



## **Financial Assistance Program Policy**

### **Policy**

In keeping with the philosophy and mission of Ridgecrest Regional Hospital (“RRH”), it is the policy of RRH to offer financial assistance to patients who are unable to pay their hospital bills due to difficult financial situations. A RRH Financial Counselor or Business Office Representative will review individual cases and make a determination of financial assistance that may be offered prior to, during, or after services are provided. Upon verifying eligibility for financial assistance, RRH shall offer hospital inpatients and outpatients Charity Care (i.e., free care) or Discounted Care in accordance with this policy and other applicable policies for Medically Necessary Services. The current effective date of this policy is January 1, 2024.

### **Purpose**

To establish policies and procedures to ensure consistent identification, accountability, recording and follow-up of patient’s potentially eligible for Charity Care or Discounted Care in compliance with all applicable laws, including the Hospital Fair Pricing Law and Section 501(r) of the Internal Revenue Code, which was added by the 2010 Affordable Care Act and which imposes specific requirements on tax-exempt hospitals with respect to community benefit obligations, as well as with the Public Health Services Act Section 330 applicable sections.

### **Definitions**

“Charity Care” refers to full financial assistance such that the patient does not have any financial obligation for Medically Necessary Services.

“Discounted Care” refers to financial assistance such that the patient is relieved of a portion of their financial obligation for Medically Necessary Services.

“Federal poverty level” means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services (HHS).

“Financial Assistance Program” is the provision of Charity Care or Discounted Care to individuals who cannot afford to pay and who qualify in accordance with this policy. The Financial Assistance Program does not refer to or include insurance policy discounts, administrative adjustments, contractual adjustments, and is not available for elective procedures.

“High Medical Costs” are defined as:

1. Annual out of pocket costs incurred by the individual at the hospital that exceed the lesser of 10% of the (a) patient’s current family income or (b) patient’s family income in the prior 12 months.

2. Annual of out of pocket expenses that exceed 10% of the patient's family income if the patient provides documentation of the patient's medical expenses paid by the patient or patient's family in the prior 12 months.

"Income" is broadly defined and includes: (i) earnings, wages, salaries, tips, etc., (ii) unemployment compensation, (iii) workers' compensation, (iv) Social Security benefits, (v) public assistance, (vi) Veterans' benefits, (vii) survivor benefits, (viii) pension/annuities or retirement income, (ix) IRA distributions, (x) interest, (xi) capital gains, (xii) dividends, (xiii) taxable refunds, (xiv) alimony, (xv) rental income, (xvi) farm income, (xvii) income received from royalties, estates, trusts, S Corporations, and partnerships, (xviii) educational assistance, (xix) child support, (xx) business income, and (xxi) any other type of monetary assistance or other source of income.

"Medically Necessary Services" shall be defined, for purposes of this policy, as

- emergency medical services provided in the emergency department;
- non-elective services provided in response to life-threatening circumstances in a non-emergency room setting;
- services that the patient's treating physician determines, qualify as medically necessary such as services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual; and
- shall not include elective procedures.

"Patient's family" is defined as:

1. For patients 18 years of age and older, patient's family includes spouse, domestic partner and dependent children under 21 years of age, whether living at home or not.
2. For patients under 18 years of age, patient's family includes parent, caretaker and other children under 21 years of age of the parent or caretaker.

"Self-Pay Patient" is a patient who does not have third-party coverage from a health insurer, health care service plan, Medicare, Medi-Cal/Medicaid, and whose injury/treatment is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital.

### **Procedures**

Ridgecrest Regional Hospital determines the need for financial assistance by reviewing the particular services requested or received, insurance coverage or other sources of payment, a person's historical financial profile and current financial situation. This method allows for a fair and accurate method to assist patients who are experiencing financial hardship. Partial and/or full financial assistance may be granted based on the criteria set forth in this policy.

RRH may determine eligibility for financial assistance before or after Medically Necessary Services are provided, as well as before or after discharge. All eligibility determinations related to emergency services shall be conducted in accordance with applicable EMTALA policies.

If a patient applies, or has a pending application, for another health coverage program at the same time that the patient applies for a hospital charity care or discount payment program, neither application shall preclude eligibility for the other program.

### **Eligibility Determination**

Patients that may be eligible for Charity Care or Discounted Care in accordance with this policy include:

1. Uninsured, Self-Pay Patients with incomes at or below 400% of the federal poverty level.
2. Insured patients with High Medical Costs and incomes at or below 400% of the federal poverty level.

To be considered for eligibility to participate in the Financial Assistance Program the patient must complete the Financial Assistance Application form attached hereto. If the patient is unable to complete the Application or to provide the information required, the Business Office or Registration staff may complete the application with information received through interviews with those who know the patient's financial status. For insured patients with High Medical Costs, the patient will be required to cooperate with any insurance claim submissions.

The Financial Assistance Program eligibility documentation may be initiated by Patient Access/Admitting, Business Office, or a Financial Counselor. Applications received will be evaluated and approved or denied within thirty days of receipt of a completed application (including all supporting documentation). A letter of determination will be mailed to the patient within two weeks of determination. The determination letter shall clearly state if the eligibility was granted or denied, and, if denied, the reasons denied. The letter must set forth a clear explanation of the reduced bill and instructions on how the patient may obtain additional information regarding a reasonable payment plan, if applicable. The letter shall include information on the Hospital Bill Complaint Program and the Health Consumer Alliance.

