# IMPORTANT INFORMATION ABOUT FINANCIAL ASSISTANCE

## Financial Help May Be Available

*This notice is available in English. Para español, llame (760)876-5501.*

Southern Inyo Hospital offers financial assistance programs to help patients who cannot afford to pay for their hospital care. You may qualify for FREE care or DISCOUNTED care if you meet certain income requirements.

**IMPORTANT: THERE ARE NO TIME LIMITS FOR APPLYING. You can apply for financial assistance at ANY time - even after you receive a bill, even after making payments, even after collection activities have started, and even after a judgment has been entered against you.**

## WHO MAY QUALIFY?

You may qualify if:

- You do not have health insurance (you are self-pay), OR
- You have high medical costs even with insurance, AND
- Your family income is at or below 400% of the federal poverty level

**High Medical Costs Defined:** Your annual out-of-pocket costs at this Hospital exceed 10% of your family income in the current year or prior 12 months, or your medical debt from this Hospital exceeds 10% of your family income. Out-of-pocket costs include unreimbursed expenses such as deductibles, copays, coinsurance, and amounts owed for prior services. This includes costs from emergency services, which cannot be denied based on ability to pay under EMTALA.

**No Asset Test:** We only consider your income, not your savings, property, or other assets when determining eligibility for charity care and discount payment programs. Exception: For patients eligible for Medicare Part A or Part B who seek assistance with Medicare cost-sharing obligations, we may consider certain assets as permitted under California Health and Safety Code Section 127405(c). Asset consideration, if applicable, will be clearly explained during the application process.

## WHAT PROGRAMS ARE AVAILABLE?

Two separate programs are available to help you. You may be eligible for BOTH programs:

### 1. CHARITY CARE - Free or Reduced-Cost Care

Based on your family income, you may receive:

- 100% FREE care (income 0-200% of federal poverty level)
- 75% discount (income 201-300% of federal poverty level)

- 50% discount (income 301-400% of federal poverty level)

**2. DISCOUNT PAYMENT - Limited Charges**

If you qualify (income at or below 400% of federal poverty level), your charges will be limited to Medicare or Medi-Cal rates (whichever is greater), which are typically much lower than standard hospital charges.

**CURRENT FEDERAL POVERTY LEVELS (2026)**

You may qualify if your household income is at or below these amounts:

- Family of 1: $63,840 per year ($5,320 per month)
- Family of 2: $86,560 per year ($7,213 per month)
- Family of 3: $109,280 per year ($9,107 per month)
- Family of 4: $132,000 per year ($11,000 per month)

*For families with more than 4 members, add $5,680 per year ($473 per month) for each additional family member.*

**WHAT DO YOU NEED TO APPLY?**

To apply for financial assistance, please provide:

- Recent pay stubs OR your most recent tax return
- Information about your health insurance (if you have any)

**Free Application Assistance:** The hospital will provide FREE, in-person assistance to help you complete your application and gather required documentation at no charge. This assistance is available in multiple languages and includes help understanding eligibility requirements, completing forms, and obtaining necessary documents. You may also designate a representative or advocate to assist you with the application process. Assistance is available during regular business hours and by appointment.

**Application Processing:** Applications are processed within 30 calendar days of receipt of a complete application. If we need additional information, we will contact you in writing within 10 business days and suspend the 30-day processing timeline until the information is received. You will have at least 30 days to provide additional information before your application is denied for incompleteness.

**Collections Protection:** If you submit a complete financial assistance application or request an application, all collection activities (including reporting to credit bureaus, filing lawsuits, and placing liens) will stop immediately while your application is being processed. If you are found eligible for any level of financial assistance, collection activities cannot resume for the covered amounts. If you are found ineligible, you will receive written notice and have at least 30 days to appeal before collection activities

resume. The hospital will not report medical debt for these hospital services to credit bureaus at any time if you are a financially qualified patient.

## OTHER PROGRAMS THAT MAY HELP

You may also be eligible for:

- Medi-Cal (California's Medicaid program)
- Covered California (health insurance marketplace)
- Medicare (if you are 65+ or have certain disabilities)
- California Children's Services
- County health programs

## HOW TO GET HELP

**For Financial Assistance Applications:**

**Phone:** (760) 876-5501

Business Hours: Monday- Friday 8:00 a.m. to 4:30 p.m.

