



Subject: Charity Care, Financial Assistance, Payment Plans And Discounted and Extended Payment Plans	EFFECTIVE DATE: 01/01/2025 SUPERSEDES: 04/25/2024 Manual: Patient Financial Services
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POLICY:

It is the policy of Southern Humboldt Community Healthcare District ("SHCHD" or "District") to offer Charity Care, Financial Assistance, Payment Plans and Documented and Extended Payment Plans for those who meet the "Eligibility Requirements."

PURPOSE:

The purpose of this policy and procedure is to assure that patients receive medically necessary care and have payment options, financial assistance, and discounted care in compliance with state and federal requirements.

DEFINITIONS:

Charity Care: Free care.

Discount Payment: Any charge for care that is reduced but not free.

High Medical Costs: Out of pocket costs and/or expenses for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays or Medi-Cal cost sharing.

Patients Family: Expanded to add dependent children of any age and to account for the inclusion of parents when the patient is a dependent child who is not a minor.

PROCEDURE:

Charity Care Program

To be considered for charity care, the patient's family income must be at or below 400% of the current Federal Poverty Level (FPL). As a rural, critical access hospital, 400% of the poverty level is required to maintain Southern Humboldt Community Healthcare District's (SHCHD) financial and operational integrity.

The patient must have received medically necessary care in the emergency room or been admitted to the hospital on an emergency basis for medically necessary care.

The additional eligibility requirements are outlined in the Eligibility Requirements section. In order to qualify, patients must also meet these Eligibility Requirements.

Patients/guarantors who fail to complete the applications or the required documentation will not be considered eligible for charity care.

High medical costs will include only costs incurred by the patient for which the patient is responsible to pay, from SHCHD in the 12 months prior to the date of service, if those patient responsible costs exceed 10% of the family's income in that same 12-month period. The patient must provide documentation of these expenses which were incurred in the 12 months prior to the date of service. This does not include copays or cost of share for patients with Medicaid and Medicaid copays cannot be waived.

The patient may be a resident of the U.S. or another country.

The patient must make every reasonable effort to provide SHCHD with documentation of income and health insurance coverage. Failure to provide this documentation means the application is not valid.

Proof of income is limited to pay stubs or income tax returns. We will require pay stubs if the patient was working in the 12 months prior to the date of service in question, and tax returns if the patient was not working at all in the 12 months prior to the date of service in question.

Assets which can be considered are bank accounts, publicly traded stocks and any other liquid assets, over the first \$10,000 and no more than 50% of the patient's family liquid assets over that first \$10,000. Assets cannot include property or retirement plans. Proof of assets may be required, such as bank or financial institution documents.

Income and asset information will be used solely for the purposes of the charity/discount payment policy and will not be used or dispersed to a collection agency if the collection process is employed for this account in the future.

All documentation must be provided within 90 days of the application.

The hospital may elect to extend charity care eligibility to patients who are indigent or homeless and either unable or unavailable to complete a charity application. The hospital may also elect to extend charity care eligibility to patients from other states who have qualified for those state Medicaid plans and for whom SHCHD has not contracted with the state Medicaid plan.

Once all applications and documentation has been received, SHCHD will notify the patient in writing at their last known address of the decision.

Discount Payment and Extended Payment Plans

Prompt Pay Discount:

SHCHD and Southern Humboldt Clinic (the Clinic) offers a 20% discount on all services for patients who are uninsured, who pay for their bill at the time of service or within 30 days of the first statement date.

Payment Arrangement Plans:

If patients are unable to pay their portion of the hospital bill in full at the time they receive their statement, the hospital has a structured payment plan without interest: The hospital's payment plan is as follows:

Balances between:	Max payment period	Minimum per month
\$50 to \$450	6 months	\$50
\$451 to \$900	9 months	\$75
\$901 to \$1500	12 months	\$100
\$1501 to 2700	18 months	\$125
\$2701 to All Larger	24 months	\$150

Any outstanding balance greater than 90 days old may be subject to third-party collection action unless an approved Payment Plan Arrangement is in place.

Discount Payment Plan and Charity Care Program – Location of Policy and Procedure

The Policy and Procedures referenced within this Discharge notice can be requested from our Billing Office, please contact them at 877-673-0903 or submit a billing inquiry on our website at <https://sohumhealth.org/patients/billing/>

Discount Payment Plan and Charity Care Program – Eligibility Information

Charity Care Program

If the patient is uninsured, the patient's family income must be at or below 400% of the current FPL.

If the patient is insured with high medical costs, the patient's family income must be at or below 400% of the current FPL.

