



<b>Subject: Providence Financial Assistance (Charity Care) Policy – California</b>	<b>Policy Number: PSJH RCM 002 CA</b>	
<b>Department:</b> Revenue Cycle Management	<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed	<b>Date:</b> 2/16/2023
<b>Executive Sponsor:</b> SVP Chief Revenue Cycle Officer	<b>Policy Owner:</b> Executive Director Financial Counseling	
<b>Approved by:</b> SVP Chief Revenue Cycle Officer	<b>Implementation Date:</b> 4/1/2023	

Providence is a Catholic not-for-profit healthcare organization guided by a commitment to its Mission of serving all, especially those who are poor and vulnerable, by its Core Values of compassion, dignity, justice, excellence, and integrity, and by the belief that healthcare is a human right. It is the philosophy and practice of each Providence hospital that emergent and medically necessary healthcare services are readily available to those in the communities we serve, regardless of their ability to pay.

**SCOPE:**

This policy applies to all Providence hospitals in the state of California (with the exception of Healdsburg Hospital), and to all emergency, urgent and other medically necessary services provided by Providence hospitals in California with exception of experimental or investigative care). A list of Providence hospitals covered by this policy can be found in Exhibit A Covered Facilities List. When we use the word “hospital” in this policy, it is referring to the scope of facilities described in Exhibit A.

This policy shall be interpreted in a manner consistent with Section 501(r) of the Internal Revenue Code of 1986, as amended, and, with respect to Providence Hospitals in California, the Hospital Fair Pricing Policies outlined in the California Health and Safety Code (Sections 127400-127446). In the event of a conflict between the provisions of such laws and this policy, such laws shall control.

**PURPOSE:**

The purpose of this policy is to ensure a fair, non-discriminatory, effective, and uniform method for the provision of financial assistance (charity care) to eligible individuals who are unable to pay in full or part for medically necessary emergency and other hospital services provided by Providence hospitals.

It is the intent of this policy to comply with all federal, state, and local laws. This policy and the financial assistance programs herein constitute the official Financial Assistance Policy (FAP) and Emergency Medical Care Policy for each hospital owned, leased, or operated by Providence.

**Responsible Persons :**

Revenue Cycle departments. In addition, all appropriate staff who perform functions relating to



registration, admissions, financial counseling, and customer support will receive regular training on this policy.

**POLICY:**

Providence will provide free or discounted hospital services to qualified low income, uninsured and underinsured patients, and patients with high medical costs who are at or below 400% of the FPL, when the ability to pay for services is a barrier to accessing medically necessary emergency and other hospital care and no alternative source of coverage has been identified. Patients must meet the eligibility requirements described in this policy to qualify.

Providence hospitals with dedicated emergency departments will provide, without discrimination, care for emergency medical conditions (within the meaning of the Emergency Medical Treatment and Labor Act) consistent with available capabilities, regardless of whether an individual is eligible for financial assistance.

Providence will not discriminate on the basis of age, race, color, creed, ethnicity, religion, national origin, marital status, sex, sexual orientation, gender identity or expression, disability, veteran or military status, or any other basis prohibited by federal, state, or local law when making financial assistance determinations.

Providence hospitals with dedicated emergency departments will provide emergency medical screening examinations and stabilizing treatment or refer and transfer an individual if such transfer is appropriate in accordance with 42 C.F.R. 482.55. Providence prohibits any actions, admission practices, or policies that would discourage individuals from seeking emergency medical care, such as permitting debt collection activities that interfere with the provision of emergency medical care.

**List of Professionals Subject to Providence FAP:** Each Providence hospital will specifically identify a list of those physicians, medical groups, or other professionals providing services who are and who are not covered by this policy. Emergency room physicians who provide emergency medical services to patients at Providence California hospitals, are required by California law to provide discounts to uninsured patients or patients with high medical costs (as defined by the Hospital Fair Pricing Policies outlined in the California Health and Safety Code (Sections 127400-127446)) who are at or below 400% of the Federal Poverty Level (FPL). Each Providence hospital will provide this list to any patient who requests a copy. The provider list can also be found online at the Providence websites: [www.providence.org/obp](http://www.providence.org/obp).

