

Policy Name:	Uninsured and Underinsured Patient Discount
Policy Number:	UCSDHP 750.5
Authoring Department:	Admissions - Medical Center, Patient Revenue Cycle & Revenue Cycle Administration
Last Revised Date:	December 23, 2025

APPLICABILITY:

This policy is an institutional policy applicable to all parts of UC San Diego Health Sciences, which report to the Vice Chancellor of Health Sciences.

UC San Diego Health Sciences includes UC San Diego School of Medicine, Skaggs School of Pharmacy and Pharmaceutical Sciences, and UC San Diego Health.

The scope of this policy applies to any team member participating in business healthcare activities at UC San Diego Health Sciences.

PURPOSE:

UC San Diego Health is committed to consistently providing a fair discount to individuals who are uninsured, underinsured (High Cost Medical Patient), or, in some cases, insured but without insurance coverage for certain medically necessary healthcare services offered by UC San Diego Health. This discount reflects a desire by UC San Diego Health to respond to the individual financial situations of its patients, while satisfying its not-for-profit and teaching missions, and meeting its strategic, operational, and financial goals.

POLICY:

The purpose of this Policy is to define the eligibility criteria for discounts offered to patients who receive healthcare services at UC San Diego Health and who are uninsured and underinsured patients. In accordance with California Health & Safety Code §127405(d), the hospital shall provide a Discount Payment Program for all financially qualified patients with family income at or below 400% of the Federal Poverty Level (FPL). Patients in this group may not be charged more than the Expected Payment Limit, defined as the Amount Generally Billed (AGB). This discount program is mandatory and must be made available to all eligible uninsured or underinsured patients receiving medically necessary care.

PROCEDURE:

I. Uninsured Patient Discount - Guidelines:

A. Eligible Services:

1. The Uninsured Patient Discount shall automatically be applied to medically necessary hospital and qualifying physician services provided at and by UC San Diego Health physicians.

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- B. Services that are generally not considered to be medically necessary and are therefore not eligible for the Uninsured Patient Discount include but not limited to:
- i. Reproductive Endocrinology and Infertility services;
 - ii. Cosmetic or plastic surgery services;
 - iii. Vision correction services including LASEK, and intraocular contact lens; and
 - iv. Hearing aid and listening assistive devices.
- 1. In rare situations where a UC San Diego Health Physician considers one of these services to be medically necessary, such services may be eligible for the Uninsured Patient Discount upon review and approval by the Dean of Clinical Affairs or designee.
 - 2. Second opinions are not considered to be medically necessary hospital or physician services and are therefore not eligible for the Uninsured Patient Discount.
- C. Uninsured Patient Eligibility Requirements:
- 1. UC San Diego Health shall provide the Uninsured Patient Discount to those individuals who meet the definition of an Uninsured Patient as defined below and who attest to their eligibility.
 - 2. If a patient wishes to seek financial assistance greater than the current Uninsured Patient Discount, the patient is referred to the UC San Diego Health Financial Assistance/Charity Care Policy, and may complete a Financial Assistance Application pursuant to that Policy.
- D. Information To Be Provided by the Patient for Eligibility Determination:
- 1. UC San Diego Health shall determine eligibility for the Uninsured Patient Discount in accordance with this Policy.
 - 2. UC San Diego Health expects a patient to cooperate fully in the information gathering process under this Policy, and failure to do so may affect UC San Diego Health's ability to provide the Uninsured Patient Discount.

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II. **Underinsured Patient Discount (High Medical Costs) - Guidelines:**

A. Eligible Services

1. The Underinsured Patient Discount shall be applied to medically necessary hospital and qualifying physician services provided at and by UC San Diego Health physicians.

B. Services that are generally not considered to be medically necessary and are therefore not eligible for the Uninsured Patient Discount include but not limited to:

- i. Reproductive Endocrinology and Infertility services;
 - ii. Cosmetic or plastic surgery services;
 - iii. Vision correction services including LASEK, and intraocular contact lens; and
 - iv. Hearing aid and listening assistive devices.
1. In rare situations where a UC San Diego Health Physician considers one of these services to be medically necessary, such services may be eligible for the Uninsured Patient Discount upon review and approval by the Dean of Clinical Affairs or designee.
 2. Second opinions are not considered to be medically necessary hospital or physician services and are therefore not eligible for the Uninsured Patient Discount

C. **Underinsured Patient Eligibility Requirements:**

1. High Medical Cost patient with third-party coverage who are below 400% of the FPL meeting any of the following criteria: 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 twelve (12) months and/or;
2. Annual out-of-pocket expenses that exceed the lesser of 10 percent of the patient's current family income or family income in the prior twelve (12) months, 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 and; The third-party payer has paid an amount equal to or more than the maximum governmental program payment.