In instances where a Self-Pay patient is able to pay a portion of his/her account at time of admission, the patient may none-the-less be eligible for financial assistance in accordance with this policy. In such cases, the patient will be provided with the Financial Assistance Application form and, upon a determination of eligibility, will be reclassified in the Business Office records system as a Financial Assistance patient.

Financial Assistance Program Applications for accounts with balances below \$500 shall be reviewed and may be approved by the Business Office Manager; balances below \$10,000 by the Administrator, and anything above this by the CFO/CEO.

### **Alternative Eligibility Determination Method**

In the event that eligibility cannot be determined based upon the completion of the Financial Assistance Application, RRH may elect to make the eligibility determination via the use of alternative processes.

RRH understands that certain patients may be unable to complete a Financial Assistance Application, comply with requests for documentation, or are otherwise non-responsive to the application process. As a result, there may be circumstances under which a patient's qualification for financial assistance may be determined by RRH via an alternative process, including utilization of other sources of information to make an individual assessment of financial need. This information will enable RRH to make an informed decision on the financial need of patients utilizing the best estimates available in the absence of information provided directly by the patient.

RRH may utilize a third-party to conduct an electronic review of patient information to assess financial need. This review utilizes a healthcare industry-recognized electronic predictive model ("Predictive Model") that is based on public record databases. This Predictive Model incorporates public record data to calculate a socio-economic and financial capacity score. The Predictive Model is designed to assess each patient to the same standards and is calibrated against historical approvals for RRH financial assistance under the standard Financial Assistance Application process. The Predictive Model will be used by RRH prior to bad debt assignment and after all other eligibility and payment sources have been exhausted. This allows RRH to screen all patients for financial assistance prior to pursuing any extraordinary collection actions. The data generated via the Predictive Model will constitute adequate documentation of financial need under this policy.

When the Predictive Model is used as the basis for a determination of eligibility, the highest discount of full free care, Charity Care, will be granted for eligible services for retrospective dates of service only. A determination of eligibility for Discounted Care will not be made via the Predictive Model method.

Patient accounts granted eligibility via the Predictive Model process will be reclassified under the financial assistance policy as Charity Care. They will not be sent to collection, will not be subject to further collection actions, will not be notified of their qualification and will not be included in the hospital's bad debt expense.

### **Basis for Calculating Eligibility**

**Income Calculation:** RRH requires patients to provide their family's yearly Net Income ("Family Income") and provide supporting documentation. In accordance with the Hospital Fair Pricing Law, the documentation of Income for purposes of determining eligibility for Discounted Care is limited to recent pay stubs and/or tax returns. (H & S Code § 127405(e)(1).) Recent pay stubs are pay stubs within a 6-month period before or after the patient is first billed, or in the case of preservice, when the application is submitted. The hospital may request a maximum of six months of consecutive pay stubs. The Income calculated shall be compared to the federal poverty guidelines.

- a. For patients 18 years and older: the term "yearly Income" on the application means the sum of the total yearly net income of the patient and the patient's spouse or domestic partner, and dependent children under 21 years of age, whether living at home or not.

- b. For patients under 18 years old: the term “yearly Income” means the Income from the patient, the patient’s mother/father and/or legal guardian or caretaker relatives, and other children under 21 years of age of the parent or caretaker relative.

Additional Procedures:

RRH may require waivers or releases from the patient or the patient’s family, authorizing the hospital to obtain income verification from financial or commercial institutions.

Information obtained pursuant to the above paragraphs regarding income verification shall not be used for collection activities. This paragraph does not prohibit the use of information obtained by the hospital, collection agency, or assignee independently of the eligibility process for the Financial Assistance Program.

The guidelines for determining eligibility for the Financial Assistance Program will be calculated in accordance with this policy and based upon the information provided in the Financial Assistance Application, and RRH shall provide Charity Care or Discounted Care in accordance with the sliding scale attached hereto.

Acceptance into the RRH Financial Assistance Program for care that was previously provided does not obligate RRH to provide future health care services as Discounted Care or Charity Care. A patient may be required to re-apply and re-qualify for financial assistance for subsequent episodes of care (whether as an outpatient or inpatient). The financial assistance approval is good for 180 days (e.g., 6 months) after the approval is granted. For bills received after 180 days from when the financial assistance is approved, a separate Financial Assistance Application will need to be filled out if the patient is seeking financial assistance to pay those bills.

**Discounted Care Payments**

For Discounted Care, the hospital shall limit the expected payment for Medically Necessary Services it provides to a patient eligible for a discount under this policy to the amount of payment the hospital would expect, in good faith, to receive for providing services under Medicare. Because the hospital is paid by Medicare on a cost reimbursement basis, the gross charges need to be reduced to reflect the expected rate of payment from Medicare under the prospective method of determining the average generally billed. (IRS Code Section 501r(4).) This rate is re-calculated annually based upon the most recent Medicare cost report and billing staff should be contacted regarding the current rates. If the hospital provides a service for which there is no established payment by Medicare, the hospital shall establish an appropriate discounted charge for the service.