**Financial Assistance Eligibility Requirements:** Financial assistance is available to both uninsured and insured patients and guarantors where such assistance is consistent with this policy and federal and state laws governing permissible benefits to patients. Providence hospitals will make a reasonable effort to determine the existence or nonexistence of third-party coverage which may be available, in whole or part, for the care provided by Providence hospitals, prior to directing any collection efforts at the patient. Uninsured patients may receive an uninsured discount. Eligible financial assistance balances include but are not limited to the following: self pay, charges for patients with coverage from an entity without a contractual



relationship, coinsurance, deductible, and copayment amounts related to insured patients. Deductible and coinsurance amounts claimed as a Medicare bad debt will be excluded from the reporting of charity care.

Patients seeking financial assistance must complete the standard Providence Financial Assistance Application and eligibility will be based upon financial need at that time or at any time Providence is in receipt of information regarding a patient's or their guarantor's income that may indicate financial need. Reasonable efforts will be made to notify and inform patients of the availability of financial assistance by providing information during admission and discharge, on the patient's billing statement, in patient accessible billing areas, on Providence hospital's website, by oral notification during payment discussions, as well as on signage in inpatient and outpatient areas, including areas where patients are admitted or registered and in the emergency department. In addition, Providence will notify patients that there are organizations that can help the patient understand the billing and payment process, as well as information regarding presumptive eligibility for financial assistance, and Providence will include the internet address for these organizations on its routine admissions forms presented to patients. Providence will retain information used to determine eligibility in accordance with its recordkeeping policies.

**Applying for Financial Assistance:** Patients or guarantors may request and submit a Financial Assistance Application, which is free of charge and available at the Providence ministry or by the following means: advising patient financial services staff at or prior to the time of discharge that assistance is requested and submitted with completed documentation; by mail, or by visiting [www.providence.org/obp](http://www.providence.org/obp), downloading and submitting the completed application with documentation. A person applying for financial assistance will be given a preliminary screening, which will include a review of whether the patient has exhausted or is not eligible for any third-party payment sources and if they may meet the criteria for charity care.

Each Providence hospital shall make designated personnel available to assist patients in completing the Financial Assistance Application and determining eligibility for Providence financial assistance or financial assistance from government-funded insurance programs, if applicable. Interpretation services are available to address any questions or concerns and to assist in the completion of the Financial Assistance Application.

A patient or guarantor who may be eligible to apply for financial assistance may provide sufficient documentation to Providence to support eligibility determination at any time upon learning that a party's income falls below the minimum FPL per the relevant Federal and State regulations. Providence will suspend any collection activities pending an initial determination of eligibility for financial assistance, provided that the patient or their guarantor is cooperative with Providence's reasonable efforts to reach an initial determination.

Providence acknowledges that a determination of eligibility of financial assistance or discount can be made at any time upon learning that a party's income is below 400% of the federal poverty standard, adjusted for family size. In addition, Providence may choose to grant financial assistance solely based on an initial determination of a patient's status as an indigent person. In these cases, documentation may not be required.



