HealthBridge Children's Hospital - Orange Patient Debt Collection Policy

I. PURPOSE

To establish fair, ethical, and legally compliant procedures for collection of patient financial obligations while protecting patients eligible for financial assistance.

II. POLICY

- Financial Assistance screening will occur before collection activity.
- Collection activity will be compassionate, transparent, and legally compliant.

III. PROHIBITED COLLECTION METHODS

The hospital, any assignee, collection agency, or debt buyer shall not furnish adverse information about medical debt to a consumer credit reporting agency; shall not place a lien on real property owned by the patient; and shall not use wage garnishment to collect unpaid hospital bills.

IV. DOCUMENTATION LIMITATION

Information obtained from income tax returns, pay stubs, or monetary-asset documentation collected for purposes of determining Charity Care or Discount Payment eligibility shall not be used for collection activities.

V. CIVIL ACTION

No civil action for nonpayment may be filed before 180 days after initial billing. Credit reporting, liens on real property, and wage garnishment are not permitted collection actions under this policy.

VI. FINANCIAL ASSISTANCE SCREENING

- No deadline is imposed to apply for Charity Care or Discount Payment.
- Collection activity is suspended while a financial-assistance application or appeal is pending.
- Patients making agreed-upon payments under a reasonable payment plan will not be referred to collections.

VII. PAYMENT PLANS

Payment plans offered to patients eligible under the Financial Assistance Policy will be interest-free. Terms will consider family income and essential living expenses. If

the hospital and patient cannot agree, monthly payments will not exceed 10% of monthly family income, excluding deductions for essential living expenses.

VIII. ASSIGNEES / COLLECTION AGENCIES

Any affiliate, subsidiary, external collection agency, or debt buyer collecting hospital receivables must agree in writing to comply with this policy and applicable California medical-debt restrictions.

IX. RECORDS

Billing notices, financial-assistance communications, eligibility determinations, collection approvals, and collection-agency activities will be maintained. Records relating to amounts owed by a patient or guarantor will be retained at least five years.