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St. Joseph Hospital Strategic Plan 2011-2013

Tactics and Potential Tasks

HEALTHCARE THAT LEAVES NO ONE BEHIND: Develop or expand programs that ensure 100% access to health care for everyone in our community.

- Continue to grow the patient foundation of the Clinic of Hope.
- Collaborate with Project Access to ensure specialty physician availability to the uninsured.
- Identify the impact of health care reform and how St. Joseph Hospital can support the resulting initiatives.

COMMUNITY-BASED SERVICES: Identify and develop community-based services to meet the needs of the vulnerable population.

- Work with the Howard County School Health Collaborative to identify at-risk populations within the school systems and develop health and wellness programs/ services to develop healthier kids and improve their academic achievement..
- Partner with the 4 Communities Initiative that will target two at-risk neighborhoods in Kokomo and focus on strengthening families in those neighborhoods.
- Partner with Novia to expand access to healthcare in non-traditional settings.

Original long-range hospital objectives for charity care

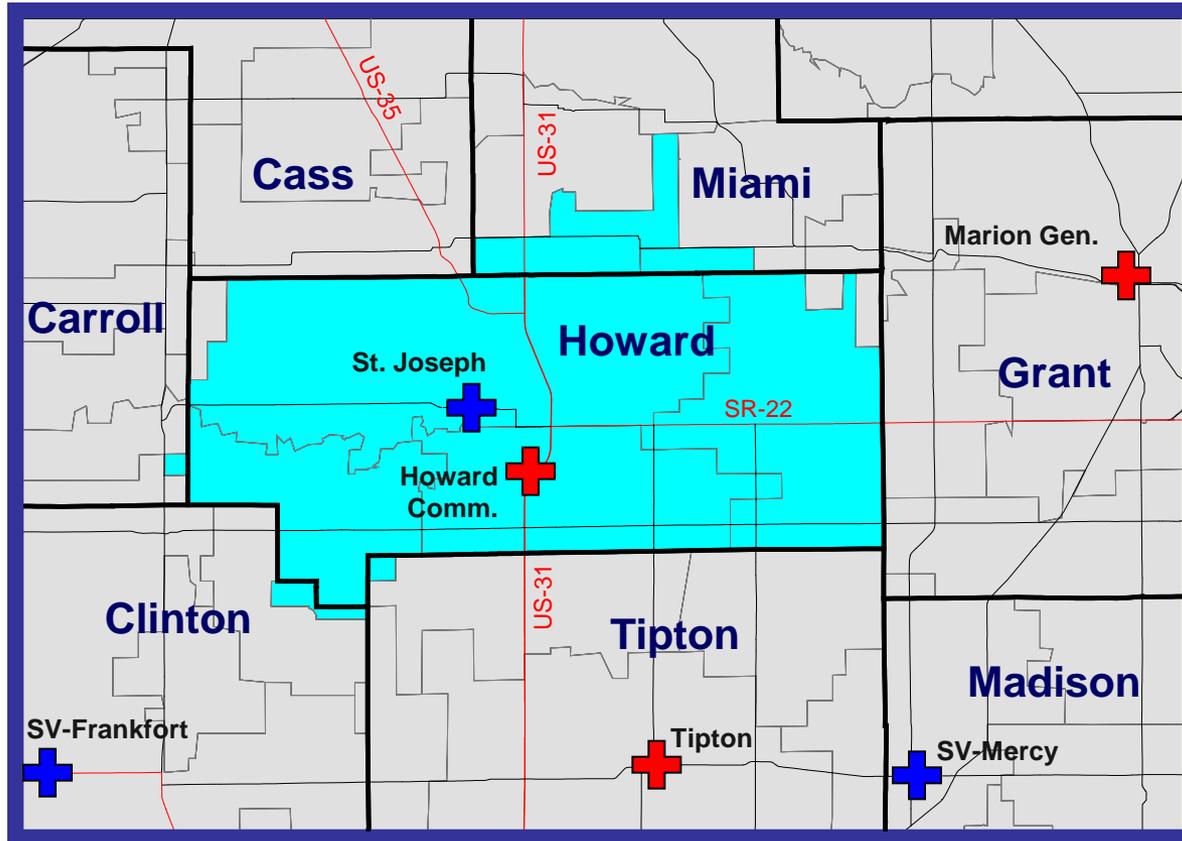
- Access to health care
- Affordable child care
- Senior care
- Mental health care
- Transportation