**Individual Financial Situation:** Income, certain assets, and expenses of the patient will be used in assessing the patient's individual financial situation. Providence will consider and collect information related to assets as required by the Centers for Medicare and Medicaid Services (CMS) for Medicare cost reporting. Assets considered when making a determination of eligibility for financial assistance shall not include: (A) for a single individual, the first \$100,000 of a patient's monetary assets, and 50% of a patient's monetary assets over the first \$100,000; (B) for a family of two or more, the first \$100,000 of the family's monetary assets, and 50% of the family's monetary assets over the first \$100,000; (C) any equity in a primary residence; (D) retirement or deferred compensation plans qualified under the Internal Revenue Code or nonqualified deferred compensation plans; (E) one motor vehicle and a second motor vehicle if it is necessary for employment or medical purposes; (F) any prepaid burial contract or burial plot; and (G) any life insurance policy with a face value of \$10,000 or less. The value of any asset that has a penalty for early withdrawal shall be the value of the asset after the penalty has been paid. Information requests from Providence to the responsible party to verify assets will be limited to that which is reasonably necessary and readily available to determine the existence, availability, and value of a person's assets and will not be used to discourage application for free or discounted care. Duplicate forms of verification will not be requested. Only one current account statement will be required to verify monetary assets. If no documentation is available, Providence will rely on a written and signed statement from the responsible party. Any asset information obtained by the hospital in evaluating a patient for charity care will not be used for collection activities.

**Income Qualifications:** Income criteria, based on FPL, may be used to determine eligibility for free or discounted care. Please see Exhibit B for details.

**Determinations and Approvals:** Patients will receive notification of FAP eligibility determination within 30 days of submission of the completed Financial Assistance Application and necessary documentation. Any determination of ineligibility will include an explanation of the basis for denial. Once an application is received, extraordinary collections efforts will be pended until a written determination of eligibility is sent to the patient. The hospital will not make a determination of eligibility for assistance based upon information which the hospital believes is incorrect or unreliable.

**Dispute Resolution:** The patient may appeal a determination of ineligibility for financial assistance by providing relevant additional documentation to Providence within 30 days of receipt of the notice of denial. The patient may need to provide relevant additional documentation in support of their appeal. Providence will suspend any collection activities pending review of the appeal. All appeals will be reviewed and if the review affirms the denial, written notification will be sent to the guarantor and State Department of Health, where required, and in accordance with the law. The final appeal process will conclude within 10 days of receipt of the denial by Providence. An appeal may be sent to Providence Regional Business Office, P.O. Box 3268, Portland, OR 97208-3395.

**Presumptive Charity:** Providence may approve a patient for a charity adjustment to their account balance by means other than a full Financial Assistance Application. Such determinations will be made on a presumptive basis using an industry-recognized financial assessment tool that evaluates ability to pay based on publicly available financial or other



records, including but not limited to household income, household size, and credit and payment history.

**Other Special Circumstances:** Patients who are eligible for FPL-qualified programs such as Medicaid, Medi-Cal, and other government-sponsored low-income assistance programs, may also be eligible for financial assistance. Patient account balances resulting from charges that are non-reimbursable by Medicaid, Medi-Cal or other government-sponsored low-income assistance programs may be eligible for full or partial charity write-off, including but not limited to non-reimbursable charges for medically necessary services related to the following:

- Denied inpatient stays
- Denied inpatient days of care
- Non-covered services
- Treatment Authorization Request (TAR) denials
- Denials due to restricted coverage

**Catastrophic Medical Expenses:** Providence, at its' discretion, may grant charity in the event of a catastrophic medical expense. These patients will be handled on an individual basis.

**Times of Emergency:** Financial assistance may be available at Providence's discretion in times of a national or state emergency, independent of assistance for catastrophic expenses.

**Limitation on Charges for all Patients Eligible for Financial Assistance:** No patient who qualifies for any of the above-noted categories of assistance will be personally responsible for more than the Amounts Generally Billed (AGB) percentage of gross charges, as defined below.

**Reasonable Payment Plan:** Once a patient is approved for partial financial assistance, but still has a balance due, Providence will negotiate a payment plan arrangement. The reasonable payment plan shall consist of monthly payments (without interest or late fees) that are not more than 10 percent of a patient's or family's monthly income, excluding deductions for Essential Living Expenses that the patient listed on their financial assistance application. Payment plans will be interest free. Timelines of payment plans will be extended for patients with pending appeals of coverage.