**Hospital Website:** www.sihd.org

**Get Applications and Information Online:**

**Hospital Website:** www.sihd.org

**Price List:** https://www.sihd.org/wp-content/uploads/2026/04/Top-Services-provided-by-Southern-Inyo-Healthcare-District.pdf

**Free Help Understanding Your Bill:**

**Health Consumer Alliance: 1-888-804-3536** or visit https://healthconsumer.org

**Visit Us In Person:**

- Billing Office: 380 N. Whitney, Lone Pine, CA 93545
- Admissions Office: 501 E. Locust Street, Lone Pine, CA 93545
- Emergency Department: 501 E. Locust Street, Lone Pine, CA 93545

## HOSPITAL BILL COMPLAINT PROGRAM

If you have questions or concerns about your hospital bill or financial assistance, you may contact:

- Department of Health Care Access and Information (HCAI)
  - Hospital Fair Billing Program

- **Phone:** 1-800-841-4555 (HCAI Hospital Complaint Hotline)
- **Website:** https://hcai.ca.gov/complaints/ (HCAI Hospital Complaint Portal)

## SHOPPABLE SERVICES – COMPARE PRICES BEFORE YOUR VISIT

Southern Inyo Hospital maintains a list of shoppable services — common services for which you can plan ahead and compare prices. You can find this list at: **https://www.sihd.org/price-transparency/**. If you have questions about pricing for specific services, please contact us at (760) 876-5501.

## EMERGENCY PHYSICIANS

Emergency physicians who provide services at this hospital are also required by law to provide discount payment to eligible patients under California Health and Safety Code Section 127452. Under their discount payment policies, emergency physicians must limit charges for uninsured patients or patients with high medical costs at or below 400% of the federal poverty level. This hospital is not responsible for emergency physician billing practices.

*This notice is provided in accordance with California Health and Safety Code Section 127410 and the Hospital Fair Pricing Act.*

*Effective Date: 06/30/2026*

**SOUTHERN INYO HEALTHCARE DISTRICT**

**CHARITY CARE POLICY**

**Effective Date:** 06/30/2026

**Last Revised:** 03/23/2026

*This policy supersedes all prior charity care policies and applies to services provided on or after the Effective Date listed above.*

## I. PURPOSE

This Charity Care Policy establishes the criteria and procedures for providing free or discounted care to financially qualified patients in accordance with California Health and Safety Code Sections 127400-127446 (the Hospital Fair Pricing Act). This policy applies to all emergency and medically necessary services provided by Southern Inyo Healthcare District ("Hospital").

## II. DEFINITIONS

**Charity Care:** Help paying your hospital bill. Patients who qualify may have their bill reduced or eliminated entirely based on their income. The Hospital provides this help under California Health and Safety Code Sections 127400–127446.

**Financially Qualified Patient:** A patient who (a) is either a self-pay patient or a patient with high medical costs, AND (b) has a family income that does not exceed 400 percent of the federal poverty level.

**Self-Pay Patient:** 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.

**Patient with High Medical Costs:** A person whose family income does not exceed 400 percent of the federal poverty level and whose high medical costs meet any of the following:

- Annual out-of-pocket costs at this Hospital exceeding the lesser of 10% of current or prior 12-month family income; or
- Annual out-of-pocket expenses exceeding 10% of family income with documentation of prior 12-month medical expenses.

**Out-of-Pocket Costs:** Any expenses for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays, Medi-Cal cost-sharing, deductibles, coinsurance, and other unreimbursed medical expenses.

**Federal Poverty Level:** The poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services.

**Family:** For purposes of this policy, “family” means the patient and all persons listed as dependents on the patient’s most recent federal income tax return. If the patient did not file a tax return, “family” means all persons living in the same household who share household expenses. “Family income” means the combined gross income of all family members.

**Discount Payment:** A separate program governed by the Hospital's Discount Payment Policy that limits charges to Medicare or Medi-Cal rates for financially qualified patients. Patients may be eligible for BOTH charity care (under this policy) AND discount payment (limiting the charge rate).

## III. ELIGIBILITY CRITERIA

**Income-Based Eligibility:** Patients with family income at or below the following percentages of federal poverty level qualify for charity care. Family income shall be determined based on the most recent tax year or, if unavailable, the most recent 12-month period:

- **0-200% FPL:** 100% charity care (free)
- **201-300% FPL:** 75% charity care
- **301-400% FPL:** 50% charity care

**Current Federal Poverty Level Thresholds (2026):**

- **1 person: $63,840**
- **2 people: $86,560**
- **3 people: $109,280**
- **4 people: $132,000**

*Note: These amounts are updated annually. For the most current thresholds, contact the Hospital's Financial Counseling Department at (760) 876-5501*

**Asset Test:** The Hospital does not consider patient assets when determining charity care eligibility, except for Medicare cost-sharing as specifically described in Section VI of this policy.

**Relationship to Discount Payment Policy:** This charity care policy provides free or discounted care based on income levels. The Hospital also maintains a separate Discount Payment Policy that limits charges to Medicare or Medi-Cal rates (whichever is greater) for all financially qualified patients at or below 400% FPL. Patients may be eligible for BOTH charity care (reducing the amount owed) AND discount payment (limiting the charge rate). For more information about the Discount Payment Policy, contact (760) 876-5501 or visit www.sihd.org.

