

**MAYERS MEMORIAL HEALTHCARE DISTRICT
POLICY AND PROCEDURE
CHARITY CARE POLICY**

Page 1 of 4, plus the following attachments

HHS Poverty Guidelines – 75% MMH388

HHS Poverty Guidelines – 400% MMH389

POLICY:

Mayers Memorial Healthcare District realizes the need to provide service to patients who cannot otherwise afford health care. This policy is to provide financial assistance to patients who have health care needs and are uninsured, under-insured, ineligible for a government program, and are otherwise unable to pay for medically necessary care based on their individual needs. A graduated schedule based on the annual HHS Poverty Guidelines, as well as assessment of the patient's monetary assets will be used to determine the qualifying income and asset levels of applicants. Guidelines are subject to change yearly based on the HHS Poverty Guidelines. Understanding this need, the hospital has chosen to fulfill their responsibility to the community by adopting the following Charity Care Policy.

PROCEDURE:

1. Standard Eligibility Criteria for Participation in the Charity Care Program:

- a. A patient qualifies for Charity Care if all of the following conditions are met:
 - i. The patient does not have private health insurance (including coverage offered through the California Health Benefit Exchange), Medicare, or Medi-Cal as determined and documented by the hospital;
 - ii. The patient's injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital;
 - iii. The patient's household income does not exceed 75% of the Federal Poverty Level; **and**
 - iv. The patient's allowable monetary assets do not exceed \$5,000;
 1. In determining a patient's monetary assets, the hospital **shall not** consider: retirement or deferred compensation plans qualified under the Internal Revenue Code; non-qualified deferred compensation plans; the first ten thousand dollars (\$10,000) of monetary assets, and fifty percent (50%) of the patient's monetary assets over the first ten thousand dollars (\$10,000).

2. Special Eligibility and Enrollment Exceptions:

- a. High Medical Costs/Medically Indigent:
 - i. A patient whose family income does not exceed 400% of the federal poverty level and their annual out-of-pocket medical expenses for non-elective/medically

necessary services with Mayers Memorial Healthcare District and other health care providers exceed 10% of the patient's family gross income in the prior 12 months, would then be considered as "Medically Indigent" as defined by AB774.

1. For those who have been informally determined to be Medically Indigent, or have incurred high medical costs will be offered to complete a Charity Care application by the Financial Counselor.
 2. Supporting documentation to show what medical expenses have been paid in the prior 12 months is required to determine eligibility.
- b. Homeless/Indigent Patients:
 - i. Patients who are determined to be indigent/homeless by either clinical documentation or are unable to provide sufficient demographic information such as a mailing address, phone number, or residential address will/can be considered for Charity Care.
 1. No application will be required by a patient who has been determined to be indigent/homeless.
 2. Only emergent/medically necessary services will be considered. Should a patient who presents for outpatient services, financial counseling will be done at the time of service.
- c. Deceased - No Estate:
 - i. Upon receipt of confirmation that a patient is deceased and who has no estate, third party coverage, or spouse, will be automatically eligible for Charity Care upon receipt of the following items.
 1. Notification from county in which patient expired in.
 2. Received copy of death certificate from patient family notifying MMHD of death and no estate exists.
 3. Confirmation that patient does not have a living spouse who would be liable for outstanding/unpaid debt.
 4. Confirmation from another facility of patients' expiration and that no estate or pending probate exist.
 5. Upon notification from collections agency that collections accounts are being cancelled due to deceased/no estate.
 6. Knowledge that patient has expired based on clinical documentation for services provided by MMHD.
- d. Administrative Charity Care:
 - i. In cases where medically necessary services are provided to a patient who has been screened by the Financial Counselor, and it has been determined that the patient is unable to complete the standard application process due to medical, social, or other documented circumstances, charges may be considered for Charity Care on a case by case basis.
 1. Account(s) should be written up for Charity Care adjustment with all supporting documentation attached and be presented to the Financial Director and Chief Executive Office for approval.

3. Standard Enrollment Process:

- a. An informal determination of Charity Care eligibility will be determined by the Patient Financial Counselor, and the applicant may choose to fill out an application based on the recommendation of the Patient Financial Counselor; however, the recommendation of the Patient Financial Counselor is not required in choosing to fill out the Charity Care Application.

