfunded (e.g. Medicaid spend-down).
6. Patient has an active Medicaid Plan.
7. Patient is eligible for Medicaid.
8. Documentation provided by family or friends of the patient establishing the patient's inability to pay for medical care (e.g.; letter of support).
9. Low income/subsidized housing is provided as a valid address.
10. Patient is deceased with no known estate.
11. If the patient is mentally or physically incapacitated and has no one to act on their behalf.
12. Participation in the SSTAR Program.

Residency:

Defined by the State of Rhode Island pursuant to [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23>

Definitions:

31. "Rhode Island resident" means an individual whose primary permanent residence is within the State of Rhode Island, regardless of citizenship or immigration status."

Uncompensated Care:

Defined by the State of Rhode Island pursuant to [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)

Definitions:

34. "Uncompensated care" means a combination of free care, which The Hospital provides at no cost to the patient, bad debt, which The Hospital bills for but does not collect, and less than full Medicaid reimbursement amounts.

Uninsured:

Defined by the State of Rhode Island pursuant to [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)

Definitions:

35. "Uninsured" means those individuals who do not have coverage under private or employer-sponsored health insurance or another government health plan, and who continue to lack such coverage.

Procedure

Uninsured, low-income Rhode Island residents requiring essential medical services who are identified as being ineligible for state, federal or employer sponsored health insurance shall receive the following:

1. Financial Assistance counseling along with a packet of information that addresses the Financial Assistance policy, procedure, and appeals process including an application with cover letter for assistance, Sliding Scale and Financial Aid Criteria for qualifying patients/guarantors.
2. THE HOSPITAL will designate a person(s) who will be responsible for taking Financial Assistance applications. Designees can be employees of THE HOSPITAL or their associated vendors.
3. An evaluation for Financial Assistance can be initiated by:
 - i. A call from a patient with a self-pay balance due taken by any Hospital employee or vendor.
 - ii. A patient presents at a clinical area without insurance and expresses problems with the ability to pay the medical expenses associated with current or previous medical services.
 - iii. A physician or other clinician refers a patient for financial assistance evaluation.
4. While Financial Assistance is intended for uninsured patients, CharterCare recognizes that patients may have excessive medical expenses they cannot afford which can qualify for Financial Assistance. Consideration is not provided on a routine basis nor is consideration advertised or solicited. THE HOSPITAL will explore sources of funds from special programs that may be available on an individual basis. If funds cannot be secured, THE HOSPITAL may provide Financial Assistance. A Financial Assistance Application must be completed and the same criteria for income and assets will apply as for Uninsured, low-income Rhode Island residents. Patients with insurance who opt not to use it, will not be considered for Financial Assistance.
5. Once a patient has submitted all required information, the Financial Counselor will review and analyze the application and forward it to the Patient Financial Services Department for final determination of eligibility based on applicable guidelines.

