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# Financial Assistance Program Policy

## I. PURPOSE:

The purpose of this policy is to maintain compliance with the California Hospital Fair Pricing Act (Health and Safety Codes: 127400-147446 and the Hospital Fair Billing Program Title 22: 96051-96051.37). It outlines procedures for:

- Providing charity care (free care) and discounted payments to financially qualified patients
- Ensuring accessible, equitable, and timely financial assistance
- Meeting all notice, documentation, eligibility, and debt-collection requirements

## II. DEFINITIONS:

- A. **Charity Care**: free care
- B. **Discount Payment**: Any charge for care that is reduced but not free.
- C. **Federal Poverty Level (FPL)**: The poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services (published at <http://aspe.hhs.gov/poverty>).
- D. **Financially Qualified Patient**: A patient who is both of the following:
- A patient who is a self-pay patient or a patient with high medical costs
  - A patient who has a family income that does not exceed 400 percent of the federal poverty level
- E. **Guarantor**: The person with financial responsibility for the patient's health care services, usually the patient, parent, or legal guardian.



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**F. High Medical Costs :**

- Annual out-of-pocket costs incurred by the patient at the hospital, which exceed the lesser of 10 percent of the patient's current family income or family income in the prior 12 months.
- Annual out-of-pocket expenses that exceed 10 percent of the patient's family income, if the patient provides documentation of the patient's medical expenses paid by the patient or the patient's family in the prior 12 months.

**G. 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 <https://hcai.ca.gov/affordability/hospital-fair-billing-program/hospital-bill-complaint-program/> for more information and to file a complaint.

**H. Out-of-Pocket Costs:** Any expenses for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays or Medi-Cal cost sharing”.

**I. Patient's Family:** The following shall be applied to all cases subject to the TKRH FAP:

- For patients 18 years of age and older, spouse, domestic partner, as defined in Section 297 of the California Family Code, and dependent children under 21 years of age or any age if disabled, consistent with Section 1614(a) of Part A of Title XVI of the Social Security Act, whether living at home or not.
- For patients under 18 years of age, or for a dependent child 18 to 20 years of age, inclusive, parent, caretaker relatives, and parent's or caretaker relatives' other dependent children under 21 years of age, or any age if disabled, consistent with Section 1614(a) of Part A of Title XVI of the Social Security Act.



J. **Reasonable Payment Plan:** Monthly payments that are not more than 10% of a patient's monthly family income after essential living expenses (i.e. rent or house payment and maintenance, food and household supplies, utilities, telephone, clothing, medical and dental payments, insurance, school or child care or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning).

K. **Self-pay Patient:** A patient who does not have third-party coverage from a health insurer, health care service plan, Medicare, or Medicaid, and whose injury is not compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital. Self-pay patients may include charity care patients.

### III. POLICY:

This policy pertains to financial assistance provided by patients at Totally Kids Rehabilitation Hospital (TKRH). TKRH shall provide Charity Care and Discount Payment for eligible patients who have been approved for the program. Under this policy, Financial Assistance may be provided to patients who are uninsured or under insured and cannot afford to pay for their own medical care for out-of-pocket expenses.

This policy does not apply to professional services provided to TKRH's patients by physicians or other medical providers including but not limited to Radiology, Pathology and other physician services provided to the patient within the Hospital.

Totally Kids Rehabilitation Hospital (TKRH) will

- Provide charity care and discounted payments to financially qualified patients without discrimination
- Evaluate eligibility at any time
- Not require patients to apply for Medicare/Medi-Cal before screening for financial assistance
  - Require the patient to participate in a screening for Medi-Cal eligibility when screening eligibility for discount payment.