- b. Upon being submitted for consideration by the Patient Financial Counselor, all properly submitted applications will be reviewed and considered for implementation within 10 business days.
- c. All application packets must be filled out completely and accurately with each of the following required documentation attached to be considered:
 - i. Documentation of non-coverage from Medi-Cal for the service on the date performed;
 - ii. Documentation of household income, as provided by:
 - 1. Current W-2 withholding form or Income Tax statement form from the previous year, **or**
 - 2. Pay stubs from the previous three months
 - iii. Documentation of monetary assets, to include:
 - 1. Most current bank statement, and any additional information or statements on all monetary assets
 - a. Statements on retirement or deferred-compensation plans qualified under the Internal Revenue Code, or nonqualified deferred-compensation plans **shall not** be included
 - 2. Signed waiver or release from the patient or the patient's family, authorizing the hospital to obtain account information from financial and/or commercial institutions, or other entities that hold or maintain monetary assets, to verify their value
 - iv. Completed Medicare Secondary Payer (MSP) Questionnaire indicating the patient's injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance
- d. Any additional accounts with outstanding balances at time of application will be screened for Charity Care eligibility using the same information collected above.
- e. Verification of accuracy of application information, including contacting employers for verification of employment, will be made.
- f. A letter of either approval or denial will be submitted to each applicant:
 - i. The approval letter will include a demand statement for the service in question with adjustments and a balance of zero dollars (\$0), and contact information for any questions that may arise;
 - ii. The denial letter will include: reason for denial; indication of potential eligibility under the Discount Payment Program, Payment Plan Program, or other self-pay policy; and information and request to contact the Patient Financial Counselor as soon as possible.
- g. Any additional services rendered up to a year after the submission date of an approved Charity Care Application will additionally require: updated documentation of non-coverage for the service on the date performed; and a completed MSP Questionnaire indicating the patient's injury is not a compensable injury.
- h. Any disputes regarding a patient's eligibility to participate in the Charity Care Program shall be directed to the Business Office Manager and will be resolved within 10 business days:
 - i. If it is determined that the patient is ineligible to participate, the number of days spent on dispute resolution shall not be counted toward the minimum 180 days prior to reporting any amount to a credit reporting bureau.

4. Participant Accounts Maintenance:

- a. A folder for each Charity Care applicant will be created, and will include the following items:
 - i. Patient information and application
 - ii. A copy of every correspondence between Mayers Memorial Healthcare District and the participant
 - iii. Detailed bills on all accounts to be included in the application
 - iv. Adjustment form with adjustments taken on accounts
 - v. Any additional notations and pertinent information

5. Availability of the Charity Care Policy:

- a. Notice of the Charity Care Policy shall be posted in the following locations:
 - i. Emergency department
 - ii. Billing office
 - iii. Admissions office
 - iv. Laboratory
 - v. Imaging
 - vi. Station III
- b. In the event of the hospital providing service to a patient who has not provided proof of coverage by a third party at the time the care is provided or upon discharge, the hospital shall provide a notice to the patient that includes, but is not limited to:
 - i. A statement of charges for services rendered by Mayers Memorial Healthcare District; and
 - ii. A request that the patient inform Mayers Memorial Healthcare District if the patient has health insurance coverage, Medicare, Medi-Cal or other coverage, and if the patient does not, that the patient may be eligible for such coverage, and can obtain an application for such coverage from Mayers Memorial Healthcare District; and
 - iii. A statement that indicates the patient may qualify for Charity Care if they meet the eligibility criteria set forth in this policy; and
 - iv. The name and telephone number of the Patient Financial Counselor from whom the patient may obtain information about the Charity Care policy and other assistance policies, and about how to apply for that assistance.

REFERENCES:

The processes and procedures described above are designed to comply with CA SB 1276 (Chapter 758, Statutes of 2014), CA AB 774 (Statutes of 2006) and SB 350 (Chapter 347, Statutes of 2007). Questions regarding SB 1276, AB 774 and SB 350 can be addressed by the Patient Financial Counselor or by California's Office of Statewide Health Planning and Development's website, at <http://www.oshpd.ca.gov/hid/products/hospitals/fairpricing/index.html>.
<http://aspe.hhs.gov/poverty/14poverty.shtml>

COMMITTEE APPROVALS:

Chiefs: 11/8/2022
BOD: 12/7/2022



Dear Patient,

To request financial assistance for one or more accounts with Mayers Memorial Healthcare District. Please complete the attached application and submit with the required documentation listed below for review to determine the extent to which you qualify for our Reasonable Payment Plan, Discount Payment Program or Charity Care programs.

Our Financial Counselor is available for personal assistance by appointment. During this time, they can screen and assist with finding the best resolution for your individual needs. Additionally, they are able to assist patients in applying for Medi-Cal and other insurance plans through Covered California.

It is our intent at Mayers Memorial Healthcare District to help you through this process and find the best solution for you.

Please note the following information:

- If assistance is needed to complete this application, please contact our Financial Counselor to schedule an appointment.
- All properly submitted applications will be processed within 10 business days of receipt. A final letter of determination will be provided.
- Any incomplete applications will be returned upon receipt with a letter advising what information is needed in order to process the application.
- Any application submitted for Charity Care consideration that does not qualify will automatically be considered for the Discount Payment Program, a separate application is not necessary.

Return your completed application along with all supporting documentation within 30 days of receipt of the application. Applications may be mailed, faxed, or emailed to the following:

**Mayers Memorial Healthcare District
Attn: Amber Collins
PO Box 459
Fall River Mills, CA 96028
Fax: 530-336-7335, attention: Financial Counselor
Email: acollins@mayersmemorial.com**

Thank you for choosing Mayers Memorial Healthcare District for your health care needs. We look forward to assisting you further.

