

*Handwritten initials*

Abraham L. Freedman, City Solicitor, Room 703  
Annex

12/5/55

Charles A. Baker, Commissioner of Records

REGULATION OF THE BOARD OF TRUSTEES OF THE PHILA. GENERAL HOSPITAL,  
GOVERNING RATES AND CHARGES AT THE PHILA. GENERAL HOSPITAL.

ATTENTION: Elizabeth J. Goldblatt, Assistant City Solicitor

Your memorandum of November 3rd on the subject advised the readvertisement  
of this regulation with the proper title.

The regulation with proper title was readvertised in the local newspapers  
on November 5, 1955. No inquiries were received as a result of this  
advertising and the regulations are now in force.

CHARLES A. BAKER,  
Commissioner of Records

CEH/np

REGULATION OF THE BOARD OF TRUSTEES GOVERNING RATES  
AND CHARGES AT THE PHILADELPHIA GENERAL HOSPITAL

SECTION I      Rates for Inpatients and Outpatients

- A. The rates set forth in these regulations apply to both the Blockley Division and the Northern Division of the Philadelphia General Hospital.
- B. The per diem inpatient rate will be fixed by the Board of Trustees at an amount at least equal to the average operating cost per inpatient day of both divisions of the Hospital. The Board of Trustees will review the operating cost at least once yearly, and fix the per diem inpatient rate as provided in Section II A below. The per diem inpatient rate shall include bed and board, medical care, drugs, radiologic and laboratory services, and such other services as may from time to time be approved by the Board of Trustees for inclusion in this rate.
- C. The per visit outpatient rate will be fixed by the Board of Trustees at a standard amount for each visit to each clinic in the outpatient department of the Hospital, as provided in Section II B below. This per visit outpatient rate shall include medical care, drugs, radiologic and laboratory services, and such other services as may from time to time be approved by the Board of Trustees for inclusion in this rate.
- D. Subject to the provisions of Section III of these regulations, the per diem inpatient rate fixed by the Board of Trustees shall be the charge to be made for hospitalization, and the per visit outpatient rate fixed by the Board of Trustees shall be the charge to be made for outpatient care.
- E. Persons treated in the Receiving Ward or Accident Ward of the Hospital and discharged therefrom without being admitted to the Hospital as inpatients shall be considered outpatients and shall be charged the per visit outpatient rate.

SECTION II      Method of Computing Rates

- A. The per diem inpatient rate shall be determined in the following manner:
1. The Executive Director shall calculate the cost per inpatient day according to the following formula and report the result to the Board of Trustees:

$$\text{Cost per inpatient day} = \frac{\text{total annual operating cost of both divisions of the Hospital for the previous year}}{\text{total number of inpatient days plus one-fifth of the total number of outpatient department visits of both divisions of the hospital for the previous year.}}$$

2. The Board of Trustees may consider factors which may reasonably be expected to increase or decrease the operating cost and may adjust the per diem inpatient rate accordingly. This per diem inpatient rate shall be further adjusted to the nearest multiple of \$.25. Any change in the per diem inpatient rate made by the Board of Trustees at a regular or special meeting shall become effective at a time fixed by the Board not later than three months after the determination of the change.

B. The per visit outpatient rate shall be fixed at one-fifth the per diem inpatient rate adjusted to the nearest multiple of \$.25. This ratio between the per diem inpatient rate and the per visit outpatient rate shall remain constant, and any adjustment in the inpatient rate shall result in a corresponding adjustment in the outpatient rate.

### SECTION III Exceptions to Established Rates

A. Rates for maternity cases and for care of the newborn.

1. A rate calculated at seven times the established per diem inpatient rate shall be the rate for maternity inpatient care incident to delivery. This rate for maternity inpatient care shall include visits to the Prenatal and Postnatal clinic and hospital care of the newborn for a period not to exceed seven days.

2. Maternity patients requiring hospitalization of more than seven days shall be charged on the basis of the prevailing per diem inpatient rate for each day over seven. The per diem rate for newborns after the seventh day shall be one-third the per diem inpatient rate adjusted to the nearest multiple of \$.25.

3. The rate for infants over seven days old whose hospitalization is continued after the mother is discharged from the maternity service shall be the established per diem inpatient rate.

B. Patients whose cost of medical care and treatment is payable by a third party payor.

Any patient whose cost of medical care and treatment is payable by a third party payor, shall be excluded from the categories of patients eligible for discounts listed in paragraph C of this section. Neither shall such patient be considered "totally indigent" or "medically indigent" as defined in this regulation. Any patient whose cost of medical care and treatment is payable by a third party payor shall be charged the established per diem inpatient rate or the per visit outpatient rate.