## IV. APPLICATION PROCESS

**Application Forms and Assistance:** The Hospital shall provide charity care application forms and assistance in completing applications at no charge to patients.

Applications shall be available in all languages required under Section X of this policy.

**Required Documentation:** Patients requesting charity care must make every reasonable effort to provide:

- Recent pay stubs OR income tax returns; and
- Documentation of health benefits coverage.

**Alternative Documentation:** The Hospital may accept other forms of documentation of income but shall not require those other forms. Examples of acceptable income documentation include:

- Recent pay stubs from the current or prior 12 months
- Federal or state income tax returns
- W-2 or 1099 forms
- Social Security benefits statements
- Unemployment benefits documentation
- Other reliable evidence of income

**Failure to Provide Information:** If a patient requesting charity care fails to provide reasonable and necessary information after the Hospital has made reasonable efforts to assist the patient in obtaining such information, the Hospital may consider that failure in making its determination. The Hospital shall document all efforts made to assist the patient.

**Presumptive Eligibility:** If a patient does not submit an application or documentation, the Hospital may presumptively determine eligibility based on other information or a prior determination.

**No Time Limits:** The Hospital shall not impose time limits for charity care applications or deny eligibility based on application timing. Eligibility shall be determined at any time qualifying information is received, including after discharge, after billing, or after collection activities have commenced.

**Application Processing Timeline:** The Hospital will process complete charity care applications within 30 calendar days of receipt. If additional information is needed, the Hospital will contact the patient within 10 business days of receiving the application.

**Medi-Cal Screening:** The Hospital may assist patients with Medi-Cal screening and enrollment when evaluating charity care eligibility. However, the Hospital shall not require Medi-Cal application as a condition of charity care eligibility, nor delay or deny charity care based on a patient's failure to apply for or complete Medi-Cal enrollment. Charity care eligibility determination will proceed independently of any Medi-Cal application status.

**Confidentiality:** Information obtained solely for charity care eligibility determination shall not be used for collections activities. This does not prohibit use of information obtained independently through normal billing and collections processes. The Hospital shall maintain separate records and processes to ensure charity care information is not improperly shared with collections personnel or agencies. The Hospital shall ensure that any collection agencies acting on behalf of the Hospital comply with this policy and do not pursue collection activities against patients who qualify for charity care.

## V. SERVICES COVERED

Charity care under this policy applies to all services provided by this Hospital that are subject to the Hospital Fair Pricing Act, including but not limited to:

- All medically necessary Hospital services;
- Emergency services.

## VI. MEDICARE AND MEDI-CAL COST-SHARING

The Hospital may waive or reduce Medicare and Medi-Cal cost-sharing amounts as part of this charity care program.

For Medicare cost-sharing, the Hospital may consider patient monetary assets to the extent required for Medicare bad debt reimbursement under federal law. Monetary assets include only assets convertible to cash and exclude qualified retirement plans and assets below the community spouse resource allowance.

## VII. THIRD-PARTY REIMBURSEMENT

The Hospital may require a patient or guarantor to pay the Hospital any reimbursement sent directly to them by a third-party payer for the Hospital's services.

If the patient receives a legal settlement, judgment, or award that specifically includes payment for health care services provided by the Hospital, the Hospital may require reimbursement up to the amount specifically allocated or awarded for the Hospital's services. The Hospital shall provide written notice to the patient of any such reimbursement requirement within 30 days of becoming aware of the settlement or award.

If a patient becomes eligible for third-party coverage (including retroactive Medi-Cal eligibility) that would have paid for services previously provided as charity care, the Hospital may bill such coverage and any resulting patient cost-sharing will be evaluated under this charity care policy based on the patient's financial status at the time of service.

## VIII. REVIEW AND APPEAL PROCESS

Patients may seek review of charity care determinations from:

Patient Financial Services Department

**Phone:** (760) 876-5501

**Website: www.sihd.org**

Patients may request review at any time, including after discharge, after billing, or after collection activities have commenced. The Hospital shall respond to charity care appeals in writing within 10 business days of receipt of the appeal request.

## IX. EMERGENCY PHYSICIAN SERVICES

Emergency physicians providing services at this Hospital are also required by law to provide discount payment to eligible patients under California Health and Safety Code Section 127452. Under their discount payment policies, emergency physicians must limit charges for uninsured patients or patients with high medical costs at or below 400% of the federal poverty level. This Hospital is not responsible for emergency physician billing practices. Patients should contact emergency physicians directly regarding their discount payment policies. Patients may also file complaints with the California Department of Health Care Access and Information (HCAI) if emergency physicians fail to comply with these requirements. HCAI's contact information is provided in Section XI of this policy.