6. Documentation of the final eligibility determination will be made on all current (open balance) patient accounts retroactive to six (6) months from the application, and will remain eligible for 1 year, after which time, a new application and updated documentation will need to be submitted.
7. In accordance with [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23> section 23.14.1 Statewide Standards for the Provision of Charity Care, THE HOSPITAL will determine final eligibility for Financial Assistance within fourteen (14) business days upon receipt of a completed application, and a determination letter will be sent to the Patient/Guarantor.
12. Within fourteen (14) days after receipt of a completed Application for Hospital Financial-Aid, The Hospital shall render a decision on charity care and notify the patient/guarantor of its decision in writing."
8. If a Patient/Guarantor submits an incomplete application, a notification will be sent to the Patient/Guarantor explaining what information is missing. The patient/Guarantor will have thirty (30) days to comply and provide the requested information. Failure to complete the application may result in the Financial Assistance being denied.
[Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23) <https://rules.sos.ri.gov/regulations/part/216-40-10-23> section 23.14.1 Statewide Standards for the Provision of Charity Care
7. Hospitals may deny charity care if the patient/guarantor does not provide the information and documentation necessary to apply for charity care or other existing financial resources that may be available to pay for the healthcare services. If a patient/guarantor is denied charity care, The Hospital may place the outstanding account in bad debt status and pursue collections consistent with §§ 23.14.1(A)(14) and 23.14.2 of this Part."
9. Financial Assistance may be applied to uninsured patients, as well as the patient liability for patients with insurance, including charges determined uncovered for the hospital stay, coinsurance, copayment, deductible amounts, and other liabilities for medically necessary hospital services.
[Worksheet S-10 - Hospital Uncompensated and Indigent Care Data Following 2018 IPPS Final Rule Questions and Answers \(cms.gov\)](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Downloads/Worksheet-S-10-UCC-QandAs.pdf)
<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Downloads/Worksheet-S-10-UCC-QandAs.pdf>
Q3. Coinsurance and Deductibles as Charity Care – According to examples 1 and 2 in the MLN Matters Special Edition Article SE 17031 published on September 29, 2017 any unpaid amounts related to a coinsurance and deductible, whereby a portion of the coinsurance/deductible was written off to charity care, may be reported as charity care as opposed to bad debt. Can CMS please clarify that these unpaid patient portions can be reported on line 20, column 2 (no application of the cost-to-charge ratio (CCR))?
A3. Yes. Note that examples 1 and 2 of the MLN Matters Special Edition article SE 17031 assume the following: The hospital has a charity care policy; an insured patient has met the hospital's charity care criteria; the health service provided was considered allowable and the cost reporting period is on or after October 1, 2016. The amounts written off to charity care for insured patients are reported on line 20, column 2 with no application of the CCR.
10. Eligibility for this form of charity is determined in accordance with [Hospitals about Charity Care: Department of Health](https://health.ri.gov/hospitals/about/charitycare/) <https://health.ri.gov/hospitals/about/charitycare/>

“Eligibility for charity care is based on federal poverty guidelines for family size and income. Rhode Island charity care regulations generally apply to uninsured, low-income Rhode Island residents who are otherwise ineligible for state, federal, or employer-sponsored health insurance.

Rhode Island Hospital Conversions regulations ([216-RICR-20-10-23](#)), "23.14 Provision of Charity Care, Uncompensated Care, and Community Benefits," for specific eligibility information.
<https://rules.sos.ri.gov/regulations/part/216-40-10-23>

11. A department can continue to use a government-sponsored application process and associated income scale, as required by the terms of a program grant or other outside authority governing that program.
12. Once a patient is approved for Financial Assistance, it is expected that the Patient/Guarantor will continue to meet the required financial commitments to THE HOSPITAL. If a patient is approved for a percentage allowance (partial charity) due to financial hardship and the patient does not make the required initial payment within thirty (30) days towards the outstanding balance, the Financial Assistance allowance may be reversed, and the patient may owe the entire amount.
13. If the Patient/Guarantor has a change in financial status, the Patient/Guarantor should promptly notify THE HOSPITAL. The Patient/Guarantor may request and apply for financial assistance or a change in their payment plan terms.
14. Discovery of Patient Financial Assistance Eligibility During Collections - While THE HOSPITAL strives to determine patient financial assistance as close to the time of service as possible, in some cases further investigation is required to determine eligibility. Some patients eligible for financial assistance may not have been identified prior to initiating external collection action. THE HOSPITAL collection agencies shall be made aware of this possibility and are requested to refer-back patient accounts that may be eligible for financial assistance. When it is discovered that an account is eligible for financial assistance, THE HOSPITAL will reverse the account out of bad debt and document the respective discount in charges as Charity Care.
15. Access to Healthcare During a Public Health Emergency - An Access to Healthcare Crisis (AHC) may be related to an emergent situation whereby state / federal regulations are modified to meet the immediate healthcare needs of THE HOSPITAL community during the AHC and must be proclaimed by THE HOSPITAL Leadership. During an AHC, THE HOSPITAL may "flex" its Patient Financial Assistance Policy to meet the needs of the community in crisis. Patient discounts related to an AHC may be provided at the time of the crisis, regardless of the date of this policy, as hospital leadership may not be able to react quickly enough to update policy language to meet more pressing needs during the AHC.

Criteria to be met for Financial Assistance Approval:

1. Residency – Financial Assistance is intended for recipients as describe in [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](#)
<https://rules.sos.ri.gov/regulations/part/216-40-10-23> Section 23.14.1 Statewide Standards for the Provision of Charity Care
 2. *These standards apply to uninsured, low-income Rhode Island residents ineligible for state, federal or employer sponsored health insurance, and shall cover all inpatient and outpatient essential medical services routinely billed by The Hospital and provided under*

The Hospital's license, and routinely reimbursed by the Rhode Island Medicaid program(s)."

