



NORTHERN INYO HEALTHCARE DISTRICT NON-CLINICAL POLICY

Title: Financial Assistance and Charity Care Policy		
Owner: Chief Executive Officer		Department: Administration
Scope: District Wide		
Date Last Modified: 01/10/2024	Last Review Date: 12/21/2023	Version: 3
Final Approval by: NIHD Board of Directors		Original Approval Date: 02/15/2017

PURPOSE:

To define the parameters of eligibility, amount of aid possible, and the process of access to the Financial Assistance and Charity Care Program mandated by California **Health and Safety Code Section (CA HSC) 127400-127446**.

DEFINITIONS:

CA HSC 127400: As used in this article, the following terms have the following meanings:

- (a) “Allowance for financially qualified patient,” means, with respect to services rendered to a financially qualified patient, an allowance that is applied after the District’s charges are imposed on the patient, due to the patient’s determined financial inability to pay the charges.
- (b) “Federal poverty level (FPL)” means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.
- (c) “Financially qualified patient” means a patient who is both of the following:
 - (1) A patient who is a self-pay patient, as defined in subdivision (f), or a patient with high medical costs, as defined in subdivision (g).
 - (2) A patient who has a family income that does not exceed 400 percent of the federal poverty level.
- (d) “Hospital” means a facility that is required to be licensed under subdivision (a), (b), or (f) of Section 1250, except a facility operated by the State Department of State Hospitals or the Department of Corrections and Rehabilitation. Northern Inyo Healthcare District includes a hospital and clinics, referred to as “the District”.
- (e) “Department” means the Department of Health Care Access and Information.
- (f) “Self-pay patient” means a patient who does not have third-party coverage from a health insurer, health care service plan, Medicare or Medicaid, and whose injury is not a compensable injury for purposes of workers’ compensation, automobile insurance, or other insurance as determined and documented by the hospital”

(g) “A patient with high medical costs” means a person whose family income does not exceed 400 percent of the federal poverty level, as defined in subdivision (b). For these purposes, “high medical costs” means any of the following:

(1) Annual out-of-pocket costs incurred by the individual at the Healthcare District that exceed the lesser of 10 percent of the patient’s current family income or family income in the prior 12 months.

(2) Annual out-of-pocket expenses that exceed 10 percent of the patient’s family income, if the patient provides documentation of the patient’s medical expenses paid by the patient or the patient’s family in the prior 12 months.

(3) A lower level determined by NIHD in accordance with the District’s Financial Assistance and Charity Care policy.

(h) “Patient’s family” means the following:

(1) For persons 18 years of age and older, spouse, domestic partner, as defined in Section 297 of the Family Code, and dependent children under 21 years of age, whether living at home or not.

(2) For persons under 18 years of age, parent, caretaker relatives, and other children under 21 years of age of the parent or caretaker relative.

(i) “Reasonable payment plan” means monthly payments that are not more than 10 percent of a patient’s family income for a month, excluding deductions for essential living expenses. “Essential living expenses” means, for purposes of this subdivision, expenses for any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

POLICY:

Northern Inyo Healthcare District (NIHD) will provide healthcare access to individuals who are uninsured, under insured, or who have high medical costs. This is available for medically necessary service/care. Federal Poverty Level Guidelines (FPL) for income will be the basis of eligibility for NIHD’s Financial Assistance and Charity Care Program. The Notice of Available Charity and Discount Services included in this policy will be updated annually when FPL is released; using 400 percent of the government poverty income level for free, discounted, or financed care. NIHD will offer financing arrangements to ease the burden of healthcare costs. The following criteria will be followed for determining the level and type of assistance:

1. Eligibility criteria will be the applicant’s, applicant’s family, or entire household gross income, including alimony, child support, financial support of absent parent, and all other income from whatever source derived, coupled with household size.
2. Income from whatever source derived will be used to consider the applicant’s level of responsibility. The following indicates the amount and type of assistance available:
 - a. When the total income is at or below 100% of the FPL, NIHD will offer free care through the Financial Assistance and Charity Care application and approval process;
 - b. When the total income is above 100% and equal to or lower than 200%, NIHD will offer a 25% discount and long-term financing through the Financial Assistance and Charity Care application and approval process;

- c. When the total income is above 200% and equal to or lower than 250%, NIHD will offer a 20% discount and long-term financing through the Financial Assistance and Charity Care application and approval process;
 - d. When the total income is above 250% and equal to or lower than 300%, NIHD will offer a 15% discount and long-term financing through the Financial Assistance and Charity Care application and approval process;
 - e. When the total income is above 300% and equal to or lower than 350%, NIHD will offer a 10% discount and long-term financing through the Financial Assistance and Charity Care application and approval process;
 - f. When the income is above 350% and equal to or lower than 400%, NIHD will offer a 5% discount and long-term financing through the Financial Assistance and Charity Care application and approval process;
 - g. When the total income is above 400%, NIHD will offer long-term financing through the Financial Assistance and Charity Care application and approval process;
3. Monetary assets will be considered in the determination of eligibility. For purposes of this determination, monetary assets shall not include retirement or deferred compensation plans qualified under the Internal Revenue Code, or nonqualified deferred compensation plans. Furthermore, the first ten thousand dollars (\$10,000) of a patient's monetary assets shall not be counted in determining eligibility, nor shall 50 percent of a patient's monetary assets over the first ten thousand dollars (\$10,000) be counted in determining eligibility.
 4. Verification of the patient's household income may consist of, but not limited to, the following applicable documents:
 - a. Paycheck stubs for current three months;
 - b. Unemployment payment stubs;
 - c. Disability payment stubs;
 - d. Bank statements for current three months;
 - e. Copy of current or previous year income tax return;
 - f. Copy of currently approved letter or denied letter from the local social service assistance program (Medi-Cal).
 5. Should the applicant have no source of income, inquiry will be made as to how the patients supports him or herself.
 6. All other resources of coverage will first be sought. This includes, but is not limited to, any available local social service assistance program such as Medi-Cal and CCS (California Children's Services); Medicare; Insurance; employer provided or offered health plan; Inyo County Medical Services Program (CMSP); other available third party sources; participation in the Affordable Care Act.
 - a. Individuals without insurance will be assisted in following the Affordable Care Act, participating in "Open" Enrollment.
 - b. Written denial is required for applicants not eligible for assistance through their local department of social services or Medicaid programs.
 - c. Should an applicant be eligible for Medi-Cal or other State's Medicaid programs with a Share of Cost, the applicant may NOT be entitled to the Financial Assistance and Charity Care Program to assist with meeting Share of Cost responsibilities. Once their Share of Cost is satisfied, the applicant's Medi-Cal will be accepted as payment for covered services.
 - d. Failure to comply with timely application, (60 days from discharge date) for local social service assistance programs, or failure to complete the application for available local social service assistance programs may be a basis for denial of the NIHD Financial Assistance and Charity Care Program.