Patients offered a Discounted Care payment plan under this policy shall not be charged interest in accordance with the Hospital Fair Pricing Law. (H & S Code § 127425(g).) The hospital and the patient may negotiate the terms of the payment plan. Effective January 1, 2015, in the event the hospital and the patient cannot agree upon the terms of the payment plan, the payment shall not exceed 10% of the patient’s family income for a month, excluding deductions for essential living expenses (including rent/house payment and maintenance, food/household supplies, utilities and telephone, clothing, medical and dental payments,

insurance, school or child care, child or spousal support, transportation and auto expenses (insurance, gas, repairs), installment payments, laundry and cleaning and other extraordinary expenses. (H & S Code § 127400(i).)

The Discounted Care payment plan may be declared no longer operative after the patient's failure to make all consecutive payments due during a 90 day period. The 90 day period shall start on the first billing statement's due date missed by the patient. Before declaring the hospital extended payment plan no longer operative, the hospital, collection agency, or assignee shall make a reasonable attempt to contact the patient by telephone and, give notice in writing that the extended payment plan may become inoperative, and of the opportunity to renegotiate the extended payment plan. The notice shall be sent at least 60 calendar days after the first missed bill and provide the patient with at least 30 calendar day to make a payment before the extended payment plan becomes inoperative. The hospital or any representative thereof, including a collection agency or assignee, shall not report adverse information to a consumer credit reporting agency or commence a civil action against the patient or responsible party for nonpayment prior to the time the extended payment plan is declared to be no longer operative. The notice and telephone call to the patient described above may be made to the last known telephone number and address of the patient. If the patient fails to make all consecutive payments for 90 days and fails to renegotiate a payment plan, the patient/guarantor is obligated to make payments on his or her obligation to the hospital from the date the extended payment plan is declared no longer operative. The patient's financial responsibility shall not exceed the discounted amount previously determined.

### **Collection Procedure**

The collections actions Ridgecrest Regional Hospital may take if a financial assistance application and/or payment is not received are described in more detail a separate policy. In brief, Ridgecrest Regional Hospital will make reasonable efforts to provide patients with information about our financial assistance policy before we or our agency representatives take extraordinary actions to collect your bill.

RRH shall provide collection agencies with this policy and shall obtain written agreement that the agency shall comply with this policy.

The hospital shall not knowingly assign an account to a collection agency if the patient has a pending application for a County, State, or Federal health assistance program.

For a patient who lacks insurance coverage or a patient who provides information that he or she may be a patient with High Medical Costs, neither RRH, nor any assignee of the hospital or other owner of the patient debt, including a collection agency, shall report adverse information to a credit reporting bureau or engage in extraordinary debt collection activities ("ECA") at any time prior to 180 days after the first billing, and only after providing a thirty day notice of the ECA that will be commenced.

For more information on the steps Ridgecrest Regional Hospital will take to inform uninsured patients of our financial assistance policy and the collection activities we may pursue, please see Ridgecrest Regional Hospital's Patient Business Policies. You can request a free copy of

this full policy in person or by mailing a request to Ridgecrest Regional Hospital, 1081 N. China Lake Blvd., Ridgecrest, CA 93555, or by calling us at (760) 499-3000.

### **Refund of Charges**

Patients qualified under this policy shall receive a refund of any payments made above what is owed in accordance with this policy. (H & S Code § 127440). When such a refund is owed, the hospital shall reimburse the patient any amount actually paid in excess of the amount due, including interest. Interest owed by the hospital to the patient shall accrue at the rate set forth by law, beginning on the date payment by the patient is received by the hospital. However, hospital shall not reimburse the patient or pay interest if the amount due is less than five dollars (\$5.00). The hospital shall give the patient a credit for the amount due for at least 60 days from the date the amount is due. (H & S Code § 127440).

### **Reasons for Denial or Revocation**

RRH may deny or revoke a request for financial assistance for a variety of reasons including but not limited to:

- Sufficient income
- Patient is uncooperative or unresponsive to requests for information
- Incomplete application or missing supportive documentation
- Pending insurance or liability claim
- Withholding insurance information or personal injury information

RRH reserves the right to reverse financial assistance adjustments made to a patient's account upon verification of information that the patient was not eligible to participate in the Financial Assistance Program and to henceforth pursue appropriate reimbursement or collections.

In the event the patient has a dispute regarding eligibility, the patient may contact the hospital's Patient Account Representative or the Revenue Cycle Administrator.

### **Emergency Services**

RRH will provide emergency care to patients regardless of their ability to pay. In accordance with EMTALA, following evaluation and stabilizing treatment (if necessary), non-emergent patients requesting financial assistance should complete a Financial Assistance Application, which should be reviewed by the Business Office and approved before additional services are provided.

An emergency physician, as defined in Health & Safety Code Section 127450(c), who provides emergency medical services in a hospital that provides emergency care is also required by law to provide discounts to patients who are at or below 400 percent of the federal poverty level and are uninsured patients or patients with High Medical Costs. This statement shall not be construed to impose any additional responsibilities upon the hospital. The emergency physicians are solely responsible for compliance with the provisions of Hospital Fair Pricing Law applicable to emergency physicians.