**Billing and Collections:** Any unpaid balances owed by patients or guarantors after application of available discounts, if any, may be referred to collections. Providence will provide, or require any third party collection agencies to provide, the written notice required under HSC § 127430 about the patient's rights under the Fair Debt Collection Practices Act prior to collection activities. Collection efforts on unpaid balances will cease pending final determination of FAP eligibility. Collection efforts on unpaid balances will cease pending final determination of FAP eligibility. Providence does not perform, allow, or allow collection agencies to perform any extraordinary collection actions. For information on Providence billing and collections practices for amounts owed by patients, please see Providence hospital's policy, which is available free of charge at each Providence hospital's registration desk, or at: [www.providence.org/obp](http://www.providence.org/obp).



**Patient Refunds:** In the event that a patient or guarantor has made a payment for services and subsequently is determined to be eligible for free or discounted care, any payments made related to those services during the FAP-eligible time-period which exceed the payment obligation will be refunded, in accordance with state regulations.

**Annual Review:** This Providence Financial Assistance (Charity Care) Policy will be reviewed on an annual basis by designated Revenue Cycle leadership.

**EXCEPTIONS:**

See Scope above.

**DEFINITIONS:**

For the purposes of this policy the following definitions and requirements apply:

1. Federal Poverty Level (FPL): FPL means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.
2. Amounts Generally Billed (AGB): The amounts generally billed for emergency and other medically necessary care to patients to have health insurance is referred to in the policy as AGB. Providence Southern California and Providence Northern California except for Healdsburg uses the look-back AGB which is determined by multiplying the hospital's gross charges for any emergency or medically necessary care by a fixed percentage which is based on claims allowed under Medicare or Medi-Cal, whichever is greater. Information sheets detailing the AGB percentages used by each Providence hospital, and how they are calculated, can be obtained by visiting the following website: [www.providence.org/obp](http://www.providence.org/obp) or by calling 1-866-747-2455 to request a copy.
3. Extraordinary Collection Action (ECA): ECAs are defined as those actions requiring a legal or judicial process, involve selling a debt to another party or reporting adverse information to credit agencies or bureaus. The actions that require legal or judicial process for this purpose include a lien; foreclosure on real property; attachment or seizure of a bank account or other personal property; commencement of a civil action against an individual; actions that cause an individual's arrest; actions that cause an individual to be subject to body attachment; and wage garnishment.
4. High Medical Costs: High medical costs are those as defined by the Hospital Fair Pricing Policies - California Health and Safety Code (Sections 127400-127446), being: (1) annual out-of-pocket costs incurred by the individual at the Providence hospital that exceed 10 percent of the patient's 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, or (3) a lower level determined by the Providence hospital in accordance with the Providence hospital's charity care policy.



**REFERENCES:**

<i>Internal Revenue Code Section 501(r); 26 C.F.R. 1.501(r)(1) – 1.501(r)(7)</i>
<i>California Health and Safety Codes section 127000 -127446</i>
<i>Emergency Medical Treatment and Labor Act (EMTALA), 42 U.S.C. 1395dd</i>
<i>42 C.F.R. 482.55 and 413.89</i>
<i>American Hospital Associations Charity Guidelines</i>
<i>California Hospital Association Charity Guidelines</i>
<i>California Alliance on Catholic Healthcare Charitable Services Guidelines</i>
<i>Providence Commitment to the Uninsured Guidelines</i>
<i>Provider Reimbursement Manual, Part I, Chapter 3, Section 312</i>



## Exhibit A – Covered Facilities List

For clarity, this policy also applies to all covered facility inpatient and outpatient departments and clinics. In addition, this policy applies to the employees of covered facilities, as well as any not-for-profit or non-profit entity majority owned or controlled by Providence and bearing the Providence name and their respective employees.

