

## **Communication Guidelines on Charity Care and Financial Aid**

### **July 23, 2004**

The purpose of these communication guidelines on charity care and financial aid is to help your organization prepare for questions from the media and others, and to remind people you serve of the many ways your hospital benefits the community.

#### **TELL THE STORY OF THE GOOD YOU DO**

Given the national media coverage of various lawsuits you could receive calls from local media about your hospital's tax-exempt status and policies on charity care and financial aid for the uninsured and those with limited ability to pay their hospital bills. To prepare, consider the following:

- **Designate a spokesperson** - A trustee, patient advocate or some other well-spoken and knowledgeable representative would be a good choice ... someone who can talk about the many ways your hospital provides benefit to your community.
- **Be proactive about the good things you do** - Undoubtedly your organization does a lot for patients and for the community as a whole, from charity care to free screenings to working with others to improve health. Be sure to talk about these good works that help your organization deserve its tax-exempt status.
- **Sign the Confirmation of Commitment** – Assure that your hospital's policies and practices on helping the uninsured and those with limited means reflect HAP's Guidelines on Charity Care and Financial Aid and the American Hospital Association's (AHA) Principles and Guidelines. Sign the AHA's Confirmation of Commitment. For the AHA's complete statement of principles and guidelines and the Confirmation of Commitment, visit AHA's website at [http://www.aha.org/aha/key\\_issues/bcp/index.html](http://www.aha.org/aha/key_issues/bcp/index.html). For HAP's guidelines visit <http://www.haponline.org/public/>.

#### **TALKING POINTS TO THE LAWSUITS**

Here are some key messages on the class action lawsuits, which are consistent with the AHA messages.

- These lawsuits are misdirected and baseless—diverting focus away from real issue of how we as a nation are going to extend health care coverage to all Americans.
- What's particularly troubling about these lawsuits are that they will consume already limited health care resources that hospitals need to continue their daily work of caring for the uninsured and all other patients in their communities.
- Day in and day out, hospitals are on the front lines caring for the nation's poor, uninsured and other patients in their communities. These are no public hospitals in Pennsylvania. Hospitals across the state have a strong historical commitment to caring for the uninsured.
- Despite our efforts, hospitals can't solve the problem of the uninsured alone; making inroads will require concerted efforts by other health care providers, insurers, federal agencies, Congress, and state government.

- Pennsylvania's hospitals provided \$457 million in uncompensated care costs in 2003, according to the most recent Pennsylvania Health Care Cost Containment Council (PHC4) report.

## **A LOOK INWARD ... QUESTIONS FOR YOUR ORGANIZATION**

- Have you signed and filed your hospital's Confirmation of Commitment with the AHA concerning your charity care, discounting, and billing and collection policies?
- Have you reviewed your IRS Form 990 and all other public documents to be certain you fully list all of the community benefits you provide, such as charity care, health education, free primary and preventive care outreach, and collaboration with other community organizations to fill health and social needs centered on improving health status?
- Have you proactively educated your board, employees, volunteers, medical staff, civic leaders, elected officials, local clergy, consumer and senior citizen groups, racial and ethnic minority groups, and others on the comprehensive community benefits that your hospital creates?
- Do you routinely identify your organization as a not-for-profit, charitable community institution on all of your internal and public communications?
- Do you highlight community benefit information in all of your staff's presentations to other community groups?
- Are you prepared to discuss your hospital's organizational structure with the community and the media ... and how its various components contribute to your charitable mission?
- Is a current or immediate past officer/trustee of your organization prepared to articulate how executive salaries are set in your organization?
- Do you have a clear, concise statement of your hospital's charity care, financial aid, and billing and collection policies available to the public? Do you have a spokesperson equipped to explain and comment?
- Does your hospital have a written conflict of interest policy or statement applicable to trustees and employees? Do you have a spokesperson prepared to explain or comment?
- Have you prepared case studies (with appropriate deference to HIPAA privacy rules) of individuals who have benefited from your charity care and financial aid policies?
- Have you prepared a description of all the things you do to make information available to the public, including your Form 990, participation in the National Quality Initiative and any other public disclosure projects in which your hospital participates?
- This October will mark the fifth anniversary of the Institute of Medicine's report on medical errors and quality. Have you prepared a profile of all your hospital's activities, actions and improvements to enhance quality and patient safety?
- Are you prepared to respond to inquiries about your hospital's policies with regard to public disclosure of your hospital charges for services?