2. Income for 100% Discount - income must not exceed 200% of the current Federal Poverty Limits (FPLs) Current FPLs are available at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>
[Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)
<https://rules.sos.ri.gov/regulations/part/216-40-10-23> Section 23.14.1 Statewide Standards for the Provision of Charity Care
3. Hospitals shall provide full charity care (i.e., a 100% discount) to patients/guarantors whose annual income is up to and including 200% of the Federal Poverty Levels (FPL), taking into consideration family unit size." and 4. In addition, in order to qualify a patient/guarantor for full charity care (§ 23.14.1(A)(3) of this Part), a hospital may or may not also apply an assets criterion requiring that the patient's/guarantor's assets not exceed the assets protection threshold." and 5. If a hospital applies the assets criterion (§ 23.14.1(A)(4) of this Part) in addition to the income criterion (§ 23.14.1(A)(3) of this Part) in determining eligibility for full charity care only, in cases where a patient/guarantor qualifies for full charity care under the income criterion but does not meet the assets criterion (i.e., has assets in excess of the assets protection threshold), The Hospital must provide the patient/guarantor the highest discount offered by The Hospital under § 23.14.1(A)(6) of this Part on the whole hospital bill, and the maximum amount that The Hospital may pursue for collection shall be the patient/guarantor's actual assets less the assets protection threshold."
3. Income for Sliding Scale Discounts (20-80%) - income must not exceed 201-300% of the current Federal Poverty Guideline.
<https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>
[Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)
<https://rules.sos.ri.gov/regulations/part/216-40-10-23> Section 23.14.1 Statewide Standards for the Provision of Charity Care
6. Hospitals shall provide partial charity care (i.e., a discount less than 100%) to patients/guarantors whose annual income is between 200% and up to and including 300% of the Federal Poverty Levels (FPLs), taking into consideration family unit size. This partial charity care shall be on a sliding scale discount basis determined by each individual hospital pursuant to its own evaluation of its service area needs and financial resources. For purposes of determining eligibility for partial charity care only, hospitals may or may not also apply the assets criterion under § 23.14.1(A)(4) of this Part. Should a hospital apply the assets criterion, it has the discretion in how this criterion is evaluated in determining eligibility for partial charity care."
4. Assets – Cannot exceed the Assets Protection Threshold
Reference the current year's "Free Care Sliding Income_Asset Threshold" file for the Asset Threshold in the Teams folder "Freecare Applications" or on the website [Notice of Hospital Financial Aid | CharterCARE](#) or <https://www.chartercare.org/locations/rwmc/for-patients-caregivers/notice-of-hospital-financial-aid/>

If a Patient/Guarantor qualifies for full charity care under the income criterion, but does not meet the assets criterion, the following calculation will be applied to the bill:

Adjusted Hospital Bill

THE HOSPITAL's highest discount of 50% will be applied to the whole hospital bill.

Calculation: Whole Hospital Bill * .50 = Adjusted Hospital Bill

Assets Available to Cover Bill

- Patient/Guarantor's Actual Assets
- Assets Protection Threshold from the "CCHP Assets Threshold Calculator"

Calculation: Actual Assets - Protection Threshold = Assets Available to Cover Bill

Maximum Amount The Hospital may pursue for Collection for Full Charity Care ONLY

Adjusted Hospital Bill not to exceed Assets Available to Cover Bill

Calculation: Adjusted Hospital Bill <= Assets Available to Cover Bill

Reference: [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)
<https://rules.sos.ri.gov/regulations/part/216-40-10-23> Section 23.14.1 Statewide Standards for the Provision of Charity Care

5. If a hospital applies the assets criterion (§ 23.14.1(A)(4) of this Part) in addition to the income criterion (§ 23.14.1(A)(3) of this Part) in determining eligibility for full charity care only, in cases where a patient/guarantor qualifies for full charity care under the income criterion but does not meet the assets criterion (i.e., has assets in excess of the assets protection threshold), The Hospital must provide the patient/guarantor the highest discount offered by The Hospital under § 23.14.1(A)(6) of this Part on the whole hospital bill, and the maximum amount that The Hospital may pursue for collection shall be the patient/guarantor's actual assets less the assets protection threshold.