<b>Providence Hospitals in Southern California</b>	
Providence Saint Joseph Medical Center	Providence Holy Cross Medical Center
Providence Little Company of Mary Medical Center San Pedro	Providence Saint John's Health Center
Providence Cedars-Sinai Tarzana Medical Center	Providence Little Company of Mary Medical Center Torrance
Providence St. Joseph Hospital Orange	Providence St. Jude Medical Center
Providence St. Mary Medical Center	Providence Mission Hospital Laguna Beach
Providence Mission Hospital Mission Viejo	

<b>Providence Hospitals in Northern California</b>	
Providence St. Joseph Hospital	Providence Redwood Memorial Hospital
Providence Santa Rosa Memorial Hospital	Providence Queen of the Valley Medical Center

<b>NorCal Health Connect Hospitals</b>	
Petaluma Valley Hospital	Healdsburg Hospital



**Exhibit B - Income Qualifications for Providence Hospitals in Southern California**

If...	Then ...
Annual family income, adjusted for family size, is at or below 300% of the current FPL guidelines,	The patient is determined to be financially indigent and qualifies for financial assistance 100% write-off on patient responsibility amounts.
Annual family income, adjusted for family size, is between 301% and 400% of the current FP guidelines,	The patient is eligible for a discount of 86% from original charges on patient responsibility amounts.
If annual family income, adjusted for family size, is at or below 400% the FPL <u>AND</u> the patient has incurred total medical expenses at Providence hospitals in the prior 12 months in excess of 20% of their annual family income, adjusted for family size, for services subject to this policy,	The patient is eligible for 100% charity benefit on patient responsibility amounts.

**Income Qualifications for Providence Hospitals in Northern California and NorCal Health Connect Hospitals in Northern California**

If...	Then ...
Annual family income, adjusted for family size, is at or below 300% of the current FPL guidelines,	The patient is determined to be financially indigent and qualifies for financial assistance 100% write-off on patient responsibility amounts.
Annual family income, adjusted for family size, is between 301% and 400% of the current FP guidelines,	The patient is eligible for a discount of 88% from original charges on patient responsibility amounts.
If annual family income, adjusted for family size, is at or below 400% the FPL <u>AND</u> the patient has incurred total medical expenses at Providence hospitals in the prior 12 months in excess of 20% of their annual family income, adjusted for family size, for services subject to this policy,	The patient is eligible for 100% charity benefit on patient responsibility amounts.

<b>Current Status:</b> Draft		<b>PolicyStat ID:</b>	
	<b>Implementation:</b>	Upon Approval	
	<b>Last Reviewed:</b>	02/2023	
	<b>Last Revised:</b>	02/2023	
	<b>Next Review:</b>	02/2028	
	<b>Owner:</b>	Jeffrey Logan, GVP RC Patient & Mkt Exp	
	<b>Division/Policy Area:</b>	Revenue Cycle Services	
	<b>Approved by:</b>	Rod Hochman, MD, President/CEO	
<b>Applicability:</b>	Providence St. Joseph Health Organization-wide		
<b>PSJH-RCS-1601 Patient Bad Debt Assignments</b>			
<b>Executive Sponsor:</b>	Gregory Hoffman, Chief Financial Officer		
<b>Policy Owner:</b>	Jeffrey Logan, GVP RC Patient & Mkt Exp		
<b>Contact Person:</b>	Jeffrey Logan, GVP RC Patient & Mkt Exp		

**Scope:**

This policy applies to patient liabilities where internal collection efforts have not resulted in full payment according to the established timeframe and processes. This policy applies to Providence St. Joseph Health and its Affiliates<sup>i</sup> that provide healthcare services and their employees (collectively known as “PSJH”). This policy does not apply to Providence Health Plan (PHP)<sup>ii</sup> or U.S. Family Health Plan (USFHP).

Yes  No Is this policy applicable to Providence Global Center (PGC) caregivers?