## X. POLICY AVAILABILITY

This policy and applications are available:

- Website: **www.sihd.org**
- At the Hospital's main campus located at: 501 E. Locust, Lone Pine, CA 93545
- At billing office, admissions office, and emergency department
- By calling **(760) 876-5501**
- In English and Spanish

## XI. COMPLAINTS AND ADDITIONAL RESOURCES

**Hospital Bill Complaint Program:** Patients may file complaints about the Hospital's compliance with charity care requirements with:

Department of Health Care Access and Information (HCAI)

Hospital Fair Billing Program

**Phone:** 916-326-3800 (HCAI Hospital Fair Pricing Complaint Hotline)

**Website:** www.hcai.ca.gov

**Health Consumer Alliance:** For free assistance with hospital billing questions and financial assistance applications, patients may contact the Health Consumer Alliance at **1-888-804-3536**.

**Federal Tax Reporting:** The Hospital may seek information from patients receiving charity care to comply with federal tax reporting requirements, but such information requests shall not delay or deny charity care eligibility.

## XII. RELATED POLICIES

This Charity Care Policy should be read in conjunction with the Hospital's Discount Payment Policy and Debt Collection Policy, all of which implement the Hospital's obligations under the Hospital Fair Pricing Act (California Health and Safety Code Sections 127400-127446).

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**Approved by:** Kevin Flanigan, MD, CEO & Legal Counsel

**Date:** 06/30/2026

# SOUTHERN INYO HEALTHCARE DISTRICT

# DEBT COLLECTION POLICY

**Effective Date:** 06/30/2026

**Last Revised:** 03/23/2026

*This policy supersedes all prior debt collection policies and applies to debt collection activities occurring on or after the Effective Date listed above.*

## I. PURPOSE

This Debt Collection Policy establishes standards and procedures for the collection of patient debt in accordance with California Health and Safety Code Sections 127400-127446 (the Hospital Fair Pricing Act), California Civil Code Section 1788.14 (prohibition on reporting medical debt to credit agencies), and applicable federal and state debt collection laws, including the Rosenthal Fair Debt Collection Practices Act (California Civil Code § 1788 et seq.) and the Fair Debt Collection Practices Act (15 U.S.C. § 1692 et seq.).

## II. DEFINITIONS

**Debt Buyer:** A person or entity that purchases patient debt as defined in California Civil Code Section 1788.50.

**Collection Agency:** An external entity that collects Hospital receivables on behalf of the Hospital.

**Reasonable Payment Plan:** Monthly payments not exceeding 10% of patient's monthly family income (excluding deductions for federal, state, and local taxes) after accounting for essential living expenses, as defined in the Hospital's Discount Payment Policy.

**Financially Qualified Patient:** A patient eligible under the Hospital's charity care policy or discount payment policy (generally patients with family income at or below 400% of the federal poverty level who are either self-pay patients or patients with high medical costs).

## III. AUTHORIZATION FOR COLLECTION ACTIVITIES

**Authorized Personnel:** Patient debt shall be advanced for collection only upon authorization by:

Director of Patient Financial Services

**Authorization Criteria:** Patient debt may be sent to collections only if:

- Patient has been found ineligible for financial assistance; OR

- Patient has not responded to reasonable and documented attempts to bill or offer financial assistance for at least 180 days from the date of the first post-discharge billing statement; AND

- The Hospital has complied with all notice requirements under California Health and Safety Code Section 127425, including providing the patient with a written notice at least 60 days before assigning or selling the debt that includes all information required by Section 127425(a).

**Good Faith Settlement Exception:** Notwithstanding the above criteria, 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 any collection agency, debt buyer, or other assignee, unless that entity has agreed to comply with all requirements of the Hospital Fair Pricing Act (California Health & Safety Code §§127400-127446).

**Active Financial Assistance Applications:** The Hospital shall provide the patient with at least 30 days from the date of any request for additional documentation to submit such documentation before making a final eligibility determination, and shall notify the patient in writing of any deficiencies in the application.

## IV. PROHIBITED COLLECTION PRACTICES

**Prohibition on Adverse Credit Reporting:** The Hospital and any assignee (including collection agencies and debt buyers) shall not report adverse information to a consumer credit reporting agency for medical debt arising from hospital services. Pursuant to California Health and Safety Code Section 127425(f)(1) and California Civil Code Section 1788.14, this prohibition is absolute and permanent for financially qualified patients — it does not expire after any waiting period. Medical debt for services provided by this Hospital shall never be reported to a consumer credit reporting agency if the patient is a financially qualified patient.

**180-Day Waiting Period for Civil Action:** The Hospital and any assignee (including collection agencies and debt buyers) shall not:

- Commence civil action for nonpayment

before 180 days after the date of the first post-discharge billing statement sent to the patient. See “Prohibition on Adverse Credit Reporting” above for the absolute prohibition on credit reporting for financially qualified patients.

**Pending Appeals Extension:** The 180-day period shall be tolled (suspended) while any coverage appeal is pending (including health plan grievances, independent medical review, Medi-Cal fair hearings, or Medicare appeals), provided the patient notifies the

Hospital in writing of the pending appeal and provides reasonable updates upon Hospital request. The 180-day period shall resume upon final resolution of the appeal.