7. To sustain eligibility, NIHD Financial Assistance and Charity Care recipients will be required to submit a new Financial Assistance and Charity Care application every twelve months, including new application to available local social service assistance programs.
8. If any information given proves to be untrue, NIHD reserves the right to re-evaluate the application and take whatever action becomes appropriate up to disqualification and revocation of Financial Assistance and Charity Care.
9. Efforts to identify patient's qualification for NIHD Financial Assistance and Charity Care Program will be initiated upon receipt of the completed application and ALL supporting documents not to exceed (6) Six months from self-pay balance first statement.
10. Conditional qualification may be made in cases where eligibility for other available assistance programs has not yet been determined.
11. Individuals who do not respond to notices of Charity or Discount services, who do not respond to billing and collection efforts, and their accounts are subsequently assigned to Bad Debt and an outside collection agency will not be eligible for NIHD's Financial Assistance and Charity Care program adjustments.
12. Financial Assistance and Charity Care denials for patients based upon their income may become subsequently approved should their income change following their original determination based on additional supplied information. Subsequent determinations will not result in a refund of prior payments.
13. Effect of the determination of eligibility will not be open-ended. Charity status may be reviewed at any time during the covered time period, not to exceed one year.
14. Included in the initial billing (patient statement) of the uninsured individuals, will be the NORTHERN INYO HEALTHCARE DISTRICT REQUEST FOR HEALTH COVERAGE INFORMATION / NORTHERN INYO HEALTHCARE DISTRICT NOTICE OF OTHER COVERAGE PROGRAMS / and FINANCIAL ASSISTANCE AND CHARITY CARE SERVICES (included in this policy).
15. Post notices of NIHD's Financial Assistance and Charity Care & Discount Payment Program in all patient care areas, waiting rooms and reception areas as well as the Credit (payment) and Billing Information Office. This will include the Rural Health Clinic and all Northern Inyo Associates Offices.
16. Applications for the NIHD Financial Assistance and Charity Care Services will be available through Northern Inyo Healthcare District Administration, Social Services Department, and the Credit and Billing Information Office.
 - a. The application will include the patient's or applicant's complete name; address; telephone number; social security number; employer; family size; income as described above; service rendered/requested; date of service; applicant's signature; and space for eligibility determination.
17. The Credit & Billing Information Staff will process complete applications within ten (10) business days.
18. Send the applicant a final determination by the US mail.
19. <https://healthconsumer.org> for additional assistance.

REFERENCE:

1. California Health and Safety Code Section 127400-127446.
2. CA AB 1020

RECORD RETENTION AND DESTRUCTION:

Maintain all patient accounting files for fifteen (15) years.

CROSS REFERENCE POLICIES AND PROCEDURES:

1. Billing and Collections
2. Price Transparency
3. Credit Balance Refund Processing

4. Prompt Pay Discounts
5. InQuiseek - #600 Financial Policies

Supersedes: v.2 Charity Care Program

REQUEST FOR HEALTH COVERAGE INFORMATION

NOTICE OF OTHER COVERAGE PROGRAMS

OF AVAILABLE FINANCIAL ASSISTANCE AND CHARITY CARE

When you presented for your recent services, it appeared that you may not have health insurance or other coverage. If this is incorrect, please contact our Credit and Billing Information office at (760) 873-2097 at your earliest convenience to provide us with your coverage information.

If you do not have health insurance coverage, or other coverage, you may be eligible for Medicare, MediCal, CMSP, or CCS.

You may contact our Credit and Billing Information office at (760) 873-2190 or your local Social Services office for an application for MediCal.

You may obtain information from the Social Security Office regarding Medicare benefits or your local county Health Department regarding CMSP, CCS benefits.

It is the policy of the Northern Inyo Healthcare District to provide a reasonable amount of care without, or below charge to people who are uninsured, under insured, or with high medical costs. Individuals within the annual income requirements established below may be eligible to receive free or discounted medical care based upon income level and family size.

2023 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA	
Persons in family/household	Poverty guideline
1	\$14,580
2	\$19,720
3	\$24,860

2023 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA

Persons in family/household	Poverty guideline
4	\$30,000
5	\$35,140
6	\$40,280
7	\$45,420
8	\$50,560
For families/households with more than 8 persons, add \$5,140 for each additional person.	

If you believe, you may be eligible, or if you would like more information or an application, contact the Credit and Billing Information Office, Monday – Friday 8:30a.m. - 4:30p.m. Telephone: (760) 873-2097.