This is a management level policy reviewed and recommended by the Policy Advisory Committee (PAC) to consider for approval by senior leadership which includes vetting by Executive Council with final approval by the President, Chief Executive Officer, or appropriate delegate.

**Purpose:**

Providence St Joseph Health (PSJH) is a not-for-profit healthcare organization guided by a commitment to its Mission of serving all, especially those who are poor and vulnerable, by its Core Values of compassion, dignity, justice, excellence and integrity, and by the belief that health is a human right.

The purpose of this policy is:

- A. To ensure compliance by PSJH and any contracted entities for bad debt collections with regulatory requirements including Medicaid and Medicare state and federal regulations as well as Internal Revenue Code 501(r).
- B. To assure PSJH makes reasonable efforts to make the patient aware of financial assistance before assigning an account to bad debt.
- C. To assure PSJH makes reasonable efforts to screen the patient for financial assistance eligibility prior to assigning an account to bad debt.

**Definitions:**

For the purposes of this policy the following definitions and requirements apply:

- A. **FAP (Financial Assistance Policy)** is PSJH's Charity Care/Financial Assistance Policy, as supplemented and clarified by state and regional Financial Assistance (Charity Care) Policies, providing free or discounted services for eligible patients in accordance with relevant regulatory requirements.
- B. **Extraordinary Collection Action (ECA)** are defined as those actions requiring a legal or judicial process, involve selling a debt to another party or reporting adverse information to credit agencies or bureaus. The ECAs that require legal or judicial process for this purpose include a lien; foreclosure on real property; attachment or seizure of a bank account or other personal property; commencement of a civil action against an individual; actions that cause an individual's arrest; actions that cause an individual to be subject to body attachment; and wage garnishment.
- C. **Plain Language Summary** is a written statement to communicate that PSJH offers financial assistance under the FAP for inpatient and outpatient hospital services and contains the information required to be included in such a statement under the FAP.
- D. **Escalated patient complaint** is a scenario in which a patient is dissatisfied with the resolution and/or handling of their account(s) and requests to have someone at a higher level of authority resolve the complaint.

**Policy:**

To ensure the best possible experience relating to collection efforts for patient liabilities, PSJH has developed this policy to facilitate consistent and quality approaches for bad debt assignments. This policy shall be interpreted in a manner consistent with Internal Revenue Code 501(r), as amended. In the event of a conflict between the provisions of such laws and this policy, such laws shall control.

**Requirements:**

- 1. PSJH will not sell debt to a third party.
- 2. In general, an account will not be assigned to a bad debt collection agency during the screening process or while the patient's financial status or application for insurance or financial assistance is under review or in process, or during the pendency of an appeal from a determination of charity care sponsorship status. Prior to placement of an account with a bad debt collection agency, PSJH will make reasonable efforts to inform patients, collect patient liabilities, and screen for charity eligibility in accordance with regulatory requirements and the PSJH FAP. This may include:
  - a. Providing billing statements with a conspicuous written notice to inform patients about the availability of financial assistance, as well as a direct phone number and website address where applications, policies, plain language summaries, and translation services may be obtained including a statement that nonprofit counseling services may be available in the area.

