

TITLE: DEPOSITS -DISCOUNTS**DEPARTMENT: Business Office****PAGE 1 OF 2****SCOPE:** All Departments**POLICY:** The District will calculate and collect a deposit, deductible, or any required copay upon verification of insurance.**PROCEDURE:** Deposit Requirements:**Hospital Admissions:** Attempt to collect \$3,000 at the time of admission.**Skilled Nursing:** One month's estimated private pay portion of the bill or \$8,000. Whichever is less.**Outpatient Services and Clinic:** The lesser of \$100 or the verifiable co-payment requirement from the primary insurance payer.**Emergency Room (without verifiable proof of insurance):** \$200 cash, check, or credit card.

Whenever possible the deposit will be collected in advance at the beginning of the patient's stay. Deposits must be paid in legal tender of the United States or using an acceptable national credit card (i.e. Visa, Master Card, Discover, and American Express). Kern Valley Healthcare District reserves the right to refuse personal checks. (See check acceptance policy) Discounts for hospital services and supplies must be granted by the "Financial Counselor" as follows.

PATIENT DISCOUNTS:**AMOUNT OF DISCOUNT (NOTE: MULTIPLE DISCOUNT TYPES WILL NOT BE COMBINED)**

Charity Care and Financial Assistance: Uninsured patients and patients with high medical costs that are at or below 400 percent of the Federal Poverty Guidelines are eligible to apply. Amount of discount is based on family size and income. A patient could qualify for Charity Care which is free care if their income is at or below 100% of the federal poverty guidelines and Financial Assistance is discounted care if their income is between 101% and 400% of the Federal Poverty level

Cash Discount: Uninsured or underinsured patients that do not qualify for our other discounts and patients whose medical bills are more than 30% of their annual income. All charges paid in full at the time of service or accounts set up on a monthly payment arrangement will be based on the current Medicare rate letter.

Employee and Board Member Discount: 30% discount following payment of subject charges by member's insurance plan. The discount is only applicable to the members' liability portion of the hospital charges, and this policy excludes patient deductibles and/or co-payments.

Administrative Allowances: From time to time the CEO may grant a special one-time-only discount when warranted under special circumstances. Such discounts or allowances will only be granted upon written authorization from the CEO to the Business Office Manager and Controller.

Skilled Nursing Facility – Private Pay Accounts: The district extends a discount of the total monthly room charges on private pay accounts not paid by other insurances or payers (such as

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Medicare Part B or other alternative medical coverage). This discount is based on the current Medi-Cal room rate reimbursement for Skilled Nursing.

PROCEDURE:

It is the responsibility of the Clinic, Patient Services, Financial Counselor, and the Business Office to inform patients regarding this policy and collect appropriate fees. All discounts for care must be approved by the Financial Counselor.

1. Request patients to fill out the "Financial Statement" and request copies of the relevant income verification. (Not limited to Income Tax Returns, W-2s, recent pay stubs.) All information must be forwarded to the Financial Counselor.
2. Check the current "Financial Assistance Listing" prepared by the Financial Counselor to determine if the patient has or has not previously supplied the required information and is or is not eligible.
3. Collect the appropriate deposit of fee payment from the patient or family.
4. The District offers payment plans that allow you to pay your balance over time. The hospital shall negotiate the terms of the payment plan with the patient taking into consideration the family's income and essential living expenses. 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 family's monthly income, excluding deductions for essential living expenses.
5. Any exceptions to the financial assistance fee scale, discount policy, or dispute regarding eligibility for said discounts must be approved in writing by the District CEO and/or the Revenue Cycle Manager
6. Under all circumstances Kern Valley Healthcare District will comply with the directions of AB 774.

Attachments: Deposit and Discount Schedule

Reference: AB 774

APPROVAL		DATE	APPROVAL		DATE
Department/Division Manager		9/09/25	Interdisciplinary Team		NA
Unit Medical Director (if applicable)		NA	Governing Board		
Medical Staff Committee (if applicable)		NA	Administration		9/22/25
Reviewed By:			Reviewed By:		
Reviewed By:			Reviewed By:		

KERN VALLEY HEALTHCARE DISTRICT

DEPOSIT SCHEDULE:

Hospital Admission		\$ 3,000.00	Or the verifiable Co-pay requirement from the primary insurer.
Skilled Nursing		\$ 8,000.00	Or the verifiable Co-pay requirement from the primary insurer.
Outpatients / Clinics		\$ 100.00	Or the verifiable Co-pay requirement from the primary insurer.
Emergency Room		\$ 200.00	Or the verifiable Co-pay requirement from the primary insurer.

AVAILABLE DISCOUNTS:

Cash / Uninsured Hospital Services		Current Medicare Rates	Based on the current Medicare Rate Letter for all charges. Payment arrangements may be made based on the amount due taking into consideration family income and essential living expenses.
Cash / Uninsured Rural Health Clinic Services		Current Medicare Rates	Based on the current Medicare Rate Letter for all charges. Payment arrangements may be made based on the amount due taking into consideration family income and essential living expenses.
Charity Care and Financial Assistance		Discount based on the scale the patient was approved for	See Charity Care and Financial Assistance Policy. Payment arrangements may be made based on the amount due taking into consideration family income and essential living expenses.
Employee and Board Members		30%	Applicable to the patient's personal liability portion of the hospital's charges; not to include patient deductible and or co-pays.
Administrative Allowance			From time to time the CEO may grant a special discount when warranted by special circumstances. Such discounts or allowances will only be granted upon written authorization from the CEO/CFO to the Business Office Manager or Controller.