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3. This policy does not waive or alter any contractual provisions or rates negotiated by and between UC San Diego Health and a third-party payer and will not provide discounts to a non-contracted third party or other entities that are legally responsible for making payment on behalf of a beneficiary, covered person, or insured.
4. High Medical Cost patients need to be evaluated monthly to accurately account for medical costs for the last twelve (12) months. Their status will be valid for the current or most current service month retroactive to twelve (12) months of service.
5. For patients with third-party coverage with high medical costs, it may be necessary to wait until a payer has adjudicated the claim to determine patient financial liability.

D. Information To be Provided by the Patient for Eligibility Determination:

1. Financial Assistance for Discount Payment application is to be filled out by the patient with supporting documents:
 - i. A patient may qualify for a High Medical Cost Discount Payment for the following:
 - If their family income, verified using the most recent federal tax return is at or below 400% of the Federal Poverty Level (FPL); and
 - Their annual out of-pocket hospital or medical costs (with documentation) are more than 10% of their current or prior-year family income; and
 - Their insurance or third-party payer has already paid at least what a government program would have paid.
2. Patients who qualify for discounted care under California Health and Safety Code § 127400-127446 will not be charged more than the amount generally billed (AGB) to insured patient for the same services. Eligible patient may receive a discount of up to 100% of the patient financial responsibility, based on family income and FPL.
3. UC San Diego Health shall determine eligibility for the Underinsured Patient Discount in accordance with this Policy.

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4. UC San Diego Health expects a patient to cooperate fully in the information gathering process under this Policy, and failure to do so may affect UC San Diego Health's ability to provide the Uninsured Patient Discount.
5. If a patient does not qualify for a High Medical Costs Discount, the hospital will offer a Reasonable Payment plan, consistent with the definition and requirements outlined below in Section Definition IV.

III. **Public Notice:**

A. Public notice concerning the availability of Uninsured and Underinsured Patient Discounts under this Policy shall be by the following means:

1. Posted notices explaining that UC San Diego Health has a variety of options available including discounts and financial assistance to patients who are uninsured or underinsured.
2. Notices include a contact telephone number a patient can call to obtain more information about such discounts and financial assistance.
3. Patients will be provided a written notice with their billing statements that contains information regarding availability of discounts and financial assistance.
4. Self-pay discount information will be posted on UC San Diego Health's website.

DEFINITIONS:

- I. *Medically Necessary Service:* A medically necessary service or treatment is one that is absolutely necessary to treat or diagnose a patient and could adversely affect the patient's condition, illness or injury if it were omitted, and is not considered an elective or cosmetic surgery or treatment.
- II. Uninsured Patient:
 - A. An Uninsured Patient is defined as follows:
 1. No third-party coverage;

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2. The patient has third-party coverage, but the patient has exceeded the benefit cap for such coverage prior to admission to UC San Diego Health;
3. The patient has third-party coverage but the third-party payer has either denied coverage or does not provide coverage for the particular healthcare services for which the patient is seeking treatment from UC San Diego Health;
4. No Medi-Cal/Medicaid coverage; or patients who qualify but who do not receive coverage for all services or for the entire stay;
5. No compensable injury for purposes of government programs, workers' compensation, automobile insurance, other insurance, or third party liability as determined and document by UC San Diego Health.

III. *Uninsured Patient Discount:* Under the Uninsured Patient Discount, UC San Diego Health shall limit the expected payment by an Uninsured Patient for medically necessary hospital and physician services, to an amount determined by UC San Diego Health to be within a range between the average discount from billed charges for all commercial fee-for-service managed care payers and the least discount extended to any managed care payer.

A. The Uninsured Patient Discount amount will be reviewed on an annual basis and is subject to change at any time without notice. For current discount rate information, see Attachment A.