Hospital Mission Statement

Our Mission

Rooted in the loving ministry of Jesus as healer, we commit ourselves to serving all persons with special attention to those who are poor and vulnerable. Our Catholic health ministry is dedicated to spiritually centered, holistic care, which sustains and improves the health of individuals and communities. We are advocates for a compassionate and just society through our actions and our words.

St. Joseph - Kokomo Primary Service Area



Allowances and Write-Offs Policy

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POLICY

In accordance with the Core Value of Integrity and Wisdom, this policy establishes the administrative level of approval required to write-off certain account balances that have been determined through routine assessment procedures to be uncollectible and therefore should be accounted for as either a Charity, Administrative write-off or Bad Debt.

Individual departmental procedures in accordance with the Patient Financial Services Department have set forth the guidelines for determining an account's eligibility to be considered for a write-off action.

DEPARTMENTS AFFECTED

1. Patient Financial Services
2. Administration
3. Clinical/charge areas

PROCEDURE

I. Charity Allowances

A. Once it has been determined that a guarantor lacks the resources to either pay for the costs of treatment or to have such costs paid by a bona-fide third party, a charity allowance of part or all of the account balance may be considered. Charity consideration is based on Department of Health and Human Services poverty level guidelines established annually. An explanation of the guarantor's financial circumstances should be documented on the Account Record. Appropriate administrative level approval(s) should then be obtained.

B. Approved (or rejected) charity accounts should be returned to PFS departmental management for processing. It is the responsibility of PFS departmental management to: a.) direct the execution and recording of the charity allowance transaction; and b.) notify the guarantor, by letter, indicating the Hospital's decision to forgive the debt as charity.

Allowances and Write-Offs Policy

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- **II. Administrative and Convenience Allowances:**

A. Management in the PFS Department may, with proper justification and documentation, direct the submission of credit adjustments which are deemed necessary for the convenience of the Hospital or as a courtesy to patients when appropriate.

B. Management in other departments of the Hospital or at Satellite locations may, with proper justification and documentation (as approved by the Management in the PFS Department) submit credit adjustments to PFS which are deemed necessary to fulfill the Mission of the Hospital as a convenience or administrative write-off when appropriate.

C. Appropriate administrative level approval(s) should then be obtained by the PFS department manager or supervisor who is responsible for such account management.

D. After administrative approval is obtained, the PFS department is responsible for completing the transaction correctly and for notifying the patient in writing, when appropriate of the special adjustment.

III. Bad Debt Write-offs

A. The PFS Department is responsible for reviewing patient accounts which by virtue of their "account age" or other conditions are deemed to be presently uncollectible.

B. The PFS Department is responsible for summarizing the guarantor's financial circumstances and any other pertinent data on the Account Record or separate memo when necessary and submitting such records along with a recommendation to the appropriate level for approval.

C. The PFS Department is responsible for ensuring submission of proper transactions to record approved write-offs.

Allowances and Write-offs Policy

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- **IV. Bankruptcy Write-offs**

A. The accounts for those patients who have filed a verified Petition in Bankruptcy may be approved for Bad Debt write-off based on Administrative approval limits.

- **V. Small Balance Write-offs**

A. Accounts with a patient balance due of \$9.99 or less will be automatically written off .

B. Accounts with a primary insurance balance due of \$50.00 or less from a contracted payer after the primary insurance payment is posted will be written off as a contractual amount. These balances will be reconciled and recovery attempted with the respective payers on a periodic basis on a batch basis.

- **VI. Administrative Approval Limits**

These limits apply to Charity, Bad Debt and the category of Administrative Allowance write-offs. Contractual write-offs related to contracted payer adjustments do not require approval for adjustment.