### **Alternative Assistance**

RRH staff will provide the potential Financial Assistance Program patient with a listing of other potential payment programs, including Medicare, Medi-Cal, Covered California and California Children's Services programs. In addition, RRH staff may assist patients with applying for such coverage. Many potential Financial Assistance Program patients are not aware they may be eligible for public health insurance programs or have not pursued application for such programs. Notwithstanding the foregoing, the Financial Assistance Program shall be available to any patient that completes the Financial Assistance Program Application and meets the eligibility requirements.

### **Discretionary Discounts**

Nothing contained herein shall prohibit the hospital from providing discretionary discounts (including free care) to patients that do not meet the requirements for Charity Care or Discounted Care as forth in this policy. The hospital may require such patients to complete the Financial Assistance Application. The discount shall be made from the hospital's undiscounted charges. The discount may differ for inpatient and outpatient services and, in general, the discount will usually be no greater than the hospital's current average commercial fee-for-service discounts with managed care payers. However, greater discounts may be provided upon approval of the CEO and CFO. Every effort shall be made to afford administrative discounts in a uniform manner.

### **Non-Discrimination**

RRH is committed to upholding all applicable federal and state laws that preclude discrimination on the basis of race, sex, age, religion, national origin, marital status, sexual orientation, gender identity, disabilities, military service, or any other classification protected by federal, state or local laws. RRH shall not discriminate based on the individual's inability to pay or whether payment is being made by Medicare, Medicaid, or other federal or state funded programs.

### **Confidentiality**

RRH staff will uphold the confidentiality and individual dignity of each and every patient. RRH will meet all HIPAA requirements for handling personal health information.

### **Posted Signage**

As required by applicable laws, signs are located at the facility in areas visible to the public, including but not limited to, the Emergency Department, Admissions Department, Observation, Outpatient areas and clinics, as well as the Business Office. These signs provide information indicating that patients who are unable to pay for their health care services may be eligible for financial assistance such as the hospital's Charity Care or Discounted Care.

### **Billing Statement Notices**

As required by applicable laws, when the hospital bills a patient that has not provided evidence of third-party coverage, the bill shall include a statement of the charges for services; a request that the patient inform the hospital if the patient has health insurance coverage (Medicare, Medi-Cal/Medicaid, or other coverage); notice that if the patient does not have health insurance coverage, that the patient may be eligible for Medicare, Medi-Cal, coverage through



the California Health Benefit Exchange (“Covered California”) or other state- or county-funded health coverage programs and indicate that the hospital will provide such applications and inform the patient how to obtain the applications for such programs; and information of the availability of the Financial Assistance Program, including a statement that if the patient meets certain low-income requirements, that patient may qualify for the hospital’s Financial Assistance Program. The packet shall include the Financial Assistance Program Notification & Application and the Plain Language Summary. This information packet shall be re-sent to the patient prior to assigning the patient to collections.

### **Intake/Discharge Notices**

During the intake/admission process if the patient is conscious and able to receive the document or no later than during the discharge process or when the patient leaves the facility, patients shall be offered the Plain Language Summary of this policy. If the patient leaves the facility without receiving the notice, RRH will mail the notice within 72 hours of providing services. The hospital shall maintain proof that written notice was provided.

### **Paper Copies Available & Available on Website**

RRH shall also make paper copies available for patients to obtain the documents from the Admissions Department and the Emergency Department, as well as other appropriate areas. Upon a request for a paper copy, RRH can offer to send the documents electronically and, upon approval of the patient, such electronic copies can serve to satisfy the provision of paper copies, including the provision of the plain language summary during intake or discharge. RRH shall post this policy, a plain language summary of this policy, and the Financial Assistance Program Notification & Application on its website. All of these actions are measures to widely publicize the policy within the community being served by the hospital in accordance with the Affordable Care Act.

### **Submission to HCAI**

This policy and the Financial Application form shall be sent to the California Department of Health Care Access and Information (“HCAI”), formerly Office of Statewide Health Planning and Development every two (2) years or upon any significant changes.

### **Languages & Accessibility**

All notices/communications provided under this policy shall be available in the primary language(s) of the hospital’s service area and in a manner consistent with all applicable federal and state laws and regulations. This policy and all associated documents shall be available in sans serif 12-point font. The hospital shall assist patients that need access to larger print, braille, audio, including by screen reader.

### **Scope**

The Hospital Financial Assistance Program set forth in this policy is intended to comply with California’ Hospital Fair Pricing Law requirements, the Federal as well as the IRS requirements for non-profit hospitals set forth in I.R.C. Section 501(r).

Under this Financial Assistance Policy, financial assistance is only available for emergency or other medically necessary healthcare services. Not all services provided within RRH's hospital facilities are provided by RRH employees and therefore may not be covered under this policy.

The providers covered by this policy, if any, in the attached Provider List. The hospital owned clinics and Skilled Nursing Facility may separately offer charity care, discounted care or other financial assistance programs. In accordance with IRS and Treasury Department laws and regulations, such care may be classified as charity care.

