	Policies
BUSINESS OFFICE POLICY	**Title:** Financial Assistance **Created** 1/2007 **Revised** 10/2026 **Distribution:** Billing Offices Hospitals Corporate Finance

POLICY

Vibra hospital shall provide financial assistance to patients who either do not have health insurance or are underinsured, and may not be able to pay in full for their care based on their income, and needs. Uninsured or underinsured patients will be treated fairly and with respect during and after their treatment. Patients with high medical costs may also be eligible for a discounted rate if they meet the eligibility requirements. The hospital will provide financial counseling to all patents requiring financial assistance. This will include help in understanding and applying for local, state and federal healthcare programs such as Medicaid. All patients requiring financial assistance will be offered discounted pricing for the services provided at rates comparable to Medicare. All patients will be offered reasonable payments plans and, subject to their acceptance of the offer, will be billed at discounted rates. Whenever possible, this will occur before the services are provided or patients leave the hospital, as part of the financial counseling process. The hospital will not pursue legal action for non-payment of bills against any patient who is unemployed and without other significant income or assets.

PURPOSE

The purpose of this policy is to define the eligibility criteria for financial assistance services and to provide administrative and accounting guidelines for the identification, classification and reporting of patient accounts as Charity Care.

Self-Pay Patients: A self-pay patient means 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 a 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.

Charity Care for Self-Pay Patients: A self-pay patient is eligible for Charity Care (free care) based upon meeting the eligibility criteria established by the hospital. Financial eligibility criteria is derived from the published US Department of Health and Human Services Annual Update of the HHS Poverty Guidelines, also referred to as the Federal Poverty Level (FPL). Self-pay patients with family income that is at or 200% of the FPL, qualify for free care.

Discount Payment Plan for Patients with High Medical Costs: An insured, uninsured and patients with high medical cost are eligible for a discount plan based on meeting the income eligibility criteria and has high medical costs. The income eligibility criterion is determined by discount payment eligibility. High medical costs are defined as annual out-of-pocket costs incurred by the patient at the hospital that exceed the lesser of: (1) 10 percent of the patient's current family income, or (2) 10 percent of the patient's family income in the prior 12 months. Patients with family income at or below 400% of the FLP, and who have high medical cost, qualify for discount payment.

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Patient's Family: Under California Health & Safety Code § 127400(h)

(1) For persons 18 years of age and older, spouse, domestic partner, as defined in Section 297 of the 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.

(2) For persons 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.

PROCEDURE

Eligibility Criteria:

Charity Care and Discount Payment Plans Application (See Attachment A)

a. A low income self-pay patient or a low income insured patient with high medical costs who indicates the financial inability to pay a bill for a medically necessary service shall be evaluated for financial assistance.
b. The Financial Assistance Application (Attachment A) will be used to document each patient's overall financial situation.
    i. Recent pay stubs or income tax return for the purpose of determining eligibility.
    ii. Income consistent with the application of the federal poverty level for discounted payment and Eligibility for financial assistance is based solely on income and family size. Monetary assets shall not be considered when determining eligibility.
    iii. For charity care, the patient will need to apply for Medicaid eligibility and must be turned down for reasons other than not following through with the application process. This does not apply to discounted payment.
c. The hospital and patient shall negotiate the terms of the payment plan and take into consideration the patient's family income and essential living expenses.
d. Once a determination has been made, a notification form will be sent to each applicant advising them of the facility's decision and the reason for the denial if denied.
e. If the hospital and patient cannot agree on the payment plan, the hospital shall create a reasonable payment plan, where monthly payments are not more than 10% of the patient's monthly family income, excluding deductions for essential living expenses.