C. Discounts for special categories of patients.

The following categories of patients shall receive a discount in an amount equal to the established rate for hospitalization:

1. Patients admitted for medical treatment or hospitalization of active tuberculosis subject to quarantine or isolation controls of the Department of Public Health of Philadelphia.
2. Patients whose hospitalization is required and specifically requested by the Commissioner of Health or his designee in the enforcement of the quarantine laws for the control of communicable disease.
3. Persons in training capacity in the Hospital, including the following:
  - a. student nurses;
  - b. practical nurse trainees;
  - c. dietetic interns;
  - d. student x-ray and laboratory technicians;
  - e. medical and dental interns and their wives and dependent children;
  - f. resident physicians and dentists and their wives and dependent children; and
  - g. such other trainees as may be determined from time to time by the Board of Trustees.
4. Persons who receive financial assistance from the Pennsylvania Department of Public Assistance.
5. Employees of the City of Philadelphia who require hospital care for treatment of compensable injuries or disease. A compensable injury or disease shall, for the purposes of this regulation, have the same meaning as provided under the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act, both as amended.
6. Inmates of City institutions.
7. Wards of the City.

D. Discounts for "totally indigent" and "medically indigent" patients.

1. As used in this provision -

"Medically indigent" means persons who can maintain a basic minimum standard of food, shelter and clothing and can pay for medical care only to a limited extent.

"Totally indigent" means persons whose financial resources are inadequate to meet the basic necessities of life and who cannot pay for medical care.

2. Patients who are "totally indigent" shall be granted a discount in an amount equal to the established rate for hospitalization. Patients shall be considered "totally indigent" whose individual or family income is less than the amounts listed in the following schedule, which is approximately 10% above the subsistence budgets computed by the Pennsylvania Department of Public Assistance.

A single person with an annual income of less than \$845.00.  
A family of 2 with an annual income of less than \$1258.50.  
A family of 3 with an annual income of less than \$1631.50.  
A family of 4 with an annual income of less than \$1993.00.  
A family of 5 with an annual income of less than \$2278.00.  
A family of 6 with an annual income of less than \$2547.50.

The above schedule shall be adjusted from time to time in accordance with the changes in the subsistence budgets computed by the Department of Public Assistance.

3. Patients whose individual or family income is over the "totally indigent level" set forth in paragraph 2, but is not up to the income level set forth in paragraph 4, shall be considered "medically indigent" and shall be responsible for cost of medical care and treatment up to 5% of their annual individual or family income.

An additional discount may be granted by the Executive Director, as provided in Section V of these regulations, to "medically indigent" patients upon a consideration of the following factors:

- a. Size of immediate family.
- b. Patient's assets.
- c. Liabilities of patient.
- d. Age of patient.
- e. Future opportunity for employment.
- f. Probable duration of illness.
- g. Medical expenses previously incurred and paid by the patient during the current calendar year.
- h. Such other circumstances and conditions as may be determined by the Executive Director of the Hospital and approved by the Board of Trustees.

4. Patients whose individual or family income is greater than that listed in the following schedule shall not be considered eligible for discounts as "totally indigent" or "medically indigent" and shall be charged the established rate for hospitalization:

A single person with an annual income of more than \$3000.00.  
A family of 2 with an annual income of more than \$3600.00.  
A family of 3 with an annual income of more than \$4200.00.  
A family of 4 with an annual income of more than \$4800.00.  
A family of 5 with an annual income of more than \$5400.00.  
A family of 6 with an annual income of more than \$6000.00.

The Executive Director may, subject to the approval of the Board of Trustees, grant a discount to a person whose individual or family income is greater than that listed in the above schedule when his inability to pay the established rate for hospitalization is clearly shown.

**SECTION IV**      Liability for Charges

A patient shall be personally liable for the charges made for medical care under this regulation and such liability shall extend to his legally responsible relatives in accordance with the provisions of the Support Law, Act of June 24, 1937, P. L. 2045, as amended, 62 P.S. §1971, et seq.

**SECTION V**      Responsibility for Granting Discounts

- A. The Executive Director shall be responsible for granting discounts to patients in accordance with the standards and procedures established by these regulations. Applications for discounts, on forms prepared by the Executive Director, shall be submitted to the Executive Director by a patient, together with an affidavit and schedule of his property, real, personal and mixed.
- B. The Executive Director shall submit a monthly report to the Board of Trustees of all charges made and discounts granted to patients during the preceding month, together with any other information desired by the Board.
- C. The Executive Director, subject to the approval of the Board of Trustees, may, at the request of the Revenue Commissioner, review and increase the discount granted a patient on the basis of the written findings and recommendation of the Revenue Commissioner with respect to the patient's financial ability to pay.