MADERA COMMUNITY HOSPITAL

MADERA COMMUNITY HOSPITAL FINANCIAL ASSISTANCE POLICY

Department: Patient Financial Services
Category: Policies
Subject: Financial Assistance Program
Effective Date: January 1, 2025

POLICY:

Overview: Madera Community Hospital (MCH) is committed to providing medical care to all patients, regardless of their financial circumstances. In recognition of financial hardships, MCH offers a Financial Assistance Program to reduce or eliminate medical bills for patients who meet specific eligibility criteria.

Program Description: The Financial Assistance Program is designed to provide relief from medical expenses for eligible individuals who are uninsured, underinsured, or experiencing high medical costs relative to their income. The program covers medically necessary services provided by MCH, ensuring that no patient faces an undue financial burden for essential healthcare.

Eligibility Criteria: Eligibility for financial assistance is based on the patient's family income, insurance status, and medical costs, as outlined below:

Free Care (Charity Care): You will receive free care, meaning you will not owe anything for your hospital bill, if both of the following are true:

1. Your family income is at or below 400% of the Federal Poverty Level (FPL). The FPL is an income amount set each year by the federal government based on family size; and
2. You have no health insurance or other program that pays for your care, or you have health insurance but have high medical costs (see "High Medical Costs" below).

Discount Payment:

1. Uninsured patients, and insured patients with high medical costs, whose family income is at or below 400% of the FPL are eligible for discounted payment under this Financial Assistance Policy. For these patients, the discount is 100%, which means free care as described above.
2. "Patient's family" is used to count family size and family income. It means the following:

- For patients 18 years of age and older: the patient's spouse, domestic partner (as defined in Section 297 of the Family Code), and dependent children under 21 years of age, or any age if disabled, consistent with Section 1614(a) of Part A of Title XVI of the Social Security Act, whether living at home or not.
- For patients under 18 years of age, or for a dependent child 18 to 20 years of age, inclusive: the patient's parent, caretaker relatives, and the parent's or caretaker relatives' other dependent children under 21 years of age, or any age if disabled, consistent with Section 1614(a) of Part A of Title XVI of the Social Security Act, whether living at home or not.

Extended payment plan to allow payment of the discounted price over time: Patients who qualify for a discount may pay the discounted amount over time, with no interest. The hospital and the patient will agree on the terms of the payment plan, taking into account the patient's family income and essential living expenses. If the hospital and the patient cannot agree on a plan, the hospital will set up a reasonable payment plan in which each monthly payment is no more than 10% of the patient's monthly family income, after subtracting essential living expenses.

The granting of charity care or discounted payments shall be based on an individualized determination of financial need and will NOT take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

Eligible persons may have payments adjusted on a sliding fee scale, in accordance with financial needs, as determined in reference to the FPL in effect at the time of the determination. The basis for the amounts charged for qualified persons is as follows:

1. Patients whose family income is at or below 400% of the FPL, and who are uninsured or have high medical costs, will receive free care.
2. Patients whose family income is above 400% of the FPL but no more than 600% of the FPL are eligible to receive services at discounted rates.
3. Patients whose family income exceed 600% of the FPL may be eligible to receive discounted rates on a case-by-case basis, based on their specific circumstances, such as catastrophic illness.
4. Any expected payments from those eligible patients would not exceed the payments that would be expected from Medicare or Medi-Cal, whichever is greater. If there is no established payment for the service under Medicare or Medi-Cal, the hospital may establish an appropriate discount payment.

Special Circumstances:

a. Patients who have filed for bankruptcy or are deceased with no remaining estate are automatically eligible for full financial assistance.

b. Patients facing extraordinary financial hardships, such as job loss, may also qualify for assistance.

c. Emergency Room Physicians are required by law to provide discounts for patients who are uninsured or whose family income is at or below 400% of FPL.

PROCEDURE:

1. Pre-Admission

a. The hospital will make reasonable efforts to obtain from the patient or the patient's representative information about whether private or public health insurance may fully or partially cover the charges for services provided by the hospital to the patient including, but not limited to:

- Private health insurance (including insurance offered through the state health benefit exchange);
- Medicare; and,
- Medi-Cal or other state-funded health coverage programs.

b. The hospital will provide all persons without insurance with a written estimate of the amount the hospital will require patients to pay for the health care services provided.

