PURPOSE

As declared in our mission statement, Community Hospital of the Monterey Peninsula ("Community Hospital") is committed to caring for all who come through our doors, regardless of ability to pay, to the fullest extent allowed by law and available resources. This policy is intended to provide the framework of our Sponsored Care Program and Discount Payment Program.

POLICY

In addition to the information set forth in this policy, patients should be aware that there are organizations that will help the patient understand the billing and payment process, as well as information regarding Covered California and Medi-Cal presumptive eligibility. Patients may visit the Health Consumer Alliance website for more information: https://healthconsumer.org. Patients may also access Community Hospital's list of shoppable services at https://www.montagehealth.org/patient-family-resources/Billing-Insurance-Finanical Assistance /cost-care-estimates.

A. Uninsured patients and patients with high medical costs whose income is at or below 400 percent of the federal poverty level are eligible to apply for financial assistance for medically necessary hospital and hospital-based physician services provided by Community Hospital of the Monterey Peninsula. Qualifying applicants will be granted the highest award for which they are eligible.

    1. Sponsored Care – This program may give a patient a discount of up to 100 percent on the services she or he received. To qualify, the patient's gross family income must not be higher than 400 percent of the federal poverty level. Patients must provide information and documentation about their family members' income and about any health benefits coverage they have.

    2. Discount Payment Program—This program may give a patient a discount to reduce the amount she or he owes. To qualify, the patient's gross family income must not be higher than 400 percent of the federal poverty level. Patients must provide information and documentation about their family members' income, and any health benefits coverage they have.

B. Applications from patients whose income is above 400 percent of the federal poverty level will also be thoroughly reviewed, and awards will be granted on a case-by-case basis.

C. Emergency department physicians who provide emergency medical services at Community Hospital are required to provide discounts to uninsured patients and patients with high medical costs whose income is at or below 400 percent of the federal poverty level.

D. Current and prospective patients may apply for the Sponsored Care Program or the Discount Payment Program. Information about these programs is available at all patient intake and treatment locations within Community Hospital facilities and is provided to each patient presenting for services. An application for the Sponsored Care and Discount Payment programs will be provided to all patients who request one. Additionally, enrollment counselors are available to provide information and applications for Medi- Cal, Medicare, California Health Benefit Exchange, and other available government programs. A pre-screening interview may be done with patients to ensure that they meet the basic eligibility criteria.

E. The criteria Community Hospital will follow in verifying a patient's eligibility for financial assistance programs are described in this policy. Upon approval, financial assistance is provided through one of two programs: (1) the Sponsored Care Program; or (2) the Discount Payment Program. These programs may cover all or part of the cost of services provided, depending on the patient's eligibility, income, and resultant ability to pay for services. The Sponsored Care and Discount Payment programs are intended for patients who's personal or family financial ability to meet hospital expenses is absent or demonstrably restricted. The minimum requirement for both programs is stated below and is based upon the patient's combined family income as a percentage of the applicable federal poverty level (FPL) as published annually in the Federal Register (http://aspe.hhs.gov/poverty). Given Community Hospital service area demographics, available resources, and mission to meet the healthcare needs of its community, financial assistance is available for patients with income levels up to 400 percent of the FPL for the patient's family size. Community Hospital's Sponsored Care and Discount Payment programs are intended to fully comply with the Hospital Fair Pricing Policies Act and Section 501(r) of the Internal Revenue Code. This policy is intended to be stated as clearly and simply as possible for the benefit of our patients.

   Financial Assistance may be applied to uninsured patients, as well as any medical care not reimbursed by the insurance or a health coverage program, such as Medicare copays or Medi-Cal cost sharing. Policy AD-1029 details Montage Health's process to determine eligibility for this program.

   Non-covered and denied services provided to Medicaid eligible beneficiaries are considered a form of charity care. Medicaid beneficiaries are not responsible for any forms of patient financial liability and all charges related to services not covered, including all denials, are 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 denials
   - Charges related to days exceeding a length-of-stay limit
   - Medicaid claims (including out of state Medicaid claims) with "no payment""
   - Any service provided to a Medicaid eligible patient with no coverage and no payment

   Any unreimbursed charges from non-covered or denied services from any payor, such as charges for days beyond a length-of-stay limit, exhausted benefits, balance from restricted coverage, Medicaid-pending accounts, and payor denials are considered a form of patient financial assistance at Community Hospital. Charges related to these denials/non-covered amounts written off during the fiscal year are reported as uncompensated care.