Appeal Rights of Patient/Guarantors:

If a Patient/Guarantor disagrees with the denial of financial assistance decision, the Patient/Guarantor may request in writing an appeal within forty-five (45) business days of receiving notification. The denial letter will advise the patient of the right to appeal the decision and that the patient will be provided the information necessary to file a written appeal. The Director of Patient Financial Services will review all appeals and make a final decision regarding the financial assistance. The final decision will be communicated to the Patient/Guarantor in writing within a reasonable period. Collection activity halted because of the financial assistance process will continue to be halted during the appeal process until the final determination.

[Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)

<https://rules.sos.ri.gov/regulations/part/216-40-10-23> section 23.14.1 Statewide Standards for the Provision of Charity Care

13. The Hospital shall have a timely Appeals Process in place should a patient/guarantor be denied charity care. This appeal process shall be set forth in writing and adopted as formal hospital policy and be made available to all persons on request.

Financial Assistance Signature Authority:

- Manager/Director or Patient Financial Services
- Vice President of Finance
- Vice President of Revenue
- Chief Financial Officer

Recording of Financial Assistance:

[Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)

<https://rules.sos.ri.gov/regulations/part/216-40-10-23> section 23.14.1 Statewide Standards for the Provision of Charity Care

15. The Hospital shall provide the Department on an annual basis or as required by the Director information including, but not be limited to:

- a. **The 'Annual Financial-Aid Data Filing'** on forms provided by the Department or as determined by the Director;
- b. **The public Notice of Hospital Financial-Aid** pursuant to § 23.14.1(A)(8) of this Part;
- c. **A copy of a hospital bill including the public Notice of Hospital Financial-Aid** pursuant to § 23.14.1(A)(9) of this part;
- d. **The Financial-Aid Criteria** for charity care including full disclosure of the discount schedule for partial charity care and, if applicable, how the assets criterion is evaluated in determining eligibility for partial charity care under § 23.14.1(A)(10) of this Part;
- e. **The Application for Hospital Financial-Aid** under § 23.14.1(A)(11) of this Part;
- f. **The Hospital's adopted Appeals Process** under § 23.14.1(A)(13) of this Part;
- g. **The Hospital's adopted Collections Process** pursuant to § 23.14.1(A)(14) of this Part.

[Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](https://rules.sos.ri.gov/regulations/part/216-40-10-23)

<https://rules.sos.ri.gov/regulations/part/216-40-10-23> section 23.14.1 Statewide Standards for the Provision of Charity Care

8. The Hospital shall provide **public 'Notice of Hospital Financial-Aid' on forms provided by the Department**. This public Notice shall be approved by the Director, no less than standard 'letter' size (8.5" x 11"), and be **prominently posted in Emergency Departments, admission areas, outpatient care areas and on The Hospital's website**. The Hospital shall also make this **notice available in other languages in accordance with the applicable provisions of the "Standards for Culturally and Linguistically Appropriate Services in Health Care" incorporated in § 23.2 of this Part**.

9. The Hospital shall provide that same **public 'Notice of Hospital Financial-Aid' on each hospital patient bill**. This public notice shall be approved by the Director and may be in a size less than 8.5" x 11".

10. The Hospital shall provide its **'Financial-Aid Criteria'** on forms provided by the Department for qualifying patients/guarantors for charity care including information on the sliding scale discount schedule for partial charity care under § 23.14.1(A)(6) of this Part. This **Financial-Aid Criteria** shall be approved by the Director and be made available to all persons on request. The Hospital shall also make this **Financial-Aid Criteria** available in other languages in accordance with the applicable provisions of the **"Standards for Culturally and Linguistically Appropriate Services in Health Care"** incorporated in § 23.2 of this Part.

11. The Hospital shall use a standardized **'Application for Hospital Financial-Aid'** on forms provided by the Department or as approved by the Director in determining eligibility for full and partial charity care. With the exception of the deletion of the **"Assets" Section** on the Application (in cases where The Hospital does not apply the assets criterion), any material changes to the Application (additions and/or deletions) must first be approved by the Director.

13. The Hospital shall have a timely Appeals Process in place should a patient/guarantor be denied charity care. This appeal process shall be set forth in writing and adopted as formal hospital policy and be made available to all persons on request.

