



39001 Sundale Drive  
Fremont, CA 94538  
510-796-1100

## Utilization Management

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### **TITLE:** Charity and Discount Policy

**Effective Date:** April 4, 2024

**Purpose:** UHS Fremont Hospital's mission is to provide the best care to every patient every day through integrated clinical practices. Education and resources. Fremont Hospital's commitment and belief is that the needs of the patients come first, and appropriately serves patients in difficult financial circumstances which includes offers of financial assistance, and or discounts to those who have established need to receive medically necessary services.

**Policy:** It is the policy of Fremont Hospital, in compliance with California State Law AB774 (Hospital Fair Pricing Policies) to provide discounts from standard billed charges for all self-pay and high medical costs patients as defined below. Amount is established based on Federal Poverty Guidelines.

**Scope:** This document serves to establish, facilitate, plan, and engage in a fair and consistent method for review and completion of requests for Charitable medical care and or discounts as appropriate to the patients in need, provides guidance to facilitate, plan and engage with execution of self-pay collections and activities, and patients presenting for Charity Care.

This policy is to be used by Fremont Hospital Admissions Coordinators/Financial Counselors to screen, educate and counsel patients presenting to the facility requesting/ requiring Charity assistance and or discounts as appropriate.

### **1.0 Roles and Responsibilities**

- **Admissions Coordinator/** Financial Assistance: responsible for maintaining admissions, financial, charity discount policies and procedures.
- **Business Office Director:** Responsible for ensuring, and enforcing adherence to admissions, financial assistance, charity and discount policies and procedures.

### **2.0 Definitions:**

**Self-pay patients:** Any patient who presents with the following attributes:

- No third-party insurance
- No Medi-Cal benefits
- No compensable injury for purposes of worker's compensation, automobile insurance, or other insurance as determined and documented by Fremont Hospital admissions and insurance verification process
- Family income at or below 400% of the current FPL



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**High Medical Cost Patient:** Any patient with health insurance or Medi-Cal coverage with all of the following attributes:

- Family Income at or below 400% FPL
- Out of Pocket (OOP) medical expenses in prior 12 months exceeds 10% of family income
- Patient does not otherwise receive discount as a result of third-party coverage

**Federal Poverty Level [FPL]:** A measure of income issued every year by the Department of Health and Human Services. Federal Poverty Levels are used to determine patient eligibility for certain programs and benefits including Charity and or Discounts. Federal Poverty Levels are defined by the United States Department of Health and Human Services.

**United States Department of Health and Human Services:** US Federal Government Department created to protect the health of all Americans and improving, monitoring and providing effective health, safety and well-being of human services; in the sciences underlying medicine public health and social services.

**Guarantor/Responsible Party:** responsible for repaying medical costs or care of patient receiving services at the hospital (includes inpatient and outpatient services).

### 3.0 Procedure:

- 3.1** At the time of admission or as soon as practical after admission, all patients with no third-party coverage or with a potential deductible or co-pay responsibility will be provided by the Admissions/Financial Assistance Coordinator with notice of the availability of discounts or charity and the related application.
- 3.2** All individuals (patients, responsible party, guarantor) with no third-party coverage will also be notified that we have available applications for Medi-Cal and Healthy Families programs. Such applications will be provided to patient or responsible party if requested.
- 3.3** All complete applications for discount will be evaluated for a discount or charity within 10 business days of receipt. Income and asset levels are subject to verification by review of supporting documentation according to the following guidelines:
  - 3.3.1** Reported income levels must be supported by either a check stub or income tax return.
  - 3.3.2** Asset level will consider only monetary assets excluding retirement or deferred compensation plans and may include only 50% those monetary assets exceeding \$10,000.
  - 3.3.3** Failure to provide sufficient supporting documentation may exclude patient from qualifying for discount or charity.



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- 3.4** After review of applications and supporting documentation, discounts or charity will be provided at the following levels:
- 3.4.1** Discounts and charity for those who qualify as Self Pay patients:
    - 3.4.1.1** All self-pay patients with income level between 251% and 350% of the FPL will have their stay discounted to no higher than the highest of what Medicare or Medi-Cal would pay for the stay. Additional discount is available at the discretion of the hospital.
    - 3.4.1.2** All self-pay patients with income level between 101% and 250% of the FPL will have their stay discounted to no higher than 50% the higher of what Medicare or Medi-Cal would pay for the stay. Additional discount is available at the discretion of the hospital.
    - 3.4.1.3** Charity: All self-pay patients with income level at or below 100% of the FPL and monetary assets less than \$10,000 qualify for charity and their stay will be discounted 100%. Self-pay patients with income level at or below 100% of the FPL and monetary assets greater than \$10,000 may qualify for charity care or discount at the discretion of the hospital. In no case will the out-of-pocket costs expected from the patient exceed the portion of the patient's monetary assets greater than \$10,000.
  - 3.4.2** Discounts for those who qualify as High Medical Cost patients:
    - 3.4.2.1** All patients who qualify as High Medical Cost patients will be billed for deductibles and coinsurance only to the extent that third party payments received plus amounts billed to the patient do not exceed the higher of the payment that would be received from Medicare or Medi-Cal.
    - 3.4.2.2** The hospital at its discretion may provide a greater discount to the patient than allowed under section **3.4.1.1** of this policy.
- 3.5** Any amounts due from the patient under this policy are eligible for extended, interest free payment plans. Determination of payment plan will be based on the patient's ability to pay the obligation and will not exceed three years.
- 3.6** Patients may be referred to a collection agency after exhaustion of normal collection efforts. However, no patient will be referred to a consumer credit reporting agency by the hospital or its collection agency for non-payment prior to 150 days after initial billing.
- 3.7** The hospital or its agents will not use wage garnishments or liens on primary residences to collect debts from any patient.



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### Exhibit 1.

*U.S. Federal Poverty Guidelines Used to Determine Financial Eligibility for Certain Programs*

#### HHS Poverty Guidelines for 2024

Join our [listserve](#) to stay up-to-date on the latest news regarding the poverty guidelines.

2024 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA	
Persons in family/household	Poverty guideline
1	\$15,060
2	\$20,440
3	\$25,820
4	\$31,200
5	\$36,580
6	\$41,960
7	\$47,340
8	\$52,720
For families/households with more than 8 persons, add \$5,380 for each additional person.	

### Exhibit 2

Debt Collection Notice (to be provided to all patients prior to commencing debt collection activities):

“State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00 a.m. or after 9:00 p.m. In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-FTC-HELP (382-4357) or online at [www.ftc.gov](http://www.ftc.gov).”

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