F. Discovery of Patient Financial Assistance Eligibility during Collections**.** While Community 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 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, Community Hospital will reverse the account out of bad debt and document the respective discount in charges as charity care.

G. Negotiations with insurance carriers involving inferred contractual relationships for insured patients not under contract with Community Hospital will be conducted by executive management. Although Community Hospital may agree to the terms of the negotiations with insurance companies, an inferred contractual relationship is not representative of a patient "under contract" with the hospital. Community Hospital considers any reimbursement less than 20% of cost to be charitable event. Any care provided to a presumptive or actual case of COVID-19 is provided at an amount no greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider. All unreimbursed amounts are a form of patient financial assistance and determined as the difference between gross hospital charges and hospital reimbursement.

Applying for Assistance

A. Requests for financial assistance may be made verbally or in writing at any point before, during, or after the provision of care. Financial assistance applications are provided to all patients in the primary language of 5 percent or more of the primary community served by the hospital.

B. Applications for Sponsored Care or Discount Payment program must be submitted to the Service department prior to service or to the Patient Business Services or Patient Access department during and/or after receiving services by using the *Application for Sponsored Care or Discount Payment Program*. Incomplete applications will be kept on file for 30 days after request for additional information letter is sent. Once the additional documentation is received, the application will be completed. If documentation is not received within the 30 days the case will closed. Cases can be reopened if documentation is received. In addition to a completed application, a letter explaining the patient's circumstances and/or a letter from the person(s) providing living assistance to the patient may be requested.

- See Eligibility Criteria below.

A patient (or a patient's legal representative) who requests Sponsored Care or Discount Payment, must make every reasonable effort to provide documentation of income and health benefits coverage. Uninsured patients, who are eligible for a government- sponsored health benefit plan, or health benefit coverage through the California Health Benefit Exchange with a government subsidy, will be encouraged to apply for those programs and comply with the application requirements for those program This also applies to patients who are at or below 138 percent of the federal poverty level, who are eligible for modified adjusted gross income Medi-Cal. Hospital enrollment counselors will be available to assist patients with the application process for government-sponsored health benefit plans, health benefit coverage through the California Health Benefit Exchange, Medi-Cal, Medicare, and other available programs. Applying for these programs will be encouraged

but will not be a requirement for Sponsored Care Eligibility. When patients do not cooperate with the enrollment counselors, Community Hospital will make reasonable.

effort, through letters and telephone calls, to encourage patients to cooperate prior to its review and decision regarding Sponsored Care and/or Discount Payment eligibility.
Applications may be denied and the associated account(s) referred to a collection agency if documentation sufficient to determine eligibility is not provided.

C. If a patient applies or has a pending application for another health coverage program at the same time they apply for the hospital Sponsored Care or Discount Payment Program, the pending status of either application shall not prevent or delay the review of or action on the other.

D. This policy applies only to emergency and medically necessary services provided by Community Hospital. Services provided at a hospital facility by private healthcare providers, such as personal physicians and ambulance conveyance, are not covered by the Sponsored Care and Discount Payment programs. Community Hospital maintains a list of providers delivering emergency or other medically necessary care covered by the Sponsored Care and Discount Payment programs. The list is available on the hospital's website at: www.chomp.org. These programs are available only for emergency and medically necessary services provided by Community Hospital that are not paid for by any other government programs and/or funding sources, including third-party insurance coverage for which an individual applicant is eligible. See the list of non-covered services below.

E. All medically necessary Services are eligible for Sponsored care and discount payment programs. Services performed within the hospital are presumed medically necessary unless an attestation is provided indicating otherwise. Attestations will be signed by the referring provider or the supervising healthcare provider for services in questions. Attestation will be obtained before denying a patient's eligibility for Sponsored Care or discount payment programs for all services in question for non-medical necessity. Below are some examples of possible Non-Covered services:

A. All healthcare services not billed by Community Hospital, such as non-hospital based physician services and ambulance transportation;

B. Non-medically necessary bariatric surgery;

C. Non-medically necessary cosmetic services;

D. Services which, in the opinion of competent hospital staff, are provided only as a stop- gap when a patient is staying at the hospital, or at Westland House, for the convenience of the family and/or physician;

E. Non-medically indicated care;

F. Durable medical equipment;

G. Oxygen and oxygen supplies, except when pre-approved;

H. Any service or product considered to be experimental;

I. Services or products unapproved for patient use by the FDA

J. Services or products that would effectively place the hospital in the position of having to provide such services or products for extended periods of time, including when the patient is not a patient of Community Hospital.