Allowance/Adjustment/Writeoff Amount

\$0 - \$250 Biller/Rep

\$251 - \$10,000 Team Leader

\$10,001 - \$25,000 Manager, PFS

\$25,001 - \$50,000 Director, PFS

\$50,001 - \$99,999 Executive Director of Finance

\$100,000+ Chief Financial Officer, President and Board of Directors

Care of the Poor & Community Benefit Policy

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- **POLICY**

It is the policy of St. Vincent Health that each Health Ministry, guided by the Mission, Vision, Values, and Philosophy of the System, will plan for care of persons who are poor and for community benefit and will report annually on this plan.

PRINCIPLES

1. The principle of the common good obliges government, church and civic communities to address the needs and advocate for those who lack resources for a reasonable quality of life. St. Vincent Health desires to strengthen its commitment to this principle through a unified system of accountability.
2. Health Ministries will collaborate in assessing the needs and resources of individuals and communities they serve and will establish substantive goals directed toward those needs in the context of their strategic and financial planning.
3. Health Ministries will account annually to appropriate constituencies for progress toward achievement of these goals.
4. Annually St. Vincent Health will produce an aggregate report.

DEPARTMENTS AFFECTED

All Ministries

Care of the Poor & Community Benefit Policy

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PROCEDURE

Subject

This procedure sets forth the requirement that each health ministry have an effective policy, and establishes a process to develop an annual Care of the Poor/Community Benefit goals and to report progress towards those goals. All activities related to the poor will reflect our commitment to and reverence for individual human dignity and the common good, our special concern for and solidarity with poor and vulnerable persons, and our commitment to distributive justice and stewardship.

Rationale

Care of the Poor/Community Benefit planning and goals are incorporated into the existing Integrated Strategic and Financial Planning (ISFP) process. Progress towards established goals will be reported annually. This procedure provides guidelines to assist Health Ministries:

- a. Establish care of the poor/community benefit goals within the framework of the ISFP process and report progress toward those goals.
- b. Report costs for Categories I through V associated with allowable care of the poor/community benefit programs and services.

Charity Care Minimum Standards (Also see policy on Allowances and Write Offs and Uninsured & Underinsured Patient Management Program)

1. Patients with income less than or equal to 200% of the Federal Poverty Limits ("FPL"), which may be adjusted for inflation utilizing local wage index vs. national wage index by the hospital, will be eligible for 100% charity care write off of the services that have been provided to them in accordance with Ascension Health Policy 9.
2. Patients with incomes above 200% of the FPL but not exceeding 300% of the FPL, subject to inflationary adjustments as described in will receive a discount on the services provided to them based on a sliding scale. The sliding scale will subject to a Means Test to be determined by each hospital and /or Health Ministry in accordance with guidelines established in Policy 9.
3. Eligibility for charity care may be determined at any point in the revenue cycle.

Care of the Poor & Community Benefit Policy

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Financial Assistance Minimum Standards (Also see policy on Allowances and Write Offs and Uninsured & Underinsured Patient Management Program)

These minimum standards are designed to ensure each health ministry designs a methodology to determine qualifying incomes and/or assets available to satisfy the patient's obligation to the hospital.

1. All patients and families are advised of the hospital's applicable policies, including the Care of the Poor /Community Benefit policy and the availability of need-based financial assistance in easily understood terms, as well as in language commonly used by patients in the community.
2. The financial assistance policy must address a patient's eligible income and assets.
3. The policy may allow the determination to be made on a case-by-case basis, but in this circumstance, a review panel must be formed to insure a patient has the right to appeal a decision.
4. Requiring a patient to apply for public financial assistance program.

Other Requirements and Exceptions (Also see policy on Allowances and Write Offs and Uninsured & Underinsured Patient Management Program)

1. Health Ministries require the uninsured to work with financial counselor and apply for Medicaid or other public assistance programs to qualify for charity.
2. Other program that allow for "packaging" payment programs are acceptable. For example, many Health Ministries package prenatal care and delivery charges into a "package" price for the uninsured. This is encouraged and will continue.
3. A nominal charge may be charged to patients qualifying for charity. The participation of individuals in the financial obligation of their health care is recommended by those who work with persons who are poor since it respects their dignity as well as their sense of responsibility.