**Active Payment Plans:** The Hospital, collection agency, debt buyer, or assignee shall not report adverse information to a consumer credit reporting agency or commence a civil action against the patient for nonpayment while an extended payment plan remains operative. Collections may not commence until after a payment plan has been properly declared inoperative following the procedures in Section IX of this policy.

**Communications Restrictions:** Collection agencies and debt buyers shall not contact patients outside the hours of 8:00 a.m. to 9:00 p.m. (local time at the patient's location) except when the patient has expressly agreed to be contacted at other times, which agreement must be documented in writing, and shall not disclose debt information to third parties except as permitted by law (attorney, spouse, parent of a minor debtor, to confirm location, or to enforce judgment). All communications must comply with California Civil Code Section 1788.11 and 15 U.S.C. Section 1692c.

## V. RESTRICTIONS ON WAGE GARNISHMENTS AND LIENS

**Hospital and Affiliates:** The Hospital or any affiliate/subsidiary of the Hospital shall not use the following to collect from patients eligible under the Hospital's charity care or discount payment policies:

- Wage garnishments; or
- Liens on any real property.

**Collection Agencies and Debt Buyers (Non-Affiliates):** Collection agencies and debt buyers that are not subsidiaries or affiliates of the Hospital shall not use the following against patients eligible under the Hospital's charity care or discount payment policies:

- Wage garnishment, except by court order upon noticed motion with at least 15 days' notice to the patient, supported by a declaration filed by the movant identifying specific facts and evidence demonstrating the basis for its belief that the patient has the ability to make payments on the judgment under the wage garnishment, which the court shall consider in light of the size of the judgment and additional information provided by the patient before or at the hearing concerning the patient's ability to pay, including information about probable future medical expenses based on the current condition of the patient and other obligations of the patient;
- Notice or conduct of sale of any real property owned, in part or completely, by the patient; or
- Liens on any real property.

**Third-Party Liability Exception:** These restrictions do not preclude the Hospital, collection agency, or debt buyer from pursuing reimbursement and any enforcement remedies from third-party liability settlements, tortfeasors, or other legally responsible parties.

## VI. REQUIREMENTS FOR COLLECTION AGENCIES

**Written Agreement Required:** The Hospital shall obtain a written agreement from any collection agency requiring adherence to:

- This debt collection policy;
- Hospital's charity care and discount payment policies;
- Hospital's definition and application of reasonable payment plan;
- Income-only consideration for determining amounts to recover from eligible patients (monetary assets of the patient shall not be considered);
- All applicable state and federal debt collection laws, including the Rosenthal Fair Debt Collection Practices Act and the Fair Debt Collection Practices Act.

**Prohibited Practices:** Collection agencies must agree in writing not to:

- Use threats, harassment, obscene or profane language, or abusive tactics;
- Make false statements or misrepresentations;
- Contact patients outside 8:00 a.m. to 9:00 p.m. except under unusual circumstances;
- Disclose debt information to unauthorized third parties (except attorney, spouse, or to confirm location/enforce judgment);
- Use any collection practices prohibited by California or federal law.

**Asset Consideration Prohibition:** When determining the amount of debt to recover from patients eligible under charity care or discount payment policies, collection agencies and the Hospital may consider only the patient's income. Monetary assets of the patient shall not be considered in determining eligibility or the amount to be recovered, except that the Hospital may consider the availability of a patient's health savings account when negotiating payment plan terms.

## VII. REQUIREMENTS FOR SELLING PATIENT DEBT

**Conditions for Debt Sale:** The Hospital may sell patient debt to a debt buyer only if ALL of the following conditions are met:

- The Hospital has found the patient ineligible for financial assistance OR the patient has not responded to any attempts to bill or offer financial assistance for 180 days;

- The sales agreement includes contractual language requiring the debt buyer to:

○ Return, and the Hospital agrees to accept, any account in which the balance has been determined to be incorrect due to the availability of a third-party payer (including a health plan or government health coverage program) or the patient is eligible for charity care or financial assistance;

○ Not resell or otherwise transfer the patient debt (except to the originating Hospital, a tax-exempt organization as described in Section 127444, or if the debt buyer is sold or merged with another entity);

○ Not charge interest or fees on the patient debt;

○ Comply with all requirements of the Hospital Fair Pricing Act (California Health & Safety Code §§127400-127446) and this debt collection policy;

- The debt buyer is licensed as a debt collector by the California Department of Financial Protection and Innovation.