- Not consider monetary assets when determining eligibility for charity care or discount payment
- Provide accessible documents in required formats per Title 22 §96051.1

## IV. PATIENT NOTIFICATION AND GENERAL INFORMATION

Information about financial assistance available from TKRH will be disseminated through various means, including TKRH website, the publication of notices in patient bills, distributed during the admission process, and posting notices in the hospital. Notices shall be located within the hospital in patient admission areas visible to the public, including but not limited to patient intake areas (i.e., Administration, Case Management) and Patient Financial Services Department indicating how to obtain information and financial assistance. All such notification shall be provided in English and Spanish. Patients are entitled to a translator, and one will be provided if needed.

The notices will inform patient families they may be eligible for public insurance programs including but not limited to government sponsored programs and the California Health Benefit Exchange (Covered California). TKRH shares its Financial Assistance Policy with the appropriate community health agencies and organizations that assist families. Upon request, TKRH will provide patients with a referral to local consumer assistance agencies housed within community legal services offices. These agencies include organizations participating in the Health Consumer Alliance (HCA), which can be reached at 888-804-3536 or go to <https://healthconsumer.org/> for more information.

TKRH recognizes that the financial status of patients may change over time. TKRH personnel will actively assist families with screening for eligibility for any program with the assistance of patients and their guarantors. TKRH will refer a patient or patient's family to alternative programs (i.e., Medi-Cal, California Children's Services (CCS), or any other government-sponsored health program for health benefits in which the hospital participates).



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Patients should complete the Financial Assistance Application as soon as they become aware they may need financial assistance. The application form may be completed prior to service, during a patient stay, or after services are completed and the patient has been discharged. Financial Assistance applications are accepted at any point where the patient makes a request, or when the hospital or its agents identify an individual patient's potential need.

Shared Responsibility for Hospital Care: Patients share responsibility for their hospital care. This includes ensuring that arrangements for settling the patient account have been completed. Cooperation and communication with TKRH personnel before, during and after services is essential.

Bills mailed directly to the patient will include a notice explaining the availability of financial assistance to patients who are uninsured or have high medical costs based on a determination of eligibility in accordance with this policy. A contact and phone number for patients/guarantors to call to obtain more information about financial assistance will be included.

## **V. APPLICATION PROCESS**

To apply for Financial Assistance please go to our website <https://totallykids.com/>. The Financial Assistance Application can be found under "Help Paying Your Bill." Paper copies will be made available to the public upon reasonable request at no additional cost. TKRH will respond to such requests in a timely manner.

Upon the request of a patient or patient guarantor for financial assistance, the patient must complete the Financial Assistance Application and provide supporting documentation. The Financial Assistance Application may be completed by signing and returning the application to TKRH Patient Financial Services Department, 1720 Mountain View Avenue, Loma Linda, CA 92354 or in person. Patient Financial Services can be reached via phone at (909) 796-6915.



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A patient's eligibility for financial assistance shall be determined at any time TKRH is in receipt of the patient's financial information. TKRH shall not impose time limits for applying for charity care or discounted payments, nor deny eligibility based on the timing of a patient's application.

When screening for eligibility for Discounted Payment, TKRH may require the patient/guarantor to participate in a screening for Medi-Cal eligibility. TKRH shall not require the patient to apply for Medicare, Medi-Cal, or other coverage before the patient is screened for, or provided, Discounted Payment.

TKRH may request:

- Recent pay stubs (within a 6-month period before or after the patient is first billed or when the application is submitted)
- Recent tax return (patient's income for the year in which the patient was first billed or 12 months prior to when the patient was first billed)

Information obtained from income tax returns, pay stubs, or other documentation submitted by a patient or guarantor for purposes of determining eligibility for Charity Care or Discount Payment shall be used solely for financial assistance eligibility for determinations and shall not be used for collection activities.

If the Financial Assistance Application is completed after collection efforts are in process, TKRH will suspend collection efforts until determination is made. Once determination of eligibility is completed, and the Guarantor is not approved for financial assistance, collection efforts will resume. If the patient/guarantor is approved for financial assistance, collection efforts will stop.

Upon review of the application, if information is missing, the patient/Guarantor will be notified via phone and mail, and the applicant will have 15 days to provide the needed information or collection efforts will continue.