14. The Hospital shall have a **Collections Process** in place with this process set forth in writing and adopted as formal hospital policy, and be made available to all persons on request.

23.14.3 Statewide Standards for the Provision of Community Benefits

Hospital Conversions (216-RICR-40-10-23) - Rhode Island Department of State

<https://rules.sos.ri.gov/regulations/part/216-40-10-23>

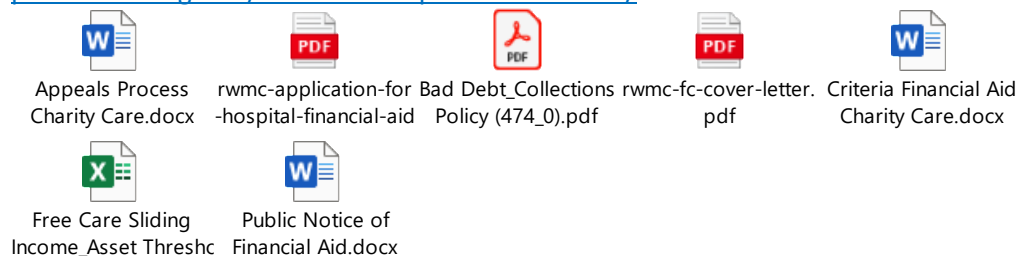
A. The statewide standards for the provision of community benefits shall be full compliance with the following:

1. Each licensed hospital shall provide on or before March 1st of each calendar year (as practicable), a report in a form acceptable to the Director, a detailed description with supporting documentation, evidence of compliance of this section including, but not limited to, the cost of charity care; bad debt; contracted Medicaid shortfalls; and any additional information demonstrating compliance with this section.

Attachments

The attachments are available within Teams folder “Freecare Applications” by clicking the icons below; otherwise, they are available to view or download from the website link:

[Notice of Hospital Financial Aid | CharterCARE](#) or <https://www.chartercare.org/locations/rwmc/for-patients--caregivers/notice-of-hospital-financial-aid/>



References

Consumer Price Index

- [Historical CPI-U \(bls.gov\)](#)
- <https://www.bls.gov/cpi/tables/historical-cpi-u-201711.pdf>
- [Consumer Price Index Data from 1913 to 2024 \(usinflationcalculator.com\)](#)
- <https://www.usinflationcalculator.com/inflation/consumer-price-index-and-annual-percent-changes-from-1913-to-2008/>
- **Office of the Assistant Secretary for Planning and Evaluation / US Department of Health and Human Services**
 - [Poverty Guidelines | ASPE \(hhs.gov\)](#)
 - <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>
- **Internal Revenue Service**
 - [Financial assistance policies \(FAPs\) | Internal Revenue Service \(irs.gov\)](#)
 - [https://www.irs.gov/charities-non-profits/financial-assistance-policies-faps#:~:text=Section%20501\(r\)\(4,about%20applying%20for%20such%20assistance](https://www.irs.gov/charities-non-profits/financial-assistance-policies-faps#:~:text=Section%20501(r)(4,about%20applying%20for%20such%20assistance)
- **State of Rhode Island Department of Health**
 - [RI Charity Care](#)
 - <https://health.ri.gov/hospitals/about/charitycare/#:~:text=Rhode%20Island%20requires%20hos pitals%20to,those%20services%20from%20other%20providers>

- **Rhode Island Department of State**
 - [Hospital Conversions \(216-RICR-40-10-23\) - Rhode Island Department of State](#)
 - <https://rules.sos.ri.gov/regulations/part/216-40-10-23>
 - Section 23.3 Definitions
 - Section 23.14 Provision of Charity Care, Uncompensated Care, and Community Benefits

Review and Approval

The following CharterCARE personnel originated and approved this policy:

Contact: Vice President of Revenue and/or Director of Patient Financial Services

Approved by: Click or tap here to enter text.

Policy Date: 2/17/2006

Revision dates: 02/17/06, 03/4/11, 03/1/12, 02/4/13, 03/1/2014, 03/1/2015, 05/11/2015, 03/1/2016, 03/1/2017, 03/1/2018, 03/28/2021, 01/22/2024

- Attachments: Appeals Process
- Application for Hospital Financial Aid
- Collections Policy
- Cover Letter
- Criteria for Financial Aid
- Free-Care Sliding Income_Asset Threshold