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Owner John Fankhauser, MD: Chief Executive Officer, VCMC & SPH
Policy Area Administrative - Fiscal

110.032 Discount Payment Policy

PURPOSE:

Ventura County Medical Center (VCMC)/Santa Paula Hospital (SPH) and hospital campus clinics strive to provide compassionate, quality patient care for the community we serve. This policy demonstrates VCMC and SPH's commitment to our mission and vision by helping meet the needs of low income and uninsured patients in our community.

POLICY:

Ventura County Medical Center (VCMC)/Santa Paula Hospital (SPH) and hospital campus clinics shall offer a Discount Payment Program for hospital, ambulatory care, urgent care and emergency room services.

PROCEDURE:

Eligibility for Participation in Discount Payment Program

Self-Pay Patients

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

Insured and Underinsured Patients

A patient who has third party coverage or whose injury is a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by hospital and/or hospital clinic staff may qualify for the Discount Payment Program (for co-pays and deductibles)

if all of the following conditions are met:

- The patient does not receive a discount rate from the hospital because of his or her third party coverage.
- The patient has annual out-of-pocket costs incurred by the patient at the hospital or clinic that exceed the lesser of ten percent (10%) of the patient's current family income or family income in the prior twelve (12) months, or annual out-of-pocket medical expenses that exceed 10 percent (10%) of the patient's family income, if the patient provides documentation of the medical expenses paid by the patient or the patient's family in the prior twelve (12) months.

Hospital and hospital clinic staff shall make reasonable efforts to obtain from the patient, or his or her representative, information about whether private or public health insurance, including eligibility for the California Health Benefit Exchange, may fully or partially cover the charges for care. If the patient does not have proof of third party coverage, hospital staff shall provide the patient with application forms and other information explaining how the patient may be eligible for specified health coverage programs, including, but not limited to, Medi-Cal, California Children's Services, the California Health Benefit Exchange, or other government funded health care programs. The fact that a patient is applying for any of the above described health care coverage, shall not preclude such patient from qualifying for the Discount Payment Program.

Cash Pay Patients

A patient who elects not to complete the Discount Payment Program application shall be eligible for the Discount Payment Program Cash-Pay Patient rate of fifty percent (50%) of billed charges.

Definition of Patient's Family & Determination of Family Income

The "patient's family" means the following:

1. For persons eighteen (18) years of age and older, a spouse, domestic partner and dependent children under twenty-one (21) years of age, whether living at home or not;
2. For persons under eighteen (18) years of age, a parent, caretaker relatives and other children under twenty one (21) years of age of the parent or caretaker relative.

Documentation of family income shall be limited to recent pay stubs or tax returns. The patient's assets or the assets of the patient's family may not be considered when calculating family income.

The measure of the Federal Poverty Level (FPL) shall be made by reference to the most up-to- date Department of Health and Human Services (HHS) poverty guidelines for the number of persons in the patient's family or household. <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

For those patients who do not qualify for charity care but qualify to participate in the Discount Payment Program, the amount of the discount is determined by the Discount Payment Rate Schedule. The expected payment for services the hospital provides (to any patient who is eligible under the Discount Payment Program) shall not exceed one hundred percent (100%) of the greatest amount of payment the hospital would receive from Medicare, Medi-Cal, or any other government sponsored health program of health benefits, in which the hospital participates (based on the current fee schedule of such payor). This will be determined on a case-by-case basis.

Emergency Physicians

The hospital's contracted Emergency Department physicians must also offer discounted payment programs. Patients shall be notified of the availability of such programs, as provided in the "Notices" section of this policy.

Extended Payment Plans

Patients who are eligible to participate in the Discount Payment Program shall be permitted to make payments of the discounted amount, over an extended period of time (not to exceed sixty (60) months), with no interest accruing or being charged. Monthly payments pursuant to any repayment plan negotiated with a patient (pursuant to the Discount Payment Program), shall not exceed ten percent (10%) of the patient's income, excluding deductions for essential living expenses.