**Medicare Reimbursement Rate files**

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/index.html>

**Laboratory Fee Schedules**

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/index.html>

**Poverty Guidelines**

<https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

**References**

California Hospital Association Hospital Charity Guidelines.  
California Health & Safety Code Section 127400 et. seq. (i.e., A.B. 774, California Hospital Fair Pricing Law, and as periodically amended from time to time, including, but not limited to, CA S.B. 1276, Sept. 28, 2014, effective Jan. 1, 2015, and CA A.B. 532, effective Jan. 1, 2022).  
Patient Protection and Affordable Care Act, Public Law 111–148 (124 Stat. 119) (2010) Section 9007 (Federal Exemption Standards).  
I.R.S. Code Section 501(r), including IRS Final Regulations, 79 Fed Reg 78954 (Dec. 31, 2014).  
Public Health Service Act Section 330(k)(3)(G), 42 CFR 51c.303, 42 CFR 56.303.  
California Code of Regulations, Title 22, Division 7, Ch. 9 (22 CCR 96040, et. seq. (Eff. 1/1/2024)

**Attachments**

Financial Assistance Program Notification & Application  
Plain Language Summary of Hospital Financial Assistance Policy  
Financial Assistance Policy Sliding Scale  
Financial Assistance Policy Provider List

Date Created: Dec. 23, 2015

Revised: January 26, 2024



## Financial Assistance Program Notification & Application

We understand you currently do not have any health insurance. Please inform us immediately if you do have health insurance coverage, Medicare, Medi-Cal, or other coverage. Ridgecrest Regional Hospital ("RRH") participates in the Medi-Cal (Medicaid) hospital presumptive eligibility program, which means that you may qualify for immediate coverage for medically necessary services under Medi-Cal while awaiting permanent Medi-Cal (Medicaid) coverage. You may also be eligible for health insurance under Covered California or through the California Children's Services program. Our Admissions staff can assist you with these applications. Also, RRH has a Patient Financial Assistance program that may be of assistance to you in paying your bill. Enclosed you will find a Financial Assistance Application for you to complete. If you are interested in learning about our charges, you can visit our website for a list of "Shoppable Services" (as defined by law) at <https://www.rrh.org/patients-visitors/billing/> and clicking on the price estimator link.

**Please fill out the Financial Assistance Application form completely and return it with your proof of income, *for everyone in your household*. For proof of income you will need to provide at least one of the following:**

- Two recent pay stubs
- A copy of your most current W-2
- Or a recent bank statement (if you have direct deposit)

If you have no income you will need to provide a statement as to how you financially meet your daily needs. If someone is financially assisting you with your daily needs, please have them write a statement stating that they are providing this assistance and how they are doing so.

Please note, you must return the Financial Assistance Application form with appropriate proof of income in order to be considered for this program. Acceptance into this program is decided based on the Federal Poverty Guidelines. We have provided you with a self-addressed stamped envelope in which to return the Financial Assistance Application form and all necessary documentation. If you have applied for another health coverage program, you may still apply for this RRH financial assistance program, and neither application shall preclude eligibility for the other program. However, please advise as to which program(s) you have applied.

There are other organizations that can also assist you in understanding the billing and payment process, including the free Health Consumer Alliance (<https://healthconsumer.org>; (888) 804-3536). Also, if your application for financial assistance from RRH is denied, you can contact the undersigned or the hospital's Revenue Cycle Administrator.

There is a Hospital Bill Complaint Program which is a state program that 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 [HospitalBillComplaint.hcai.ca.gov](https://HospitalBillComplaint.hcai.ca.gov) for more information and to file a complaint.

Should you have any questions please feel free to contact me at the number listed below. I'm in the office from 7:30 to 4:00 Monday thru Friday.

Sincerely,

Patricia Townsley  
Personal Pay Patient Representative  
Ridgecrest Regional Hospital  
901 Heritage Blvd  
Ridgecrest, CA 93555  
760-499-3010

**RIDGECREST REGIONAL HOSPITAL**  
**Financial Assistance Application**  
1081 N. China Lake Blvd, Ridgecrest, Ca 93555

Account # \_\_\_\_\_  
Date \_\_\_\_\_

**All information must be complete for consideration for financial assistance**

***Patient Information***

***Parent/Spouse/Guarantor Information***

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

City/St/Zip: \_\_\_\_\_

City/St/Zip: \_\_\_\_\_

Employer: \_\_\_\_\_

Employer: \_\_\_\_\_

Employer Phone: \_\_\_\_\_

Employer Phone: \_\_\_\_\_

Monthly Net Income: \_\_\_\_\_

Monthly Net Income: \_\_\_\_\_

Number of Dependents \_\_\_\_\_ Names \_\_\_\_\_

List all other income: \$ \_\_\_\_\_ Source \_\_\_\_\_ \$ \_\_\_\_\_ Source \_\_\_\_\_

If unemployed, what is your source of income? \_\_\_\_\_

**(This must be answered if source of income is zero)**

**You must provide a current pay stub or income tax form.**

I declare that the above statements are true and correct to the best of my knowledge. I understand that withholding of information or the giving of false information will make the patient and/or responsible party liable for all charges for services.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**All lines must be filled out. If not applicable, please indicate.**

Amount of discount is determined based on income level and Federal Poverty Guidelines. Please refer to the Financial Assistance Program policy available on our website for a complete listing of services covered. Not all Physician professional fees are covered under the Financial Assistance Policy.