Care of the Poor & Community Benefit Policy

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Planning

1. As part of the annual ISFP process, establish substantial, measurable and meaningful Care of the Poor/Community Benefit goals. These goals should be derived from Ascension Health "Call To Action".
 - a. Healthcare that Works
 - b. Healthcare that is Safe
 - c. Healthcare that leaves no one behindEach healthcare ministry will develop three to five local strategies in response to a community needs assessment and other initiatives.
2. The ISFP budget for Care of the Poor/Community Benefit should include budget dollars for Categories I-IV for upcoming fiscal year.

Definitions

1. Category I - Charity Care (free or reduced fee/sliding scale care for persons who qualify for financial assistance).
2. Category II - Unreimbursed cost of the care provided to patients enrolled in public programs.
3. Category III - Programs and services targeted to persons who are poor.
4. Category IV - Programs and services targeted to the general community.
5. Category V - Bad Debt costs attributable to Charity Care.

Care of the Poor & Community Benefit Policy

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Guidelines

Guidelines for Category I

- a. Charity care dollars should be an estimate of the cost to provide services to patients who qualify for charity care.
- b. Charity care should include the cost of services provided to charity care patients in all settings (acute and non-acute settings such as ambulatory surgery centers, etc.).

Guidelines for Category II

- a. Medicare losses/shortfalls should not be reported. This is consistent with standards set by the Catholic Health Association community benefit network and used by other Catholic systems.
- b. Losses/shortfalls from all Medicaid sources, including Medicaid managed care products, should be included.
- c. Medicaid disproportionate share (DSH) payments should be considered Medicaid payment/income.
- d. Prior year settlements from Medicaid programs (including Medicaid DSH) should be considered as an offset to the cost of care provided and, accordingly, increase or decrease the shortfall reported.

Guidelines for Category III

- a. The program/service/activity/event must respond to the needs of special populations; for example, the frail elderly, poor persons with disabilities, the chronically mentally ill, persons with AIDS, or those who find it hard to meet basic needs due to on-going poverty.
- b. The program/service/activity/event should be quantifiable in terms of dollars and should not be included in Category I or II.
- c. The program/service/activity/event may be financed by donations, staff/volunteer efforts, endowments, grants, and sponsorships, etc.
- d. The program/service/activity/event should generate a low or negative margin.
- e. The program/service/activity/event would probably be discontinued or not offered if the decision were made on a purely financial basis. The decision to continue is primarily motivated by a mission commitment versus a marketing interest.
- f. The program/service/activity/event would no longer be available, or would be insufficiently available in the community, or would be the responsibility of the government if not provided by the healthcare organization.

Care of the Poor & Community Benefit Policy

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Guidelines for Category IV

- a. The program/service/activity/event should be quantifiable in terms of dollars.
- b. The program/service/activity/event should generate a low or negative margin.
- c. The program/service/activity/event may be financed by donations, staff/volunteer efforts, endowments, grants, and sponsorships, etc.
- d. The program/service/activity/event provides a response to a unique or a particular health problem in the community or is directed to promoting the wellness of the population in a holistic manner.
- e. The program/service/activity/event would probably be discontinued or not offered if the decision were made on a purely financial basis. The decision to continue generally represents a mission commitment versus a business decision.

Guidelines for Category V

Bad debt cost of services can be calculated for certain bad debt write-offs. This acknowledges that there are charity care patients that may not be identified initially as eligible for charity care. Two possible formulae for determining the cost of bad debt for services provided to charity care patients include:

- a. Cost of bad debt excluding the portion related to coinsurance and deductibles. Patients who have a coinsurance payment or deductible are assumed to have insurance.
- b. Identify the zip code average income that constitutes "poor" and count all bad debts from those zip codes, excluding the portion related to coinsurance and deductibles. It is recognized that while this methodology may count patients with the ability to pay who reside in these zip codes, the methodology also excludes patients from other zip codes that may not be able to pay.

Care of the Poor & Community Benefit Policy

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Reporting Category I and II

1. Reporting Cost for category I and II

Finance department in collaboration with each local ministry reports on categories I and II.