2. Patient Admission

a. Upon admission (within 3 days of admission) the patient or the representative will be provided with written documents about the financial assistance policy (i.e. discounted payment and charity care) of the hospital which will include but is not limited to:

- A statement indicating that if the patient lacks or has inadequate insurance and meets certain low- and moderate- income requirements that the patient may qualify for discounted payments or charity care.
- A telephone number from which the patient may obtain information about discounted payments or charity care and how to apply for that assistance.

b. If the patient is not conscious or able to receive the notice during the admission process, the notice will be provided at the latest during the discharge process or via United States Postal Mail within 72 hours of providing the services, and include:

- Eligibility criteria contact information for the hospital administrator where they may obtain additional information about the hospital policies.

- Help Paying Your Bill – There are free consumer advocacy organizations that will help you understand the billing and payment process. You may call the Health Consumer Alliance at 888-804-3536 or go to the internet address for Health Consumer Alliance (https://healthconsumer.org) for more information.

c. In addition, the hospital's policy regarding discounted payment and charity services will be posted in location(s) that are visible to the public, such as admissions office and hospital lobby in addition to the hospital's Internet website.

d. These notices will be made available in at least English and Spanish to meet the primary languages spoken in the community. For any patient who is unable to understand the information in written formats available, the information will be provided by reading the information to the patient utilizing language or auditory interpreter services.

e. Patients admitted to the hospital who do not have health insurance or other coverage, or who ask for a discounted price or charity care, will receive an application for the Medi-Cal program or other state- or county-funded health coverage program, and help completing it.

3. Application Process

a. Patients seeking financial assistance must complete the Financial Assistance Application through MCH's Patient Financial Services Department. The following steps outline the process:

b. Submission

1. Applications can be submitted before, during, or after receiving care.
2. Supporting documentation must accompany the application.

c. For purposes of determining eligibility for Discount and Charity Care, documentation of income shall be limited to:

1. Federal Income Tax Return (Form 1040) for patient and spouse or domestic partner from the year the patient was first billed or 12 months prior to when the patient was first billed. OR
2. Three months' pay stubs from within the 6 months before or after the patient is first billed (or in preservice when the Application is submitted).

d. Timeline:

- Eligibility may be determined at any time the hospital receives qualifying documentation.

MCH's Patient Financial Services Department reviews all applications. Eligibility is based on income, family size, and medical expenses. Patients will receive a written determination within 30 days of submitting a completed application.

Note: information obtained through the financial application process will **NOT** be used in the collection activities.

Assistance: The Patient Financial Services Department is available to assist patients with completing the application, including providing translations as needed.

Validity: Approved applications are valid for 180 days. Patients may reapply or update their application if their financial situation changes.

Appeal Process: Patients may appeal a denied application by submitting a written appeal to the Patient Financial Services Department within 30 days of the decision. Appeals will be reviewed by the Director of Revenue Cycle, with a final determination made within 30 days of the appeal.

4. Debt collections:

a. Patient Financial Services may begin its normal collection process if the patient is found not eligible for financial assistance, or if the patient has not responded to any attempts to bill or offer financial assistance for 180 days. MCH will not file a lawsuit against a patient for an unpaid bill until at least 180 days after the first bill. If a patient has a pending appeal for coverage of services, MCH will not file a lawsuit against the patient for an unpaid bill until at least 180 days after the appeal is completed.

High Medical Costs:

Patients with insurance whose family income is at or below 400% of the Federal Poverty Level (FPL) are eligible for financial assistance, including free care, if they have high medical costs. High medical costs means any of the following: (1) yearly out-of-pocket costs at the hospital that are more than 10 percent of the patient's current family income or family income in the prior 12 months, whichever is less; or (2) yearly out-of-pocket medical expenses that are more than 10 percent of the patient's family income, if the patient provides documentation of medical expenses paid by the patient or the patient's family in the prior 12 months.

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Eligibility for financial assistance is not limited by whether the patient's liability is based on insurer-negotiated discounts. Patients may qualify regardless of whether their insurance plan has already applied discounts to billed charges.