Discount Payment Program

A. Community Hospital is committed to providing qualifying uninsured patients and insured patients with any expenses for medical care that are not reimbursed by insurance or health coverage program, such as Medicare copays or Mei-Cal cost sharing, as defined below, with a discount that exceeds that provided to participants in the Medicare program. The Medicare program, the highest paying government- sponsored health benefit program accepted by Community Hospital. No individual who qualifies for the Discount Payment Program will be charged more than the amount generally billed ("AGB") by Community Hospital to individuals who have insurance covering such emergency and/or medically necessary care. Community Hospital calculates the AGB using the prospective Medicare method described in 26 C.F.R. § 1.501(r)-5(b)(4).Uninsured patients who qualify for the Discount Payment Program will also be eligible for a zero-interest extended payment plan on the remaining balance. The hospital limits expected payment for services it provides to a patient at or below 400 percent of the federal poverty level, eligible under its discount payment policy to the amount of payment the hospital would expect, in good faith, to receive the providing services from Medicare, Medi-Cal, Healthy Families, or another government-sponsored health program of health benefits in which the hospital participates, whichever is greater.

B. The total gross charge for services and the discount to be applied will be shown on the award letter. These discounts apply to any expenses not covered or reimbursed by the insurance or health coverage program.

C. Demonstrating Eligibility

1. Uninsured and underinsured patients are required to provide prior year's tax return, and if no tax was filed, documentation of family income in the form of three months of recent pay stubs is accepted. If the patient is from out of the country, the hospital may request an affidavit to prove income eligibility. For purposes of determining eligibility, neither retirement or deferred compensation

plans qualified under the Internal Revenue Service code nor nonqualified deferred compensation plans shall be included. Qualifying income must not exceed 400 percent of the applicable federal poverty level.

D. Payment Plan

1. Patients who qualify for the Discount Payment Program will also be eligible for an interest-free payment plan. In situations where an agreement cannot be reached, a minimum monthly payment amount should not exceed 10 percent of the patient's family's monthly income (after essential living expenses). Any payment plan that remains unpaid for 90 consecutive days will be declared delinquent and may be advanced for collection activity after attempts have been made to renegotiate the terms of the defaulted payment plan. See *Procedure for Financial Assistance Program, Sponsored Care and Discount Payment Program AD- 1029*.

Sponsored Care (free care or charity care)

A. Community Hospital is committed to providing qualifying uninsured patients and patients with high medical costs, as defined below, with a 100 percent discount on the amount determined to be due from the patient. This discount applies expenses for medical care that are not reimbursed by insurance or health coverage program, such as Medicare copays or Medi-Cal cost sharing.

B. Requests for financial assistance may be made verbally or in writing at any point before, during, or after the provision of care.

C. Demonstrating Eligibility

1. Uninsured patients and patients with high medical costs applying for Sponsored Care are required to provide documentation of family income in the form of prior year's tax return. lf the prior year's tax return was not filed, three months of recent pay stub will be accepted..

D. Presumptive Charity Care

Financial assistance may be granted in the absence of a completed application in situations where the patient does not apply but other available information substantiates a financial hardship. Examples of these exceptions where documentation requirements are waived include, but are not limited to:

- An independent credit-based financial assessment tool indicates indigence.
- An automatic financial assistance determination of 100% assistance is applied in the following situations provided other eligibility criteria are met:
    - Patient has an active Medicaid plan
    - Patient is eligible for Medicaid or patients with current active Medicaid coverage will have assistance applied for past dates of service
    - Patient is deceased
- Determination of patient financial assistance eligibility.

Presumptive eligibility tools may not be used for the following:

- Patients who have not provided Coordination of Benefits as requested by their insurance.
- Another form of medical payment that claim processing has not yet been completed such as a cost share plan.
- Patient service resulted in a Third-Party payors or any legal settlements, judgments or awards to be issued

Dispute/Appeal process

If patient/guarantor appeals original decision, additional supporting documentation must be submitted along with the written request for review to Patient Business Services, within 30 days of original approval/denial date. These steps are to be followed:

i. Refer request to customer service supervisor for initial review.

ii. If supervisor review leads to a change in original determination, the application can be processed with additional documentation.

iii. If the original determination is to be upheld, the supervisor will refer to the director for further review and determine a response to the patient.

Special circumstances

Uninsured patients and patients with high medical costs with income that exceeds 400 percent but is less than 500 percent of the applicable federal poverty level will be awarded a 25 percent discount on total patient balance and will also be eligible for a zero-interest extended payment plan for the remaining balance.