Reporting Category III and IV

1. Reporting Cost for Categories III & IV Programs and Services

The following should serve as guidelines for reporting costs for programs, services, activities or events appropriate to be included in Category III - Programs and services targeted to the poor and Category IV - Programs and services targeted to the general community. (See Exhibit A Charity Care Intranet Reporting).

a. Report cost less any reimbursement received.

b. Medical Education programs should be reported as a community benefit.

i. Medicare Graduate Medical Education (GME) payments should offset costs.

ii. Medicare Indirect Medical Education (IME) payments should not be offset against the direct cost of medical education programs.

c. Volunteering may be reported.

i. Include paid associate time for volunteering at hospital supported activities such as:

- Paid associate time to assist in health screenings performed after hours.
- Replacement cost for associates performing management approved volunteer activities.
- Paid associate time as a volunteer for organizational sponsored events.
- Board representation on management approved organizations.

2. With the Care of the Poor/ Community Benefit report, a narrative for each Care of the Poor/ Community Benefit goal must be identified in the ISFP and describe progress towards achievement for each goal, including to the extent possible baseline measures of success being established, outcomes achieved, program impact, etc.

3. Care of the Poor/ Community Benefit goals are part of the ISFP. Therefore, reporting for Goals is due consistent with the ISFP timeline.

Care of the Poor & Community Benefit Policy

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Reporting Category V

1. Reporting Cost for category V

Finance department in collaboration with each local ministry reports on category V.

Additional resources:

Ascension Health HOTLINE: 1-314-733-8138

Ascension Health e-mail address: policy9@ascensionhealth.org

Statement of Public Notice

EMERGENCY PATIENTS – PLEASE READ

If you have a medical emergency or are in labor, it is this hospital's obligation by law to provide services within the capabilities of this hospital's staff and facilities.

YOU HAVE THE RIGHT TO RECEIVE:

- An appropriate medical SCREENING EXAMINATION.
- Necessary STABILIZING TREATMENT
(including treatment for an unborn child)
- And if necessary,
An appropriate TRANSFER facility

Even if YOU CANNOT PAY OR DO NOT HAVE MEDICAL INSURANCE OR YOU ARE NOT ENTITLED TO MEDICARE OR MEDICAID

This hospital does participate in the Medicaid Program.



DBonnet Associates

evaluation for enlightened decision making

2007 Community Needs Assessment for Howard County, Indiana

May 2007

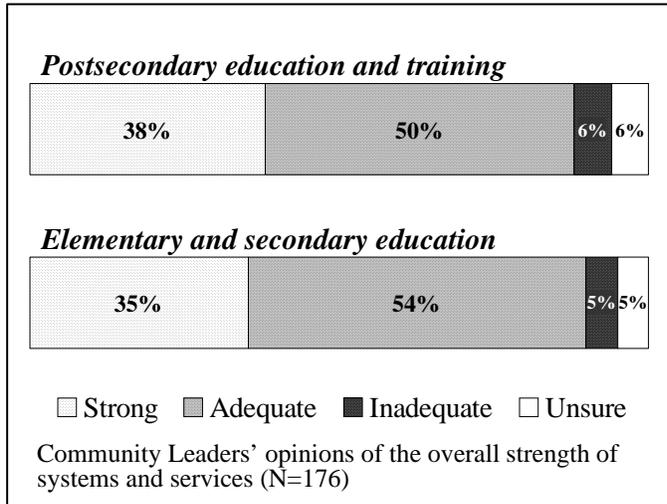
*Prepared for the
4community Partners
Howard County, Indiana*

- United Way of Howard County
- City of Kokomo
- Community Foundation of Howard County
- Howard County Health Department
- Howard Regional Hospital
- Ivy Tech Community College
- St. Joseph Hospital and Health Center