Best Regards,

Amber Collins
Patient Financial Counselor

Financial Assistance Application

1) RESPONSIBLE PARTY INFORMATION

Last Name First Name Social Security # Date of Birth

Home (Physical) Address Mailing Address City State/ Zip
Code

Home phone # Alternate/Cell Phone #

Employer Name Job Function/Title Employer Phone #

Gross Annual Income Employer's address: Street, City, State, Zip

Spouse's Name Social Security # Date of Birth

Employer Name Job Function/Title Employer Phone #

Gross Annual Income Employer's address: Street, City, State, Zip

2) People In Household

	Name	Relationship to Patient	Date of Birth	Employer	Employer Telephone
1		Self			
2					
3					
4					
5					
6					

3) Income & Asset Information

In order to determine the extent of your eligibility for the MMHD Reasonable Payment Plan, Discount Payment, or Charity Care program, please complete the required sections below. Please note, different information is required for each program.

Monthly Income: Required for Reasonable Payment Plan, Discount Payment Program, and Charity Care.

Job Income: \$ _____
Spouse Job Income: \$ _____
Business Income: \$ _____
Rental Income: \$ _____
Interest/Dividend Income \$ _____
Social Security Income: \$ _____
Alimony or Support Income: \$ _____
Other Income: \$ _____
Total Monthly Income \$ _____

Required Documentation

One or more of the following:

- ☐ All paystubs from the last 90 days.
- ☐ Most current W-2 for all working adults.
- ☐ Copy of the most recent filed tax return.
- ☐ Social Security Statement
- ☐ If no income, please attach a signed letter stating circumstances.

Current Monthly Essential Living Expenses: Required for Reasonable Payment Plan

Mortgage/Rent Payment \$ _____
Insurance Premiums (health, auto, home) \$ _____
Utilities (Gas, Elect., Water, Phone) \$ _____
Automobile Payment(s) \$ _____
Food \$ _____
Other: _____ \$ _____
Other: _____ \$ _____
Total Monthly Essential Living Expenses \$ _____

Required Documentation

One or more of the following:

- ☐ Proof of amount of most recent mortgage/rent paid.
- ☐ Most current statements for any expense listed/claimed on this application.
- ☐ Receipts/proof of payment for amounts paid for food/medical expenses paid in the past 12

Qualified Monetary Assets: Required for Charity Care

Checking Account(s) \$ _____
Savings Account (s) \$ _____
Stock, Bonds & CDs \$ _____
Other: _____ \$ _____
Total Qualified Monetary Assets \$ _____

Required Documentation

One or more of the following:

- ☐ Most recent bank statements.
- ☐ Most recent Quarterly Statement for stock(s), bond(s), or CD(s).
- ☐ Other: Most recent statement showing total monetary worth of asset.
- ☐ Denial from Medicaid/Medi-Cal for date of

By signing below you agree to be considered for MMHD Discount Payment or Charity Care Program. Additionally, you certify that all of the statements and information provided on this application are true and complete to the best of your knowledge. Should it be determined that the information you provided is incomplete or false, any discount applied may be reversed and payment in full may be expected from you. By signing below, you authorize Mayers Memorial Healthcare District to check references and credit history in order to determine eligibility for Discount Payment or Charity Care consideration.

You further agree by signing below, that if you receive payment from an insurance company, workers' compensation plan, or any other third party, to inform the hospital of any such payment. Mayers Memorial Healthcare District retains the right to collect the original, full billed amount for rendered services should a third party provide you with payment.

Signature of Applicant

Date

MAYERS MEMORIAL HEALTHCARE DISTRICT

2023 HHS POVERTY GUIDELINES

Persons in Family or Household	75% US Poverty Level
1	\$ 10,935
2	\$ 14,790
3	\$ 18,645
4	\$ 22,500
5	\$ 26,355
6	\$ 30,210
7	\$ 34,065
8	\$ 37,920
For each add'l person, add	\$ 3,855

To determine charity eligibility according to income level:

- Count the number of persons in your family/household
 - For persons 18 years of age and older, include spouse, domestic partner and dependent children under 21 years of age, whether living at home or not
 - For persons under 18 years of age, include parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative
- Calculate the household income
- On the row corresponding to the number of persons in your family/household above, compare your household income to the amount in the column labeled “75% US Poverty Level”
- If your household income is less than 75% US Poverty Level amount, your income supports your eligibility for Charity Care.

Note: Pursuant to AB 774 Sect. 127405(2), Mayers Memorial Hospital has established eligibility levels for financial assistance and charity care at less than 350 percent of the federal poverty level as appropriate to maintain its financial and operational integrity. Mayers Memorial Hospital is a rural hospital as defined in Section 124840.

To determine charity eligibility according to total monetary assets:

- Calculate your total monetary assets (referred to as “ASSETS” in the equation below)
 - Assets included in retirement or deferred-compensation plans qualified under the Internal Revenue Code, or nonqualified deferred-compensation plans **shall not** be included
- Insert total assets into the following equation:
 - $(ASSETS - 10,000)/2$
- If the remaining amount is less than \$5,000, your total asset level supports your eligibility for Charity Care.

Approvals: Chiefs: 8/9/2022, BOD: 12/7/2022

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HHS POVERTY GUIDELINES – 75%

Attached to policy Charity Care Policy