TKRH may not deny assistance for failure to provide information not described in policy or Financial Assistance Application.

Financial Assistance eligibility will remain valid for services rendered within a 180-day period from the date of determination.

## VI. FINANCIAL ASSISTANCE DETERMINATION

### A. Income-Based Eligibility Criteria

Patients qualify for financial assistance if family income is:

| Income Level                   | Program                       | Patient/Guarantor Responsibility |
|--------------------------------|-------------------------------|----------------------------------|
| 0-200% Federal Poverty Level   | Charity Care (100% free care) | No patient responsibility        |
| 201-350% Federal Poverty Level | Discount Payment              | Sliding Scale Discount (40-80%)  |
| 351-400% Federal Poverty Level | Discount Payment              | 20% discount                     |

### B. Charity Care

TKRH will provide charity care to uninsured applicants whose qualifying income is at 200% or less of the unit value(s) established by the Department of Health and Human Services (HHS) Poverty Guidelines.

Eligibility for charity care will be considered for those individuals who provide documentation of ineligibility for government sponsored programs including Medi-Cal, Healthy Families, California Children's Services or Medicare. Documentation of ineligibility is ordinarily obtained through applying for and being denied coverage under a government sponsored program.



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Eligibility for charity care will be considered for those individuals who are uninsured, ineligible for any government health care benefit program, a patient whose injury is not a compensating injury for purposes of workers' compensation automobile insurance, or other insurance as determined and documented by the hospital, and/or are unable to pay for their care based upon a determination of financial need in accordance with this policy.

A patient may qualify for charitable care prior to admission, after admission, after discharge, or during the course of the financial assistance process.

The granting of charity care shall be based on an individualized determination of financial need and shall not take into account, age, gender, race, socio-economic or immigrant status, sexual orientation, or religious affiliation. Factors for determining financial need may include but are not limited to family income, family size, scope and extent of patient's medical bills, and employment status.

Financial obligations not eligible for consideration for charity care are co-pays, indemnity balances, or share of cost.

All Charity Care allowances require the approval of the Vice President of Finance/Managed Care.

C. Presumptive Charity

Presumptive charity may be considered when all other avenues of payment have been exhausted. Examples of presumptive charity cases may include families that have met the income guidelines, and they are currently receiving public housing, WIC program, and/or government family assistance. Presumptive charity may also be considered on a case-by-case basis due to a change in financial status, hardship or other circumstances demonstrating the guarantor has no ability to pay. Amounts given for consideration may be partial or full financial assistance as defined by patient/guarantor's ability to pay and income.



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D. Discount Payment Options

In addition to charitable care, TKRH has established additional discount payment options based upon the financial eligibility of the individual requesting assistance. Patients who qualify for multiple discounts under this policy will be granted a single discount amount resulting in the largest discount to the patient. Discount payment options include uninsured discount, high medical cost discount, and prompt pay discount. Discount payment options will also be considered for those individuals who receive discounted rates through their insurance or health coverage program. When determining high medical costs, out-of-pocket expenses means any expenses for medical care that are not reimbursed by insurance or a health coverage program, such as deductibles, coinsurance, copayments, or cost sharing, including Medicare copays or Medi-Cal cost sharing.

E. Discount Payments For Financially Qualified Patients:

TKRH will provide a discount for uninsured patients and patients with high medical costs whose family income does not exceed 400% of the federal poverty level. High medical costs are defined as annual out-of-pocket costs incurred by the patient at the hospital, that exceed the lesser of 10 percent of the patient's current family income or family income in the prior 12 months, annual out-of-pocket expenses that exceed 10 percent of the patient's family income, if the patient provides documentation of the patient's medical expenses paid by the patient or the patient's family in the prior 12 months.

Eligible patients' obligations will be reduced to no more than the applicable Medi-cal rates in effect at the date of services. Where Medi-cal rates cannot be determined, eligible patients will receive a 75% discount on charges.