Deborah G. Bonnet

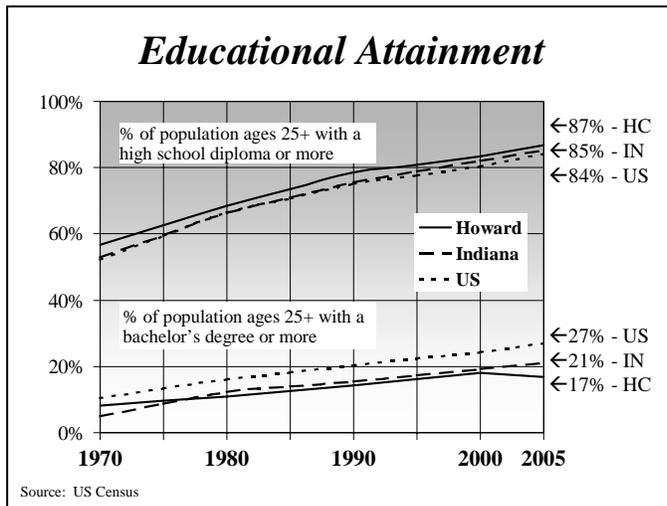
Robert E. Hoke

Education



Education received relatively little attention in focus groups and survey responses, perhaps because satisfaction with both K-12 and postsecondary education is high. We received a long list of pet peeves, but none were repeated more than twice. Most comments were in general praise, summed up as follows:

“We have dedicated, caring teachers, good to excellent leadership; IUK is a tremendous and under appreciated facility; IVY Tech is continually growing in stature.”



Educational Attainment

Howard County adults are more likely to have finished high school, but less likely to have earned bachelor's degrees, than all Hoosiers or all Americans. As seen in the chart, the County's high school attainment has improved markedly since 1970 and kept pace with state and national trends. This is not the case with four-year college degree attainment, which has slipped behind the state and national rates and stood at about 17% in 2005. Howard County's apparent decline from 2000 to 2005 could be a statistical anomaly; the

2005 figure is based on a sample, not a census, with an error rate that could put the true number anywhere between 14.3% and 19.5%

Postsecondary Education

Howard County is well situated to improve its college attainment level. **The proportion of graduating seniors who state intentions of pursuing four-year college degrees has climbed steadily** from a rolling average of 46% in 1990 to 68% in 2006,¹ higher than Indiana's current rate of 60%. IU-Kokomo and Ivy Tech Community College have made recent upgrades. Ball State, Purdue, and various colleges and universities in Indianapolis are all within commuting distance.

¹ "Rolling averages" were calculated applying linear regression over the period to smooth out large year-to-year fluctuations that mask the underlying trend.

Howard County School Performance

School District				I-STEP, % passing in all tested grades					
	Enrollment	Free or Reduced Lunch	Graduation Rate	English/ Arts Language			Math		
				2001-02	2006-07	Change	2001-02	2006-07	Change
Northwestern School Corp	1,667	11%	93%	80%	85%	+4%	79%	87%	+9%
Eastern Howard School Corp	1,315	18%	92%	76%	82%	+6%	80%	88%	+8%
Western School Corporation	2,547	20%	92%	74%	80%	+6%	77%	81%	+4%
Taylor Community School Corp	1,501	33%	75%	66%	71%	+5%	73%	73%	+1%
Kokomo-Center Township Consolidated School Corp	7,012	51%	76%	60%	66%	+6%	58%	68%	+11%
County Total or Weighted average	14,042	29%	83%	67%	73%	+6%	68%	75%	+8%
Indiana Public Schools		34%	77%	64%	71%	+7%	64%	71%	+7%

Elementary and Secondary Education

There are 42 elementary and secondary schools in the County, including 31 public schools in five school corporations. Public school enrollment is 14,000, with the Kokomo-Center Township Consolidated School Corporation accounting for half the total. Community leaders express special pride in the Kokomo Area Career Center, which serves all of Howard County and is under expansion.

As seen in the table above, Howard County schools as a whole perform above state averages on graduation rates and I-STEP scores.² The proportion of students passing the I-STEP has improved since 2001 in both math and English in all five districts. Northwestern, Western, and Eastern School Corporations are the highest performing districts. Sadly but typically, school district performance correlates with student body demographics, measured here as the proportion of students using the free and reduced lunch program.

² High school graduation rates are computed using a new formula that is consistent statewide and gives a truer picture than methods used in the past. As a result, these figures might vary from previously reported ones.