IV. *"High Medical Cost Patient"* - A Financially Qualified High Medical Cost, the patient is defined as follows:

- A. Not Self-Pay (has third-party coverage);
- B. Family income at or below 400% of the Federal Poverty Level (FPL);
- C. Annual out-of-pocket costs including unreimbursed expenses like Medicare or Medi-Cal cost sharing 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; or
- D. Annual out-of-pocket expenses that exceed the lesser of 10 percent of the patient's current family income or family income in the prior 12 months, 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.

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- E. If the patient does not receive a discounted rate from the hospital as a result of their third-party coverage.
- I. *“Medically Necessary Service”* - A medically necessary service or treatment is essential to treat or diagnose a patient. If omitted, it could adversely affect the patient’s condition, illness, or injury and is not considered an elective or cosmetic surgery or treatment.
- II. *“Patient’s Family”* - For patients 18 years of age and older, (except for a dependent child 18 to 20 years of age), family includes the patient’s family includes the patient’s spouse, registered domestic partner, dependent children under 21 years of age, or a dependent child of any age if disabled or for dependent child 18 to 20 years of age.
- III. *“Discount Payment”* – is defined as any charge for care that is reduced, but not free.
- IV. *“Reasonable Payment Plan”* - Monthly payments that are not more than 10 percent of a Patient’s Family income for a month, excluding deductions for essential living expenses. “Essential living expenses” for purposes of this subdivision, expenses for any of the following:
 - A. Rent of house payment and maintenance;
 - B. Food and household supplies;
 - C. Utilities and telephone;
 - D. Clothing;
 - E. Medical and dental payments; Insurance;
 - F. School or child care;
 - G. Child or spousal support;
 - H. Transportation and auto expenses, including insurance, gas, and repairs;
 - I. Installment payments;
 - J. Laundry and cleaning;
 - K. And other extraordinary expenses.

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- V. *Federal Poverty Level (FPL)* - Poverty guidelines are updated periodically in the Federal Register by the U.S. Department of Health and Human Services: [U.S. Federal Poverty Guidelines Used to Determine Financial Eligibility for Certain Federal Programs](#).

FORMS:

None.

REFERENCES/RESOURCES/RELATED DOCUMENTS:

None.

ATTACHMENTS:

Attachment A: Current Uninsured Discount Rate Information as of July 2017

Attachment B: UC SAN DIEGO HEALTH SELF-PAY AND HIGH MEDICAL PATIENT FINANCIAL ASSISTANCE PROGRAM ELIGIBILITY 2025 GUIDELINES BY FEDERAL POVERTY LEVEL

RELATED POLICIES:

UCSDHP [750.3](#), "Charity Care"

CONTACT(S):

Director, Admissions - Medical Center

System Director, Patient Revenue Cycle

Executive Director, Revenue Cycle Administration

APPROVALS:

UC San Diego Health Executive Governing Body (EGB)

REVISION HISTORY:

ORIGINAL: August 22, 2017

**Current Uninsured Discount Rate Information
As of July 2017**

Pursuant to this Policy, individuals identified as Uninsured patients may receive a forty five percent (45%) discount for services qualifying as medical necessary. This discount will apply to the hospital fees charged by UC San Diego Health and qualifying physician fees of UC San Diego Medical Group.

The current discount amounts are reviewed on an annual basis and are subject to change at any time without notice.

UCSDHP 750.3, Charity Care Attachment B

UC SAN DIEGO HEALTH SELF-PAY AND HIGH MEDICAL PATIENT FINANCIAL ASSISTANCE PROGRAM ELIGIBILITY
2025 GUIDELINES BY FEDERAL POVERTY LEVEL

2025 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA		
Persons in family/household	Poverty Guidelines (100%)	Poverty Guidelines (400%)
1	\$0 - \$15,650	\$62,600
2	\$0 - \$21,150	\$84,600
3	\$0 - \$26,650	\$106,600
4	\$0 - \$32,150	\$128,600
5	\$0 - \$37,650	\$150,600
6	\$0 - \$43,150	\$172,600
7	\$0 - \$48,650	\$194,600
8	\$0 - \$54,150	\$216,600
For families/households with more than 8 persons, add \$6,880 for each additional person.		