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The granting of any Discount Payment Option shall be based on an individualized determination of financial need and shall not take into account, age, gender, race, socio-economic or immigrant status, sexual orientation, or religious affiliation. Factors for determining financial need may include but are not limited to family income, family size, scope and extent of patient's medical bills, and employment status.

Patients receiving a partial discount may be eligible for interest free patient payment plans as described in this policy.

F. Prompt Pay Discount

TKRH will extend a 25% prompt pay discount to those self-pay patients who wish to pay their entire outstanding balance immediately.

Financial obligations not eligible for consideration for prompt pay discounts are co-pays, indemnity balances, or shares of cost.

G. Patient Payment Plans

Upon request, TKRH will negotiate an interest-free payment plan within the following guidelines. Payment plans for incomes at or below 400% of the Federal Poverty Guidelines:

- TKRH will make every attempt to negotiate a reasonable payment plan. In the event one cannot be agreed upon, the monthly payment amount will not exceed 10% of the patient's family available income less essential living expenses.
- Essential living expenses means expenses for any of the following:
  - Rent or house payment and maintenance
  - Food and household supplies
  - Utilities and telephone
  - Clothing
  - Medical and dental payments
  - Insurance
  - School or child care
  - Child or spousal support



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- Transportation and auto expenses including insurance, gas and repairs, installment payments
    - Laundry and cleaning
    - Other extraordinary expenses
  - Health Saving accounts held by patient or patient family may be considered when negotiating payment plans
  - TKRH may also require a patient/guarantor to pay the hospital any amount sent directly to the patient by third party payors, including from legal settlement, judgement, or awards
  - In instance where patient families qualify for high medical cost discounts, payment plans may be negotiated under the terms specified in this policy.

## VII. APPROVAL AUTHORITY

The VP of Finance/Chief Financial Officer or designee will review all applications to determine eligibility for discount payment options based upon current gross monthly income, family size and/or extent of patient's medical bills as provided on the Financial Assistance application including supporting documentation. Reasonable efforts will be made to verify financial data. All financial information provided will be considered confidential and staff will respect each circumstance with dignity.

Any patient account recommended for financial assistance, after meeting the guidelines set forth in this policy, requires the following approval signature:

- 0-\$9,999 Vice President of Finance/Managed Care
- \$10,000 or greater President/Owner



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Written notification of determination of eligibility or ineligibility for financial assistance will be forwarded to the applicant by the Business Service Coordinator or designee within 30 days of receipt of the Financial Assistance Application and requested financial documentation.

## **VIII. ELIGIBILITY DISPUTE RESOLUTION**

If a dispute arises regarding Financial Assistance Program qualification, the patient/guarantor may file a written appeal for reconsideration with TKRH. The written appeal should contain a complete explanation of the patient's/guarantor's dispute and reason for the request for reconsideration. Additional relevant documentation to support the patient's claim should be attached to the written appeal.

The Vice President of Finance/Chief Financial Officer will review all appeals and will consider all written statements of dispute and any attached documentation. Upon completion of the review, patients will receive a written explanation of findings and the determination. All determinations by the Vice President of Finance/Chief Financial Officer shall be final. There are no further appeals.

## **IX. DEBT COLLECTION GUIDELINES**

### **A. Billing and Financial Assistance Timeline Requirements**

TKRH will issue the first billing statement within 30 days of discharge or service if patient is private pay or 30 days of receipt of denial of payment of claim from patient's insurance provider.

Financial Assistance screening begins before the first bill is sent and continues throughout the 180-day billing period.

TKRH must make multiple documented attempts to contact the patient regarding financial assistance eligibility.

TKRH will provide at least one written notice containing the Plain-Language Summary of the Financial Assistance Policy.



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TKRH must provide at least one telephone attempt to notify the patient about financial assistance

TKRH must provide a final notice sent no earlier than 90 days after the initial bill, stating:

- The account may be sent to collections
- How to apply for financial assistance
- Deadline to submit an application
- Contact information for consumer assistance agencies, including the Health Consumer Alliance

B. Authority for Collection Activities

The Vice President of Finance/Chief Financial Officer, or designee, is responsible for authorizing the referral of patient accounts for collection activities. No patient account shall be advanced to an external collection agency unless all requirements of this policy and applicable California law have been satisfied and approval has been granted by the Vice President of Finance/Chief Financial Officer or designee.