## VIII. NOTICE REQUIREMENTS

**Pre-Assignment/Sale Notice:** Before assigning patient debt to a collection agency or selling debt to a debt buyer, the Hospital shall send written notice to the patient that includes:

- Date(s) of service;

- Name of the entity the bill is being assigned or sold to;

- Information on how to obtain an itemized bill;

- Health insurance coverage on record, or a statement that the Hospital lacks this information;

- A financial assistance application or information on how to obtain one;

- Dates of previous financial assistance notices sent and eligibility decisions made;

- Information about the Hospital Bill Complaint Program, including:

○ Department of Health Care Access and Information

○ Contact information: Phone: (916) 326-3800, Email: HCAIComplaint@hcai.ca.gov

○ Website: www.hcai.ca.gov/complaints

- Contact information for Health Consumer Alliance: **1-888-804-3536**

**Timing of Pre-Assignment/Sale Notice:** This notice shall be sent by first-class mail at least 60 days before the first day the Hospital may assign or sell the patient debt, and the Hospital shall maintain proof of mailing in the patient's file.

**Collection Activity Notice:** At least 30 days before the Hospital, collection agency, or debt buyer commences collection activities (including adverse credit reporting or civil action), the patient shall receive a clear and conspicuous written notice sent by first-class mail containing:

- A plain language summary of patient rights under the Rosenthal Fair Debt Collection Practices Act (California Civil Code § 1788 et seq.) and the Fair Debt Collection Practices Act (15 U.S.C. § 1692 et seq.);

- A statement that the Federal Trade Commission enforces the federal Fair Debt Collection Practices Act and contact information (1-877-FTC-HELP or www.ftc.gov);

- A statement that nonprofit credit counseling services may be available in the area.

## IX. PAYMENT PLAN REQUIREMENTS

**Interest-Free Plans:** Extended payment plans offered to assist patients eligible under the Hospital's charity care policy, discount payment policy, or any other policy for assisting low-income patients with no insurance or high medical costs shall be interest-free.

**Default Procedures:** A payment plan may be declared no longer operative after the patient's failure to make all consecutive payments due during a 90-day period, provided that at least three monthly payments were due and missed during that period. Before declaring the payment plan inoperative, the Hospital, collection agency, debt buyer, or assignee shall:

- Make at least two reasonable attempts to contact the patient by telephone at different times of day (if telephone number is known) and send written notice by first-class mail to the patient's last known address;

- Inform the patient in writing sent by first-class mail that the extended payment plan may become inoperative if the patient does not cure the default within 30 days of the date of the notice;

- Offer the patient the opportunity to renegotiate the extended payment plan; and

- Attempt to renegotiate the terms of the defaulted extended payment plan if requested by the patient.

**Prohibition on Collection During Active Plans:** The Hospital, collection agency, debt buyer, or assignee shall not report adverse information to a consumer credit reporting agency or commence a civil action against the patient or responsible party for nonpayment until after the extended payment plan has been declared to be no longer operative following the procedures above.

## X. RECORDKEEPING

**Required Records:** The Hospital shall maintain for five years:

- All records relating to money owed by patients;
- All documents related to litigation filed by the Hospital or on its behalf;
- Contracts for debt assignment or sale and all significant records related to debt sales;
- An updated annual list of debt collectors and litigation attorneys, including contact information;
- All financial assistance eligibility determinations and supporting documentation;
- Copies of all notices sent to patients regarding financial assistance, billing, and collection activities;
- Documentation of payment plan negotiations and all communications with patients regarding payment arrangements;
- Records demonstrating compliance with all waiting periods, good faith requirements, and procedural protections under the Hospital Fair Pricing Act.

**Assignee/Buyer Recordkeeping:** Debt sale contracts shall require assignees and debt buyers to maintain litigation records and records of payment plan negotiations for at least five years from the date of the last activity on the account and to make such records available to the Hospital upon request within 10 business days. Assignees and debt buyers shall also provide quarterly reports to the Hospital summarizing collection activities, payment plans established, and any litigation commenced.

## XI. COMPLIANCE AND TRAINING

**Annual Training:** All Hospital staff involved in billing and collections shall receive annual training on:

- This debt collection policy;

- Hospital's charity care and discount payment policies;
- Requirements of the Hospital Fair Pricing Act;
- State and federal debt collection laws (Rosenthal Fair Debt Collection Practices Act and Fair Debt Collection Practices Act);
- Patient rights and protections under applicable laws.

**Documentation:** The Hospital shall maintain records of all training sessions, including attendance records and training materials.

**Policy Review:** This policy shall be reviewed at least annually by the Hospital's compliance officer or designated compliance committee and updated as necessary to maintain compliance with current legal requirements, including but not limited to California Health and Safety Code Section 127400 et seq. (Hospital Fair Pricing Policies). All reviews and updates shall be documented and approved by the Hospital's governing body.