f. A patient may request an appeal of a denial of eligibility. These requests are directed to the CFO of the hospital. The CFO will review the information submitted and/or request additional allowable documents to be submitted by the patient. A written decision regarding the appeal is provided by the CFO to the patient within 72 hours of the receipt of the request.
g. A patient's employment status may be taken into consideration when evaluating Charity Care status as well as potential payments from pending litigation, and third party liens related to the incident of care.
h. Interest free extended payment plans are also offered by the hospital to assist patients with payment and are subject to negotiation with the patient.
i. A deposit may be required from self-pay patients prior to determination that a patient qualifies for Charity Care or discounted payment. The hospital will refund to the patient any amount collected from a financially qualified patient in excess of the amount due under the hospital's Charity Care or discounted payment policy.
j. If the hospital bills a patient who has not provided proof of third party coverage, the hospital shall provide the patient with a notice of the following:
    1. A statement of charges
    2. A request to inform the hospital of coverage
    3. Notice of eligibility requirements for Medicaid etc.
    4. Instructions on how to obtain applications for Medicaid, and other governmental programs; and will be given copies of above mentioned applications
    5. A copy of the Patient Financial Assessment Application (Attachment A), the Sliding Scale Discount chart (Attachment B), and the Review Process and Eligibility notice.

Charity Care and discount benefits

a. Less than or equal to 200% of the Federal Poverty Guideline and applied for Charity care, we will write off the amount due. Partial discount eligibility is determined per the Sliding Scale Discount (Attachment B) which is based on the Federal Poverty Guidelines. However, the total payment to the hospital is based on the lesser of either the hospital's sliding scale discount or the amount the federal healthcare programs (Medicare/Medicaid) would pay for the services delivered by the hospital. The hospital is limited to collecting no more than the maximum allowable reimbursement from a federal plan for services received by a financially qualified patient. Current Federal Poverty Level Guidelines are as follows:

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	PERCENTAGE DISCOUNT	CATEGORY
Less than or equal to 200 percent	100 percent	Full Charity Care
201-300 percent	75 percent	Financial Assistance
301-400 percent	50 percent	Financial Assistance

b. Out-of-pocket payment to the hospital is discounted to the difference between the amount of payment available from the third party payor and the maximum rate allowable by a federal healthcare plan.

The hospital shall reimburse for any amount actually paid in excess of the amount due, including interest based upon rates set in Section 685.010 of the Code of Civil Procedures. The hospital is not required to reimburse amounts less than $5.00. The hospital shall reimburse any amount over $5.00 paid in excess of the amount due under the Hospital Fair Pricing Act including interest

Notice Prior to Commencing Collection Activities:

Every initial statement of charges mailed to patients will include the following plain language summary of the patient's rights pursuant to AB 774, the Rosenthal Fair Debt Collection Practices Act, and the federal Fair Debt Collection Practices Act. *"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 8:00am or after 9:00pm. 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 877-FTC-HELP.

Collection Agency

a. The hospital will have a written agreement in place for all outside agencies that requires the agency to abide by the hospital's standards for collection activities as defined in this policy. The hospital shall obtain a written agreement from each collection agency that collects hospital receivables that it will adhere to the hospital's standards and scopes of practice.
b. If a patient is attempting to qualify for eligibility under the hospital's Charity Care or discount payment policy 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 of a reasonable amount, the hospital shall not send the unpaid bill to the collection agency.
c. If the patient fails to make all consecutive payments due during a 90-day period, the HCAI payment plan may be declared no longer operative. However, all reasonable attempts must be made to contact the patient by phone and, to give notice in writing, that the extended payment plan may become inoperative, and of the opportunity to renegotiate the payment plan.
d. If a collection agency identifies a patient meeting HCAI Charity Care eligibility criteria, their patient account may be considered Charity Care, even if it was originally classified as a bad debt. Collection agency patient accounts meeting Charity Care criteria will be returned to the hospital billing office and reviewed for Charity Care eligibility. The collection agency will not, within 180 days of initial billing, commence a civil action against a patient who lacks coverage or provides information that he or she may be a patient with high medical costs. The collection agency will not use wage garnishments or liens on all real properties to collect an unpaid hospital bill with respect to patients who are eligible under the hospitals Charity Care or discount payment policies.

e. The hospital may refer an unpaid account to a collection agency only after the patient has been given the notices and opportunities required by applicable law, including the requirements of 22 CCR 96051.6(a)(3). The account will not be advanced while the patient is actively pursuing financial assistance or making a reasonable payment arrangement in good faith.

f. The Vice President of the Business Office will determine when an account may be advanced to debt collections, consistent with 22 CCR 96051.6(a)(3) and this policy.