"Essential living expenses" shall mean expenses incurred by the patient for any of the following:

- Rent or house payments (including maintenance expenses),
- Food and household supplies,
- Utilities and phone,
- Clothing,
- Medical and dental payments,
- Insurance,
- School and child care,
- Child and spousal support,
- Transportation and automobile expenses (including insurance, fuel and repairs),
- Installment payments,
- Laundry and cleaning expenses,
- Other extraordinary expenses.

Hospital staff shall request that the patient provide details supporting the essential living expenses that should be considered in determining a reasonable payment plan for the patient.

Resolution of Disputes

Any disputes regarding a patient's eligibility to participate in the Discount Payment Program, shall be directed to and resolved by the Health Care Agency Chief Financial Officer.

Notices

In order to ensure that patients are aware of the existence of the Discount Payment Program, the following actions shall be taken:

Written Notice to Patients

Each patient who is seen by VCMC, SPH, or hospital clinics, whether admitted or not, shall receive the notice attached hereto as Exhibit 1. The notice shall be provided in the English and non-English languages spoken by a substantial number of the patients served by the hospital.

In addition, the notice attached hereto as Exhibit 1, shall also be clearly and conspicuously posted in locations that are visible to patients in the following areas:

1. Emergency Department;
2. Billing Office;
3. Admissions Office;
4. Other outpatient settings;
5. Prominently displayed on the hospital's internet website with a link to the Discount Payment Policy.

Notice to Accompany Bills to Potentially Eligible Patients

Each bill that is sent to a patient, who has not provided proof of coverage by a third party at the time care is provided or upon discharge, must include a statement of charges for services rendered by VCMC and the notice attached hereto as Exhibit 2. The notice shall be provided in the English and non-English languages spoken by a substantial number of the patients served by the hospital.

Collection Activities

The Health Care Agency may use the services of an external collection agency for the collection of patient debt. No debt shall be assigned for collection until the Health Care Agency Director or his/her designee has reviewed the account, and either 1) the patient has been found to be ineligible for financial assistance, or 2) the patient has not responded to any attempts to bill or offer financial assistance for on hundred eighty (180) days. The notice attached hereto as Exhibit 3, will be provided to the patient prior to an account being assigned to an external collection agency.

The Health Care Agency shall obtain an agreement from each collection agency that it utilizes to collect patient debt that the collection agency shall comply with the requirements of Health & Safety Code, Sections 127425, 127426 and 127430, and the Discount Payment Program.

Neither the Health Care Agency, nor any collection agency utilized by the Health Care Agency, shall report adverse information to a consumer credit reporting agency or commence civil action against the patient for nonpayment at any time prior to one hundred eighty (180) days after the initial billing period if the patient lacks third party coverage or if the patient provides information that he or she may incur high medical costs. "High medical cost" is defined as: either annual out-of-pocket medical costs incurred by the patient at the hospital or clinic that exceed the lesser of ten percent (10%) of the patient's current family income or family income in the prior twelve (12) months, or annual out-of-pocket medical expenses that exceed ten percent (10%) of the patient's family income.

In addition, if a patient is attempting to qualify for eligibility under the Charity Care Program or Discount Payment Program and is attempting in good faith to settle an outstanding bill with the hospital, by negotiating a reasonable payment plan or making regular partial payments of a reasonable amount, the Health Care Agency shall not send the unpaid bill to any collection agency unless that entity has agreed to comply with Health & Safety Code Sections 127425, 127426 and 127430, and the Discount Payment Program.

Collection agencies shall comply with any payment plan entered into by a patient.

The Health Care Agency shall not, in dealing with patients eligible under the Charity Care Program or Discount Payment Program, use wage garnishments or liens on primary residences as a means of collecting unpaid hospital bills.