Questions: Call 760-499-3010



## **Plain Language Summary of Hospital Financial Assistance Policy**

In keeping with the philosophy and mission of Ridgecrest Regional Hospital (“RRH”), it is the policy of RRH to offer financial assistance to patients who are unable to pay their hospital or clinic bills due to difficult financial situations. A RRH Financial Counselor or Business Office Representative will review individual cases and make a determination of financial assistance that may be offered prior to, during, or after services are provided. Upon verifying eligibility for financial assistance, RRH shall offer hospital inpatients and outpatients and clinic patients Charity Care (i.e., free care) or Discounted Care in accordance with the RRH Financial Assistance Policy and other applicable policies for Medically Necessary Services.

In addition to talking with our RRH staff, there are other organizations that can also assist you in understanding the billing and payment process, including the Health Consumer Alliance (<https://healthconsumer.org>).

### **Financial Assistance Guidelines**

- Financial Assistance is only available for emergency medical care and medically necessary care provided by Ridgecrest Regional Hospital (see the RRH Financial Assistance Policy for the definition of medically necessary and covered and non-covered providers), and also primary health care services provided by the Rural Health clinic.
- Eligibility is determined after reviewing an applicant’s financial circumstances as discussed below.
- If a patient applies, or has a pending application, for another health coverage program, such as Medicare or Medi-Cal, at the same time that the patient applies for the hospital’s Financial Assistance Program, such application(s) shall not preclude eligibility for the other program(s).

### **Required Documentation**

To be considered complete, a submitted application must include the following:

- Completed and signed Financial Assistance application
- Two recent pay stubs, or
- A copy of your most current W2

If an individual has no source of income, a letter stating as to how you financially meet your daily needs. If someone is financially assisting you with your daily needs, please have them write a statement stating that they are providing this assistance and how they are doing so.

### **Program Qualifications**

- Financial assistance discounts will be given to an individual or a family whose yearly gross income does not exceed 400% of the federal poverty level (see the Financial Assistance Policy for a definition of yearly gross income).
- An individual or family whose yearly gross income is 200% of the federal poverty level or less qualifies for free charity care (i.e., 100% financial assistance).
- An individual who qualifies for financial assistance will not be required to pay more than amounts indicated within the Financial Assistance Policy.

## **Accessing/Applying for Financial Assistance**

- Copies of the Financial Assistance Policy and application are available on the hospital's website at <https://www.rrh.org/patients-visitors/billing/financial-assistance-program-policy>. Copies of these documents are also available at all of Ridgecrest Regional Hospital registration sites.
- All documents are provided free of charge.
- To obtain copies of these documents in person or by mail, ask questions, receive assistance with completing a financial assistance application, or submit a completed financial assistance application, contact Ridgecrest Regional Hospital's business office through the following methods:
  - Phone: 760-499-3010
  - Mail or in person: 1081 N. China Lake Blvd., Ridgecrest, CA 93555

## **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](http://healthconsumer.org) for more information.

## **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 [HospitalBillComplaint.hcai.ca.gov](http://HospitalBillComplaint.hcai.ca.gov) for more information and to file a complaint.

## **Languages**

All notices/communications provided under this policy shall be available in the primary language(s) of the hospital's service area in a manner consistent with all applicable federal and state laws and regulations and provided in sans serif 12-point font. This document can be obtained both online and in paper form in the same manner as the Financial Assistance Program Policy. This document is available in the primary language(s) of the hospital's service area.

### Financial Assistance Policy Sliding Scale

<b>Federal Poverty Guideline</b>	<b>Discount Off of Medicare Reimbursement Rate*</b>	<b>Patient Responsibility (Percent of Medicare Reimbursement Rate)</b>
At or below 200%	100% discount	0%
200.1% - 250%	80% discount	20%
250.1% - 300%	60% discount	40%
300.1% - 350%	40% discount	60%
350.1% - 400%	20% discount	80%



## Financial Assistance Policy Provider List

It is the intent of RRH to ensure that the entire hospital bill for all Medically Necessary Services rendered to a patient by the hospital are appropriately discounted for eligible patients in accordance with the Financial Assistance Program Policy (“FAP Policy”).

Professional services provided by Hospitalists and Certified Registered Nurse Anesthetist, are covered by the FAP Policy and are billed along with other hospital charges on the hospital’s bill and will contain the appropriate discount as provided for under the FAP.

However, most physician professional services are not subject to the FAP and patients may receive separate bills from the physician for the physician’s professional services.<sup>FN1</sup> Those physician services include:

- Anesthesiology
- Gastroenterology
- Maternity/OB
- Pathology
- Radiology
- Surgery
- Urology
- General attending physician services
- Specialty attending physician services

Although a physician may elect to provide discounted or free care, the patient will need to contact the physician to inquire into the physician’s policies.

However, in accordance with California law, Emergency Department physician services are subject to the provisions of Health & Safety Code Section 127450, and therefore, the RRH Emergency Department physicians administer a separate charity care and discounted care policy that is in compliance with the laws applicable to Emergency Department physicians.

The following hospital departments and clinics may separately offer charity care, discounted care or other financial assistance programs but are not required under the California Hospital Fair Practices Act to follow the FAP Policy, although some may follow this policy even though not required to do so under the laws and regulations.