## XII. LAWSUIT CERTIFICATION REQUIREMENTS

**Pre-Lawsuit Certification:** Before commencing any civil action for nonpayment of a Hospital bill, the Hospital or any debt collector acting on its behalf shall certify to the court, under penalty of perjury, that the Hospital has screened the patient or responsible party for eligibility for:

- Charity care under the Hospital's charity care policy;
- Discount payment under the Hospital's discount payment policy;
- Enrollment in Medi-Cal;
- State Children's Health Insurance Program; and
- Other local, state, or federal health coverage programs.

**Compliance Certification:** The certification shall also confirm that the Hospital has complied with all notice requirements, including the 180-day waiting period before commencing a civil action under Section IV of this policy, and all procedural protections required by California Health and Safety Code Section 127400 et seq. (Hospital Fair Pricing Act) before filing the lawsuit, and that no Extraordinary Collection Action has been taken against the patient during the application period or while the Hospital is making a determination of eligibility for financial assistance.

**Applicability:** This certification requirement applies to all civil actions filed by the Hospital, any assignee of the Hospital, any collection agency acting on behalf of the Hospital, or any debt buyer that has purchased Hospital debt. The Hospital shall include contractual provisions in all debt sale, assignment, or collection agency agreements

requiring compliance with this certification requirement and all applicable provisions of California Health and Safety Code Section 127400 et seq.

**Documentation:** The Hospital shall maintain documentation supporting the certifications made to the court, including records of screening attempts, eligibility determinations, and communications with the patient, for a minimum of seven (7) years from the date of filing any civil action or from the date the debt is resolved, whichever is later. Such documentation shall be made available to the court upon request and to the patient or their authorized representative within fifteen (15) business days of a written request.

## XIII. CONTACT INFORMATION

Questions about this policy should be directed to:

Director of Patient Financial Services

**Phone:** (760) 876-5501

**Website: www.sihd.org**

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**Approved by:** Kevin Flanigan, MD, CEO & Legal Counsel

**Date:** 06/30/2026

# SOUTHERN INYO HEALTHCARE DISTRICT

# DISCOUNT PAYMENT POLICY

**Effective Date:** 06/30/2026

**Last Revised:** 03/23/2026

*This policy supersedes all prior discount payment policies and applies to services provided on or after the Effective Date listed above.*

## I. PURPOSE

This Discount Payment Policy establishes the criteria and procedures for providing discounted payment to financially qualified patients in accordance with California Health and Safety Code Sections 127400-127446 (the Hospital Fair Pricing Act).

**Note:** This Discount Payment Policy is separate from the Hospital's Charity Care Policy. Patients may be eligible for BOTH discount payment (limiting charges to Medicare/Medi-Cal rates) AND charity care (providing free or discounted care based on income levels 0-400% FPL). For information about the Hospital's Charity Care Policy, contact (760) 876-5501 or visit www.sihd.org.

## II. DEFINITIONS

**Charity Care:** Help paying your hospital bill, provided to eligible patients under the Hospital’s separate Charity Care Policy. Patients who qualify may have their bill reduced or eliminated entirely based on their income.

**Discount Payment:** A limitation on the amount a financially qualified patient will be charged for Hospital services, as defined in this policy, where charges are limited to Medicare or Medi-Cal rates (whichever is greater).

**Financially Qualified Patient:** A patient who (a) is either a self-pay patient or a patient with high medical costs, AND (b) has a family income that does not exceed 400 percent of the federal poverty level.

**Self-Pay Patient:** 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.

**Patient with High Medical Costs:** A person whose family income does not exceed 400 percent of the federal poverty level and whose high medical costs meet any of the following:

- Annual out-of-pocket costs incurred by the individual 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;

- Annual out-of-pocket expenses that exceed 10 percent of the patient's family income, if the patient provides documentation of medical expenses paid in the prior 12 months.

**Out-of-Pocket Costs:** Any expenses for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays or Medi-Cal cost-sharing.

**Federal Poverty Level:** The poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.

**Family:** For purposes of this policy, “family” means the patient and all persons listed as dependents on the patient’s most recent federal income tax return. If the patient did not file a tax return, “family” means all persons living in the same household who share household expenses. “Family income” means the combined gross income of all family members.

**Reasonable Payment Plan:** Monthly payments that do not exceed 10 percent of a patient's monthly family income after accounting for essential living expenses.

**Essential Living Expenses:** Expenses for rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses (including insurance, gas, and repairs), installment payments, laundry and cleaning, and other extraordinary expenses.

## III. ELIGIBILITY CRITERIA

**Income Threshold:** Patients with family income at or below 400 percent of the federal poverty level who are self-pay patients or patients with high medical costs are eligible for discount payment under this policy.

Under the Hospital's discount payment policy, eligible patients' charges will be limited to Medicare or Medi-Cal rates (whichever is greater). This is separate from the Hospital's charity care policy which may provide free care or additional discounts based on income levels.

**Asset Test:** The Hospital shall not consider the monetary assets of the patient when determining eligibility under this discount payment policy. However, when negotiating extended payment plans under Section VI of this policy, the Hospital may consider the availability of a patient's health savings account held by the patient or the patient's family.