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Exhibit 1

Charity Care & Discounted Payment Program

Patients who lack insurance or have inadequate insurance and meet certain low and moderate income requirements, may qualify for discounted payments or charity care. Patients should contact the Ventura County Health Care Agency at **805-648-9553** or VCHCA.PatientAssistance@ventura.org to obtain further information. Emergency Department physicians, who are not employees of the hospital, must also provide a discounted payment program. Please contact **626-447-0296** for further information.

There are organizations that will help patients understand the billing and payment process. For assistance, patients may contact the Health Consumer Alliance (<https://healthconsumer.org>.)

For information and eligibility for Covered California, please visit www.coveredca.com.

For Medi-Cal eligibility, please visit www.medi-cal.ca.gov.

For a list of the hospital's shoppable services, please visit https://apps.para-hcfs.com/PTT/FinalLinks/Ventura_V3.aspx.

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Exhibit 2

Notice to Accompany Bills to Potentially Eligible Patients

Our records indicate that you do not have health insurance coverage or coverage under Medicare, Medi-Cal, or other similar government or non-government programs. If you have such coverage, please contact our office at **805-648-9553** as soon as possible, so the information can be obtained and the appropriate entity billed.

If you do not have health insurance coverage, you may be eligible for Medicare, Medi-Cal, the Ventura County Health Care Agency's Discounted Payment Program, or the Charity Care Program. For more information about how to apply for Medicare, Medi-Cal, the California Health Benefit Exchange, or other similar programs, please contact the Ventura County Health Care Agency by telephone at **805-648-9553** or via email at VCHCA.PatientAssistance@ventura.org and speak to a representative who will be able to answer questions and provide you with applications for these programs.

Emergency Department physicians, who are not employees of the hospital, must also provide a discounted payment program. Please contact **626-447-0296** for further information.

For additional assistance, patients may contact the Ventura County consumer assistance center toll free at **866-904-9362** or visit the Ventura County Human Services Agency website at www.vchsa.org.

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Exhibit 3

Notice of Commencement of Collection Activities

John Doe
123 Main Street
Ventura, CA 93001
Re: Encounter #: 2000000001
Balance: \$100.00

Dear Mr. Doe,

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 a.m. or after 9 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.

Before assigning your account to a collection agency, a newly enacted California law requires that we notify you of the following information:

The date or dates of service of this account: XX/XX/XXXX
The name of the company your account will be assigned to: California Business Bureau
How you can obtain an itemized bill from us: Please call 805-648-9553 for an itemized bill
The name and type of health care coverage on record at the time of services or a statement that the hospital does not have that information
Applications for our Charity Care and Discount Payment Policies: See attached applications
The date(s) you were originally sent a notice about applying for financial assistance: XX/XX/XXXX
The date(s) you were sent a financial assistance application: XX/XX/XXXX
The date a decision was made on the application: XX/XX/XXXX

Please contact us at (phone number/business office) if you have any questions about this letter, or about your account/bill with us.

Respectfully

VCHCA

For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-382-4357 or online at www.ftc.gov. Patients may also contact the Ventura County consumer assistance center toll free at **866-904-9362** or visit the Ventura County Human Services Agency website at www.vchsa.org.

All Revision Dates

5/3/2023, 4/14/2023, 7/30/2019, 6/6/2019, 8/1/2017

Attachments

[Discount Payment Clinic Service Schedule](#)

[Discount Payment Policy Rate Schedule](#)

[Discount Program Application \[English\]](#)

[Discount Program Application \[Spanish\]](#)

Approval Signatures

Step Description	Approver	Date
Health Care Agency Finance	Michael Taylor: Chief Financial Officer, Health Care Agency	5/15/2024
Hospital Administration	John Fankhauser, MD: Chief Executive Officer, VCMC & SPH	5/9/2024
Hospital Finance	Jill Ward: Chief Financial Officer, VCMC & SPH	4/29/2024