Payments in excess of amount due after discount

In the event the Community Hospital collects payments from a patient who subsequently qualifies for the Sponsored Care or Discount Payment Policy, Community Hospital will refund any excess previously paid by the patient

together with interest thereon at the current rate (refer to refund procedure) per annum from the date Community Hospital received the overpayment, or the date the patient qualifies for the Sponsored Care or Discount Payment Policy, whichever date is later. This does not apply to overpayment less than $5. Community Hospital will refund the patient within 30 days.

Refunds will not be eligible for the following:

- It has been five years or more since the patient's last payment to the hospital or payment plan vendor.
- Patient has been in bad debt for more than five years.
- Patient's recent financial change of circumstances, such as a loss of income due to loss of job or deceased family member that was part of the original financial documentation for eligibility.

Policy maintenance and reporting

This policy document is to be reviewed annually for consistency with all applicable laws and available resources. Additionally, this information must be submitted to California Department of Health Care Access and Information every other year on January 1, or whenever a significant change is made. In order to make the Sponsored Care and Discount Payment policies available to the community, the hospital will publish the policy and application on the hospital website and include information about how to apply in its initial billing statements.

Practice

See procedure document *Sponsored Care and Discount Payment Program AD-1029.*

Definitions

The following terms have the following meanings:

A. *Federal poverty level* means the poverty guidelines specific to income and family size, which are updated periodically in the Federal Register by the United States Department of Health and Human Services under the authority of subsection (2) of Section 9902 of Title 42 of the United States Code.

B. *Underinsured means having health insurance that does not cover all the medical expenses and may face high out-of-pocket costs, deductibles, or co-payments that can lead to financial a hardship.*

C. *Patient's family* means the following:

1. For persons 18 years of age and older, family includes -dependent children of any age and account for the inclusion of parents when the patient is a dependent child who is not a minor defined in Section 297 of the Family Code.

2. Family includes parent, caretaker relatives, and other children of the parent or caretaker relative.

D. *Hospital-based physicians* means the doctors who provide services at Community Hospital and are billed under Community Hospital's Provider Identification Number (PIN). These include Emergency department physicians, radiologists, pathologists, cardiologists, radiation oncologists, and psychiatrists.

Access to Healthcare During a Public Health Emergency

Executive leadership must proclaim an Access to Healthcare Crisis; an Access to Healthcare Crisis may be related to an emergent situation whereby state / federal regulations are modified to meet the immediate healthcare needs of Community Hospital's community during the Access to Healthcare Crisis. During an Access to Healthcare Crisis, Community Hospital may "flex" its patient financial assistance policy to meet the needs of the community in crisis. These changes will be included in the patient financial assistance policy as included as an addendum if an Access to Healthcare Crisis is proclaimed. Patient discounts related to an Access to Healthcare Crisis 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 in order to meet more pressing needs during the Access to Healthcare Crisis).

CONTENTS	DESCRIPTION
Submitted by:	Director, Revenue Cycle
Next review date:	January 2026
Effective date:	January 2022
Applicable to:	Patient Business Services Staff, Patient Access Staff, Social Services Staff, Radiology Staff, Rehabilitation and Wound Staff, Diabetes and Nutrition Staff, Cardiology Staff, 'Ohana Staff.
Approved by:	Patient Business Services, Patient Access, Social Services, Radiology, Rehabilitation and Wound, Diabetes and Nutrition, Cardiology, 'Ohana President's Administrative Committee (PAC), The Board.
Reviewed by:	Patient Access, Patient Business Services, Social Services, Radiology, Rehabilitation and Wound, Diabetes and Nutrition, Cardiology, 'Ohana. PAC, The Board
Replaces:	
References:	Patient Business Services Procedure: Sponsored Care and Discount Payment Program, Federal poverty level defined in the Federal Register (http://aspe.hhs.gov/poverty).
Key Words:	Low income, federal poverty level, family income, charity care, financial assistance eligibility criteria and application, enrollment counselor.
Distribution:	CHOMP Intranet Policies and Procedures; Patient Business Services Staff. Patient Access Staff, Social Services Staff, Radiology Staff, Rehabilitation and Wound Staff, Diabetes and Nutrition Staff, Cardiology Staff, 'Ohana Staff.
Additional information:	
Related policies or programs:	*Procedure for Financial Assistance Program, Sponsored Care and Discount Payment Program AD-1029 and AD-1031 General Administrative Policy – Collection Policy*