**Extended Eligibility:** The Hospital may grant eligibility for discount payment to patients with incomes over 400 percent of the federal poverty level at its discretion.

## IV. DISCOUNT AMOUNT

**Payment Limit:** For eligible patients, the Hospital shall limit expected payment to the amount the Hospital would expect, in good faith, to receive for providing services from Medicare or Medi-Cal, whichever is greater.

For services with no established Medicare or Medi-Cal payment, the Hospital shall establish an appropriate discounted payment amount.

Patients eligible under this policy shall not be required to undergo an independent dispute resolution process.

## V. APPLICATION PROCESS

**Required Documentation:** Patients requesting discount payment must make every reasonable effort to provide:

- Recent pay stubs OR income tax returns; and
- Documentation of health benefits coverage status.

**The Hospital may accept other forms of documentation of income but shall not require those other forms.**

**Presumptive Eligibility:** If a patient does not submit an application or documentation of income, the Hospital may presumptively determine that a patient is eligible for discount payment based on information other than that provided by the patient or based on a prior eligibility determination.

**No Time Limits:** The Hospital shall not impose time limits for applying for discount payment, nor deny eligibility based on the timing of a patient's application. Eligibility shall be determined at any time the Hospital is in receipt of qualifying information.

**Medi-Cal Screening:** The Hospital shall not require a patient to apply for Medicare, Medi-Cal, or other coverage before the patient is screened for, or provided, discount payment. When screening for eligibility for discount payment, the Hospital may require the patient to participate in a screening for Medi-Cal eligibility, but this shall not delay or deny discount payment eligibility determination.

**Confidentiality:** Information obtained for eligibility determination shall not be used for collections activities. This does not prohibit use of information obtained independently of the eligibility process.

## VI. EXTENDED PAYMENT PLANS

**Negotiated Plans:** The Hospital and patient shall negotiate the terms of an extended payment plan, taking into consideration:

- The patient's family income;
- Essential living expenses;
- The availability of the patient's health savings account held by the patient or patient's family.

**Default to Reasonable Payment Plan:** If the Hospital and patient cannot agree on payment terms, the Hospital shall use the Reasonable Payment Plan formula: monthly payments that do not exceed 10 percent of the patient's monthly family income after accounting for essential living expenses.

**Interest-Free:** Extended payment plans offered under this policy shall be interest-free.

**Default and Renegotiation:** A payment plan may be declared no longer operative after the patient's failure to make all consecutive payments due during a 90-day period. Before declaring the plan inoperative, the Hospital shall:

- Make a reasonable attempt to contact the patient by telephone and written notice;
- Inform the patient that the payment plan may become inoperative;
- Offer the opportunity to renegotiate the payment plan; and
- Attempt to renegotiate the terms if requested by the patient.

## VII. THIRD-PARTY REIMBURSEMENT

The Hospital may require a patient or guarantor to pay the Hospital the entire amount of any reimbursement sent directly to the patient or guarantor by a third-party payer for the Hospital's services.

If the patient receives a legal settlement, judgment, or award under a liable third-party action that includes payment for health care services related to the injury, the Hospital may require reimbursement for related health care services rendered up to the amount reasonably awarded for that purpose. The Hospital shall provide written notice to the patient of any such reimbursement requirement within 30 days of becoming aware of the settlement or award.

If a patient becomes eligible for retroactive third-party coverage (including retroactive Medi-Cal eligibility) that would have paid for services previously provided under this discount payment policy, the Hospital may bill such coverage. Any resulting patient

cost-sharing will be evaluated under this discount payment policy based on the patient's financial status at the time of service.

## VIII. REVIEW AND APPEAL PROCESS

In the event of a dispute regarding eligibility or discount amount, a patient may seek review from:

Patient Financial Services Department, Director of Patient Financial Services

**Phone:** (760) 876-5501

**Website: www.sihd.org**

The Hospital shall respond to review requests within 10 business days.

## IX. EMERGENCY PHYSICIAN SERVICES

Emergency physicians who provide emergency medical services in this Hospital are also required by law to provide discounts to uninsured patients or patients with high medical costs who are at or below 400 percent of the federal poverty level under California Health and Safety Code Section 127452. This Hospital is not responsible for emergency physician billing practices. Patients should contact emergency physicians directly regarding their discount payment policies, and may also file complaints with the California Department of Health Care Access and Information if emergency physicians fail to comply with discount payment requirements.

## X. POLICY AVAILABILITY

This policy and application forms are available:

- At the Hospital's website: **www.sihd.org**
- At the Hospital's billing office, admissions office, and emergency department
- By calling (760) 876-5501
- In English and Spanish

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**Approved by:** Kevin Flanigan, MD, CEO & Legal Counsel
**Date:** 06/30/2026