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Approved 11/2023
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Policy Area **Patient Financial Services**

Charity Care

Policy:

It is the policy of San Gorgonio Memorial Hospital (SGMH) that all patients will be treated fairly in pricing and collection practices. The hospital's registration and Patient Financial Services staff will make a reasonable attempt to estimate each patient's liability. The hospital's PFS staff, in conjunction with contracted early out agencies will make a subsequently attempt to collect each patient's liability and to offer discount and charity care applications. This is offered in compliance with California Assembly Bill 774 (Statutes of 2006) and SB 1276 (Chapter 758, Statutes of 2014). This policy does not apply to any physician services rendered at SGMH.

- A. Whenever it becomes apparent that the patient may have difficulty in meeting their financial responsibility to the hospital, the patient will be requested to complete the application process for Covered CA, California Medi-cal, presumptive Medi-cal and/or any other available programs. In accordance with SB 1276 and AB774 which expands the availability of charity care and discount program and payment plans to all patients with high medical costs, pending applications for health insurance coverage does not preclude the patient from being eligible for the hospital's charity care or discount payment program. This includes balances remaining after the patient's third party insurance coverage has met their financial obligation.
1. The patient must work with the hospital staff and/or state and federal agency staff in order to seek out any other forms of payment in order to determine if qualifications for charity care consideration and/or discount payment plans are warranted.
 2. SGMH may provide assistance in the application process for all available insurance resources.
 3. A patient listed as 'Homeless' at the time of registration may have presumptive eligibility for charity care after a search for Medicare/Medicaid. If no eligibility can be determined, the account can/will be considered a 'charity care case'.
 4. The initial letter that is mailed to the patient or guardian will include information regarding assistance available through San Gorgonio Memorial Hospital, the local

Consumer Assistance Center, and the contact information for the emergency physician group supplying care through the emergency department in accordance with AB 1503 (Chapter 445, Statutes of 2010).

- B. Patients who do not qualify for Covered CA, California Medi-cal or any other programs may apply for the hospitals' Charity Care or Discounted Care assistance program(s).
1. The forms used by California Medi-cal and/or other insurance or charitable foundations may be used in lieu of the hospital application form as long as the form contains the appropriate information.
 2. Applications for assistance should be started at the time of service or within 30 days of discharge when possible.
 3. Patient accounts may be placed in a Charity Care financial class once the process has started and it appears the patient may qualify.
 4. The charity care program should always be the last resort, attempting to assist the patient in completion of applications for state and/or federal insurance programs.
- C. Completed assistance applications or financial data forms will be routed to the designated Patient Financial Services Director or other designated representative in the hospital's Patient Financial Services department.
1. Supporting documentation must accompany the completed application.
 2. Documentation must include information related to all dependents in the family unit:
 - a. Family unit may include the following: (1) for persons 18 years of age or older: spouse, domestic partner and dependent children under 21 years of age (2) for persons under 18 years of age: parent(s), caretaker(s), relatives, and other children under 21 years of age of the parent, caretaker, or relative.
 3. Supporting documentation may include 2 recent pay check stubs, income tax returns, bank statements, and/or copies of recent award letters from disability, pension, patient's certification of financial status, letter of financial hardship, etc. as may apply.
- D. The designated Patient Financial Services representative will review the application for completeness, researching and resolving any discrepancies.
- Eligibility will be determined by applying the currently effective sliding scale for income which is based on the Federal Poverty Guidelines and the monetary assets as defined by the State of California guidelines. Qualification is based on the patient being at or below 350% of the Federal Poverty Guidelines.
1. Assets shall not include retirement or deferred compensation plans qualified under the Internal Revenue Code, non-qualified deferred compensation plans.
 2. The first \$10,000 of monetary assets shall be excluded.
 3. 50% of the monetary assets over \$10,000 shall be excluded.
 4. Patients must be citizen of the United States to qualify under the Federal Poverty and State of California guidelines.

- E. Eligibility may be based on the annual out of pocket costs incurred in a 12 month period.
 - 1. Patient may be required to provide proof of paid medical expenses for immediate family members within the previous 12 months.
- F. Any patient that does not meet the guidelines established for this policy, may be considered for charity care under 'catastrophic' coverage.
 - 1. Catastrophic is defined as anytime the total bill or combination of multiple medical bills exceeds 10% of the annual income of the patient/household.
 - 2. Other extenuating circumstances may be considered under the catastrophic clause.
 - 3. Patients may receive additional consideration for chronic illness, disability or age of patient or family member.
 - 4. Catastrophic exceptions may require approval by the CFO or their designated representative.
- G. The Director of Patient Financial Services, or designated representative, will approve applications which meet the sliding scale, applying the appropriate discount/adjustment to the patient account.
 - 1. The charity adjustment should be applied to all eligible existing accounts.
 - 2. Adjustments of less than \$10,000 may be approved by the Director of Patient Financial Services. Adjustments greater than \$10,000 must be approved by either the Chief Financial Officer (CFO) or the Chief Executive Officer (CEO).
 - 3. If the patient is found to have a liability after the charity care determination, payments may be set up for the balance of the account.
 - 4. Extended payment plans may be offered interest free and may be assigned to a contractor for follow-up.
 - 5. If the patient does not meet the payment agreement within 60 days of the first billing, the account balance after the charity adjustment and any payments may be assigned to an outside collection agency.
- H. The hospital will approve or deny the completed application within 30 days of receipt of the charity care application and supporting documentation.
- I. The patient/family will be notified of the decision.
- J. If the application is denied in total, the patient may request an additional review within 30 days of the denial.
 - 1. Additional review based on additional information may be done by the Director of Patient Financial Services.
 - 2. The Chief Financial Officer may review appeals without additional information, as deemed appropriate.
- K. Approved applications will remain valid for 3 months following the approval date in the event of additional medical expenses.
 - 1. After 90 days, information may be re-verified via recent check stubs, bank statements, patient certification as is applicable.

2. Once determination that the financial information has not substantially changed the application may be used for an additional 90 day period.
- L. All applications and supporting documentation will be retained within the patient's electronic health record for the minimally required period of time.
- M. A Charity Care Log will be maintained according to state guidelines for use in cost reporting.

Attachments

[PATIENT NOTICE OF FINANCIAL ASSISTANCE English.doc](#)

Approval Signatures

Step Description	Approver	Date
Hospital Board of Directors	Ariel Whitley: Executive Assistant	11/2023
Corporate Compliance	Annah Karam: Chief Human Resources Officer	10/2023
Policy & Procedure Committee	Gayle Freude: Nursing Director Med/Surg	05/2021
	Mayda Cox: Director Financial Services	05/2021