Time Requirements for Determination:

a. Eligibility is determined within one (1) week after all requested documentation is provided to the Billing Office by the applicant.

b. *Definition of Income:*Annual family earnings and cash benefits from all sources before taxes, less payments made for alimony and child support. Proof of earnings may be determined by annualizing year-to-date family income, giving consideration for current earning rates.

c. *Application of Policy:* This policy does not create an obligation to pay for any charges or services not included in the bill at the time of service. This policy does not apply to services provided within the hospital by physicians or other Medicaid providers.

d. *Public Notice and Posting:* Public notice of the availability of assistance through this policy will be visible in locations where there is a high volume of inpatient or outpatient admitting/registration, such as admitting, registration, billing offices and outpatient services settings. Posted notices shall be in the primary language of the service area and in a manner consistent with all applicable federal and state laws and regulations. Posted notices shall contain a statement indicating that the hospital has a financial assistance policy for low-income uninsured patients who may not be able to pay their bill and that this policy provides for full or partial Charity Care write-off. A contact phone number is included for the patient to call to obtain more information about the policy and how to apply for assistance in the posted notice.

e. *Written Notice to Patients:* Patients will be provided written information about the availability of the hospitals discount payment and Charity Care policy, including information about eligibility and contact information to obtain further information regarding the policy. This notice will be included in the admission paperwork for both the hospital and outpatient admissions.

ATTACHMENT A
PATIENT FINANCIAL ASSESSMENT STATEMENT

Note: If you are applying for a discounted payment, the only required documentation is a recent paycheck stubs or income tax. For those applying for discounted payment, you may receive less financial assistance than what may be available under the charity care program.

RESPONSIBLE PARTY NAME: LAST		FIRST	MIDDLE
PATIENT NAME IF OTHER THAN RESPONSIBLE PARTY			HOSPITAL ACCOUNT # (S):
SPOUSE			NUMBER OF DEPENDENTS
STREET ADDRESS			HOME PHONE ( )
CITY, STATE & ZIP			WORK PHONE ( )
OCCUPATION	EMPLOYER (IF SELF EMPLOYED, DESCRIPTION)		
SOCIAL SECURITY #	ADDRESS		
YEARS AT EMPLOYER	SALARY _____ ☐ HOURLY ☐ BIWEEKLY ☐ MONTHLY OTHER INCOME:_____ SOURCE_____		
SPOUSE			
OCCUPATION	EMPLOYER (IF SELF EMPLOYED, DESCRIPTION)		
SOCIAL SECURITY #	ADDRESS		
PHONE ( )	YEARS AT EMPLOYER	SALARY _____ ☐HOURLY ☐BIWEEKLY ☐ MONTHLY	
OTHER INCOME	SOURCE		

LIABILITIES/ MONTHLY TOTALS

Signature:

Date:

MORTGAGE/RENT PAYMENT $_____

INSURANCE PREMIUMS:
☐AUTO, ☐MEDICAL, ☐HOME $_____
OTHER: _____

UTILITIES: ☐ GAS, ☐ ELECT., ☐ WATER, ☐ PHONE
$_____

AUTO PAYMENTS $_____

FOOD $_____

OTHER LIABILITIES:

DESCRIPTION PAYMENT BALANCE

ATTACHMENT B
Charity Care and Discount Policy

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	PERCENTAGE DISCOUNT	CATEGORY
Less than or equal to 200 percent	100 percent	Full Charity Care
201-300 percent	75 percent	Financial Assistance
301-400 percent	50 percent	Financial Assistance