- b. Assuring availability of a plain language summary of the PSJH (FAP) with at least one (1) post-discharge communication as part of the intake or discharge process.
  - c. Screening the account for financial assistance in accordance with the PSJH FAP.
  - d. Assuring bad debt collection agencies to which accounts may be assigned are compliant with Medicaid and Medicare state and federal regulations as well as 501(r) requirements, including being licensed as a debt collector, as may be required under state law, and that the agencies will not engage in ECAs, including but not limited to commencement of legal actions against patients.
  - e. Assuring adequate encryption of Protected Health Information (PHI) for any patient information provided to a bad debt collection agency to which accounts may be assigned.
  - f. Prior to assigning an account to a bad debt collections agency, sending a patient notice of certain information related to such bad debt (e.g., date(s) of service and amounts of the bill). For patients in California, such notice must include a summary of the patient's rights related to the collection activities and the name of the bad debt collection agency.
3. Requirements for bad debt collection agencies to which PSJH accounts are assigned:
- a. Accounts will stay with the primary bad debt vendor until the account is deemed uncollectible or up to three hundred and sixty-five (365) days from placement, whichever comes first. Accounts deemed uncollectible will be returned on a monthly basis, not to exceed 365 days. Accounts over 365 days, which are on an active payment plan, may remain with the agency until resolution. PSJH may choose at any time and for any reason to recall accounts and may resolve such accounts internally or place returned accounts with a secondary or tertiary bad debt placement agency.
  - b. The collection agency must follow all appropriate regulations including the Fair Debt Collection Practices Act, (FDCPA)<sup>1</sup>, the Telephone Consumer Protection Act (TCPA) 501(r) and any other applicable state or federal regulations. Specifically regarding state and federal regulations, the agency:
    - i. Must also ensure that no ECA's are taken.
    - ii. Must suspend collection efforts if notified by PSJH that the patient submitted a FAP application after the assignment, and thereafter follow PSJH instructions regarding the account.
    - iii. Must report any patient escalated complaints received on PSJH account to PSJH.
    - iv. Must not re-assign the account to another agency without PSJH's express approval.
  - c. Where the bad debt collection agency identifies that the patient has filed bankruptcy, the agency must notify PSJH.
  - d. The collection agency will not sell bad debt.
  - e. The collection agency will not: (a) use or threaten to use force or violence to cause physical harm to the patient or the patient's family or property; (b) threaten arrest or criminal prosecution; (c) threaten to seize, attach, or sell a patient's property if doing so requires a court order; (d) use profane, obscene, or abusive language in communications with the patient's employer concerning the nature or existence of

the debt; or (f) conceal the true purpose of the collections-related communication.

4. The collection agency must agree to return, and PSJH will accept, any account in which the balance has been determined to be incorrect due to the availability of a third-party payer, or the patient is eligible for charity care or financial assistance. In the event that a patient has paid on an account and is subsequently found to have met financial assistance criteria, PSJH will refund appropriate amounts to the patient or responsible party in accordance with any applicable state law.
5. Neither PSJH nor any collection agency will:
  - a. Charge interest on the patient's medical debt.
  - b. Attempt to collect a medical debt from a patient's child or other family member who is not financially responsible for the debt, if prohibited by state law.

**References:**

*Internal Revenue Code Section 501(r); 26 C.F.R. 1.501(r) (1) – 1.501(r) (7)*  
*42 C.F.R. 482.55*  
*47 U.S.C. §227 (TCPA)*  
*PROV-FIN-519 Discounts for Health Services*  
*PROV-FIN-520 Medicare Bad Debts*  
*PSJH-MISS-100 Charity Care-Financial Assistance*  
*State and Regional Financial Assistance (Charity Care) Policies*

**Attachments:**

None

**Applicability:**

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<sup>i</sup> For purposes of this policy, "Affiliates" is defined as any not-for-profit or non-profit entity that is wholly owned or controlled by Providence St. Joseph Health (PSJH), Providence Health & Services, St. Joseph Health System, Western HealthConnect, Kadlec, Covenant Health Network, Grace Health System, Providence Global Center\*, NorCal HealthConnect, or is a not-for-profit or non-profit entity majority owned or controlled by PSJH or its Affiliates and bears the Providence, Swedish Health Services, St. Joseph Health, Covenant Health, Grace Health System, Kadlec, or Pacific Medical Centers names (includes Medical Groups, Home and Community Care, etc.).

\*Policies and/or procedures may vary for our international affiliates due to regulatory differences.

<sup>ii</sup> For purposes of this policy, "Health Plan" is defined as Providence Health Plan, Providence Plan Partners, Providence Health Assurance, Ayin Health Solutions, Inc, and Performance Health Technologies, Ltd.