Discount Payment and Extended Payment Plans

To be considered for Discounted and Extended Payment Plans, the patient's family income must be at or below 250% of the current Federal Poverty Level (FPL). As a rural, critical access hospital, 250% of the poverty level is required to maintain SHCHD's financial and operational integrity.

The patient must have received primary care services at Southern Humboldt Community Healthcare Clinic (SHCHC), diagnostic services performed at our facility or medically necessary care in the emergency room or been admitted to the hospital on an emergency basis for medically necessary care.

This applies to all patient balances, including high deductibles and copays for patients with insurance, unless the insurance contract specifically prohibits discounts.

The eligibility requirements are outlined in the "Eligibility Requirements" section. In order to qualify, patients must also meet these Eligibility Requirements.

Patients/guarantors who fail to complete the applications or the required documentation will not be considered eligible for discounted payment or extended payment plans.

If a person wants to apply for a discounted or extended payment plan, is eligible under the eligibility requirement and states they cannot meet the hospital payment arrangement plan, the following will apply:

They must complete the Discounted or Extended Payment Plan Application and provide documented proof of their essential living expenses (rent/house payment, maintenance, food, household supplies. Utilities, telephone, clothing, other medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses including insurance/gas/repairs, installment payments, laundry, cleaning and any other extraordinary expenses).

If the documentation is verified and the patient qualifies, there will be:

- No interest charged.
- Monthly payments will be no more than 10% of the family income for one month, excluding the verified essential living expenses, with a minimum of \$10 per month if the 10% is lower than \$10 per month.
- Any discounts based on the sliding fee scale will be applied to the applicable visits.

If a patient defaults on their monthly payments, they may negotiate for a new payment plan within 30 days which meets the criteria outlined in this policy. The patient must make all consecutive payments due and past due during a 90-day period. If they default, the payment plan is no longer in effect and regular collection efforts may ensue.

Nominal Charge:

For all SHCHD primary care services, there will be a nominal fee of \$10 for each service. A service is a clinic visit with the primary care provider. For example, if a patient sees their primary care provider in the clinic and qualifies for 100% discounted services, there would be a nominal fee of \$10 for the clinic visit.

If the patient is uninsured, the patient's family income must be at or below 400% of the current FPL.

If the patient is insured with high medical costs, the patient's family income must be at or below 400% of the current FPL.

High medical costs will include only costs incurred by the patient for which the patient is responsible to pay, from SHCHD in the 12 months prior to the date of service. If those patient responsible costs exceed 10% of the family's income in that same 12-month period. The patient must provide documentation of these expenses which were incurred in the 12 months prior to the date of service. This does not include copays or cost of share for patients with Medicaid and Medicaid copays cannot be waived.

The patient may reside foreign or domestic.

The patient must make every reasonable effort to provide SHCHD with documentation of income and health insurance coverage. Failure to provide this documentation invalidates the application.

Proof of income is limited to pay stubs or income tax returns. We will require pay stubs if the patient was working in the 12 months prior to the date of service in question, and tax returns if the patient was not working at all in the 12 months prior to the date of service in question.

Income information will be used solely for the purposes of the charity/discount payment policy and will not be used or dispersed to a collection agency if the collection process is employed for this account in the future.

All documentation must be provided within 90 days of the application.

The hospital may elect to extend charity care eligibility to patients who are indigent or homeless and either unable or unavailable to complete a charity application. The hospital may also elect to extend charity care eligibility to patients from other states who have qualified for those state Medicaid plans and for whom SHCHD has not contracted with the state Medicaid plan.

Once all applications and documentation has been received, SHCHD will notify the patient in writing at their last known address of the decision.

Federal Poverty Level (FPL)

For purposes of this policy, a sliding scale will be based on the current FPL guidelines, which are in appendix A and will be updated each year.

Review Process

If the patient is denied either charity or discount payment programs, they may ask for a review. In reviewing the application, the hospital may make its final determination based on whether the patient completed the application, provided all required documentation within the timelines, met the eligibility requirements and any mitigating factors the hospital determines to take into consideration. The results of the review are final.

The patient will be notified in writing to the last known address of the final determination within 30 days.

Contact Information

Patients who want further information can contact the billing office at 877-673-0903 or submit a billing inquiry on our website at <https://sohumhealth.org/patients/billing/>

Shoppable Services Website Link

The hospital provides a Patient Liability Estimator on their website at <https://sohumhealth.org/standard-charges-listing/>

Hospital Bill Complaint Program

The Hospital Bill Complaint Program is a state program, which reviews hospital decisions about whether you qualify for help paying your hospital bill. If you believe you were wrongly denied financial assistance, you may file a complaint with the Hospital Bill Complaint Program. Go to HospitalBillComplaintProgram.hcai.ca.gov for more information and to file a complaint.

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 healthconsumer.org for more information.