C. Requirements Before Referring Debt to Collections

TKRH may not refer an account to collections until all the following occurred:

- At least 180 days have passed since the initial bill
- TKRH has provided all required notices, including the Plain-Language Summary and Final Notice
- The patient has been screened for financial assistance
- Any pending financial assistance application has been fully processed
- TKRH has made reasonable efforts to determine Medi-Cal or other coverage eligibility



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D. Collection Agency Requirements

All external collection agencies must:

- Follow the hospital's written standards and practices
- Offer reasonable payment plans based on income
- Pause all collection activities if a financial assistance application is submitted at any time
- Return the account to the hospital if
  - Insurance coverage is identified
  - The patient is later found eligible for financial assistance
- Not charging interest or fees on the debt

E. Prohibited Collection Actions

TKRH will not:

- Report adverse information related to patient medical debt to any consumer credit reporting agency, credit bureau, or credit organization.
- Place liens on any real property
- Sell patient debt unless compliant with statutory protections
- Garnish wages except as allowed by law
- Pursue legal action without first screening for financial assistance

This requirement does not preclude a hospital, collection agency, debt buyer, other assignee from pursuing reimbursement and any enforcement remedy or remedies from third-party liability settlements, legal wrongdoers, or other legally responsible parties.



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F. Sale of Patient Debt

TKRH may not sell patient debt to a debt buyer, unless all the following apply:

- The patient is confirmed ineligible for financial assistance or has not responded for 180 days
- The debt buyer agrees to:
  - Return accounts if the patient is later found eligible for financial assistance
  - Not reselling the debt except to limited entities
  - Not charging interest or fees
  - Pause collections if a financial assistance application is submitted
- The debt buyer is licensed by Department of Financial Protection and Innovation

G. Documentation and Recordkeeping

TKRH will maintain (Retention period of 7 years):

- Copies of all notices sent
- Dates of all billing statements
- Records of all phone call attempts
- Documentation of financial assistance screening
- Records of all collection agency communication

The Business Office, in accordance with regulatory guidelines, will maintain all documentation.



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## X. CHARITY CARE/DISCOUNT PAYMENT REPORTING

TKRH will provide HCAI with a copy of this policy. This policy contains all eligibility and patient qualification procedures, unified application for charity care and discounted payment, and the review process. The policy and Financial Assistance Application will be uploaded to HCAI every two years or whenever a significant change is made. Significant changes must be submitted with marked-up and clean versions.

TKRH will appoint an authorized primary and secondary contact to receive compliance and informational communications from HCAI. The designated contacts will register with HCAI. Any changes to the designated contacts will be communicated to HCAI within ten (10) business days.

TKRH will appoint an authorized primary and secondary contact to review and respond to patient complaints within HCAI portal. The two designated contacts will register with HCAI. Any changes to the designated contacts will be communicated to HCAI within ten (10) business days.

TKRH must respond to HCAI inquiries within 30 days and provide revised policies if required.

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***Regulatory References:*** Health and Safety Codes §127400 to 127446; AFL 21-54 Health Care Debt and Fair Billing Policies-2021.12.23; Title 22: 96051-96051.37

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| <b>Origination Date:</b><br>11/03/2011                                                                                                | <b>Effective Date:</b><br>07/16/2026 | <b>Policy Number:</b><br>6700H |
| <b>Review/Revision:</b><br>01/14/2016, 11/15/2018, 11/11/2021, 11/10/2022, 03/09/2023, 03/07/2024, 05/08/2025, 01/15/2026, 07/16/2026 |                                      |                                |

### APPROVAL

RFTC Approval Date: 07/07/2026

Governing Board Approval Date: 07/16/2026