- Ambulatory Surgery Center
- Bella Sera/TCRU
- RRH Visiting Nurses & Hospice
- China Lake Community Health Clinic
  - Surgical Clinic
  - China Lake Gastroenterology
- Healthy Bone & Joint Center
- Southern Sierra Medical Clinic
- Sydnor Specialty Center
- Ridgecrest Rural Health Clinic
- Ridgecrest Urgent Care Clinic

Trona Rural Health Clinic  
Ridgecrest Obstetrics/Women's Health Clinic  
Liberty Ambulance/Progressive Ambulance

FN1: "A hospital may specify providers by reference to a department or type of service." (IRS Bulletin 2015-28, July 13, 2015, Notice: 2015-46.)



## **Billing and Debt Collection Policy/Patient Business Policies**

### **Policy**

In keeping with the philosophy and mission of Ridgecrest Regional Hospital (“RRH”), and in the interest of promoting financial stability and conserving resources for indigent care, it is the policy of RRH to provide clear and consistent guidelines for conducting billing and collection functions in a manner that will ensure debts owed for medical services provided by RRH are collected in a manner that promotes compliance with applicable laws, patient satisfaction and efficiency.

### **Purpose**

The purpose of this policy is to set forth policies and procedures regarding the billing and collection of patient debt.

### **Definitions**

**Extraordinary Collection Action (“ECA”):** Under Internal Revenue Code 501(r), an Extraordinary Collection Action is an action that a hospital may take against an individual in order to obtain payment for a bill for healthcare services provided to the individual and that are covered by RRH’s Financial Assistance Policy. More specifically, each of the following is an ECA:

1. Selling an individual’s debt to a third party;
2. Reporting adverse information about the individual to a consumer credit reporting agency or credit bureau;
3. Deferring or denying medically necessary care because of an individual’s nonpayment of a bill for previously provided care eligible for coverage under RRH’s Financial Assistance Charity Care Policy;
4. Requiring a payment before providing medically necessary care because of outstanding bills for previously provided care eligible for coverage under RRH’s Financial Assistance Policy;
5. Placing a lien on an individual’s property;
6. Foreclosing on an individual’s real property;
7. Attaching or seizing an individual’s bank account or other personal property;
8. Causing and individual’s arrest;
9. Commencing a civil action against an individual or obtaining a writ of attachment; and
10. Garnishing an individual’s wages.

Extraordinary Collection Actions do not include the assertion of, or collection under, a lien asserted under Civil Code sections 3040 or 3045. Further, filing a claim in a bankruptcy proceeding is not an Extraordinary Collection Action.

**Guarantor:** For purposes of this policy, the individual who is financially responsible for payment of an account balance. The guarantor may or may not be the patient.

### **Billing and Collection Procedures**

- A. RRH will pursue payment for debts owed for health care services provided by RRH. Collection actions shall be undertaken at RRH's discretion in accordance with applicable laws.
- B. RRH shall not use wage garnishments or liens on primary residences in dealing with patients eligible under the hospital's Financial Assistance Program.
- C. Patient account balances meeting one or more of the following criteria are eligible for placement with a collection agency:
  - i. RRH has made diligent efforts to inform patients of their financial responsibilities and available financial assistance options and has attempted to collect payment using reasonable collection efforts using billing statements, written correspondence, and phone calls.
  - ii. RRH has made reasonable efforts to determine a patient's eligibility for financial assistance under RRH's Financial Assistance Policy.
  - iii. RRH has made reasonable efforts to mail at least four (4) billing statements after the date of discharge from outpatient or inpatient care, with a final 10-day notice appearing on the fourth billing statement, indicating the account may be placed with a collection agency. All billing statements must include a notice about the RRH Financial Assistance Policy.
  - iv. Account with a "Return Mail" status is eligible for collection assignment after all good faith efforts to identify a correct address have been documented and exhausted.
- D. RRH will suspend any and all collection actions if a completed Financial Assistance Application, including all required supporting documentation, is received, and the patient is determined to be qualified, as well as during the qualification determination process.
- E. If RRH determines that a patient qualifies for assistance under the Financial Assistance Policy, and the Guarantor has paid RRH more than the amount that should be due from a qualified patient, RRH shall refund the amount paid to RRH in excess of the amount due including interest at the rate provided in the Code of Civil Procedure Section 685.010 from the date of RRH's receipt of the overpayment. Notwithstanding the foregoing, if the amount overpaid by the Guarantor is \$5.00 or less, RRH shall not refund the overpayment or pay interest, but shall provide the qualifying patient a hospital credit in the amount overpaid for 60 days from the date the amount was due.
- F. As stated in RRH's Financial Assistance Policy, a patient may qualify for an extended interest free payment plan. The payment plan shall consider the patient's income and the amount owed.
- G. If a Guarantor disagrees with the account balance, the Guarantor may request the account balance be researched and verified prior to account assignment to a collection agency.
- H. Accounts at a collection agency may be recalled and returned to RRH at the discretion of RRH and/or according to state or federal laws and regulations. RRH may choose to work the accounts to resolution with the Guarantor or a third party as needed, or place the accounts with another collection agency.
- I. Additional processes are set forth in the RRH Financial Assistance Program policy.

- J. Nothing herein shall preclude RRH from pursuing reimbursement from third-party liability settlements, tortfeasors, or other legally responsible parties.
- K. This policy, along with RRH's Financial Assistance Program policy and business office policies set forth under whose authority patient debt can be advanced for collection.
- L. RRH shall not report adverse information to a consumer credit reporting agency or commence civil action against the patient for non-payment before 180 days after initial billing.

### **Prior to Assignment of Debt to a Collection Agency**

RRH shall send the patient a notice with all the following information:

- (a) The date or dates of service of the bill that is being assigned to collections or sold.
- (b) The name of the entity the bill is being assigned to or sold to.
- (c) A statement informing the patient how to obtain an itemized hospital bill from the hospital.
- (d) The name and plan type of the health coverage for the patient on record with the hospital at the time of services or a statement that the hospital does not have that information.
- (e) An application for the hospital Financial Assistance Program.
- (f) The date or dates the patient was originally sent a notice about applying for financial assistance, the date or dates the patient was sent a financial assistance application, and, if applicable, the date a decision on the application was made.

RRH is also required to provide a plain language summary of the patient's rights pursuant to Health & Safety Code 127425, the Rosenthal Fair Debt Collection Practices Act (Title 1.6C (commencing with Section 1788) of Part 4 of Division 3 of the Civil Code), and the federal Fair Debt Collection Practices Act (Subchapter V (commencing with Section 1692) of Chapter 41 of Title 15 of the United States Code). The summary shall include a statement that the Federal Trade Commission enforces the federal act. Accordingly, the following plain language summary shall be sufficient:

“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).”  
Nonprofit credit counseling services may be available in the area.

This notice shall also accompany any document indicating that the commencement of collection activities may occur.

If a hospital assigns or sells the debt to another entity, the above notification obligations shall apply to the entity, including a collection agency, engaged in the debt collection activity.

### **Prohibition on Extraordinary Collection Action**

RRH and collection agencies shall not employ Extraordinary Collection Action to attempt to collect from a patient.

### **Collection Agencies**

A patient account shall not be placed with any outside collection agency any sooner than 180 days after the first post-discharge/post-services billing statement.

A patient account shall not be placed with any outside collection agency unless RRH has determined that the patient is not eligible for financial assistance or the patient has not responded to attempts to bill or offer financial assistance for 180 days.

If a patient is attempting to qualify for eligibility under the RRH Financial Assistance Program and is attempting in good faith to settle an outstanding bill with the hospital by negotiating a reasonable payment plan or by making regular partial payments or a reasonable amount, RRH shall not send the unpaid bill to any collection agency, debt buyer, or other assignee, unless that entity has agreed to comply with the requirements of this policy and all applicable regulations.

All contracts with outside collection agencies (i.e. debt buyers) shall stipulate that:

- (a) the collection agency shall follow the provisions of this policy and all applicable laws;
- (b) the collection agency shall not report adverse information to a consumer credit reporting agency or commence civil action against the patient for nonpayment at any time prior to 180 days after initial billing;
- (c) in dealing with patients under the hospital's Financial Assistance program, the collection agency shall not use wage garnishments or place liens on primary residences except as specified under Section 127475 (h)(2);
- (d) adhere to all requirements under California Health & Safety Code Section 127400 et seq.;
- (e) the collection agency shall utilize a "reasonable payment plan" of monthly payments that are not more than 10% of a patient's family income for a month, excluding deductions for essential living expenses (as defined by law);
- (f) the collection agency shall agree to return the debt, and the hospital shall agree to accept the debt, for any account in which the balance has been determined to be incorrect due to the availability of a third-party payer, including a health plan or government health coverage program, or the patient is eligible for charity care or discounted financial assistance.
- (g) the collection agency shall not resell or otherwise transfer the patient debt, except to RRH or a tax-exempt organization (as defined in Section 127444 of California Health & Safety Code), or in the event the collection agency is sold or merged with another entity;
- (h) agrees to not charge interest or fees;
- (i) is licensed as a debt collector for the Department of Financial Protection and Innovation.

RRH shall not knowingly assign an account to a collection agency if the patient has a pending application for any County, State, or Federal health assistance program, or with the RRH Financial Assistance Program. The patient must be attempting in good faith to qualify for such programs, otherwise, the debt may be advanced through the collections process. The patient must pursue the application process as soon as possible and must remain in contact with RRH. Patients and Guarantors are required to promptly inform RRH of changes in their financial information, billing address, and contact information.

### **Refunds**

In the event a patient has made an overpayment, RRH shall reimburse the patient for the amount overcharged, plus interest (as set forth by law.) Such refund shall be made within 30 days.

### **Dispute**

In the event of a dispute over any billing or collection procedures, the patient should contact RRH's billing department. An unresolved issued can be elevated to the Revenue Cycle Director, then to the CFO, and then to the CEO.

If the patient has a "pending appeal" (as defined by law), the timeframes described herein may be extended until a final determination of that appeal is made if the patient makes a reasonable effort to communicate with the hospital about the progress of any pending appeals.

### **Questions**

For assistance or questions regarding discounts, charity care or other financial obligations, patient/guarantors should contact RRH's billing department.

### **Requirements**

This policy shall be submitted to the California Department of Health Care Access and Information in accordance with regulations. It shall be submitted every other year, or whenever a significant change is made.

### **Related Documents / Procedures**

RRH Financial Assistance Policy  
RRH Business Office policies

### **References**

California Health & Safety Code 127425 (Hospital Fair Pricing Law)  
California Civil Code 1788 et seq. (Rosenthal Fair Debt Collections Act)  
Internal Revenue Code Section 501(r)  
42 CFR 440.255