

I. SETTING

Medical Center

II. PURPOSE

- A. UC Davis Health is committed to consistently providing quality care and high standards to all patients. This policy demonstrates UC Davis Health's commitment to its mission by helping meet the needs of low income, uninsured and underinsured patients in our community. This policy establishes the eligibility and financial screening criteria to determine which patients qualify for payment discounts.
- B. This policy is not intended to waive or alter any contractual provisions or rates negotiated by and between the Health System and a third-party payor, nor is the policy intended to provide discounts to a non-contracted third-party payor or other entities that are legally responsible to make payment on behalf of a beneficiary, covered person, or insured.

III. DEFINITIONS

- A. **Medically Necessary Services** – 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.
- B. For the purpose of this policy, an Uninsured Patient is defined as:
 - 1. No third-party coverage, or
 - 2. The patient has third-party coverage, but patient has exceeded the benefit cap for such coverage prior to admission to UC Davis Health, or
 - 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 Davis Health, or
 - 4. No Medi-Cal/Medicaid coverage; or patients who qualify but who do not receive coverages for all services or for the entire stay, or
 - 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 Davis Health.
- C. **Federal Poverty Level (FPL)** – Poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services, published at

<http://aspe.hhs.gov/poverty>.

D. Patient's Family:

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.

E. "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" means, for purposes of this subdivision, expenses for any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or childcare, child or spousal support, transportation, and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

F. Emergency Physician – means a physician and surgeon licensed pursuant to Chapter 2 (commencing with Section 2000 of the business and Professions Code who is credentialed by a hospital and either employed or contracted by a hospital to provide emergency medical services in the emergency department of the hospital, except that an "emergency physician" shall not include a physician specialist who is called into the emergency department of a hospital or who is on staff or has privileges at the hospital outside of the emergency room. All physicians who provide services in the emergency department are covered under this policy.

IV. POLICY

A. Patient Eligibility Requirements

1. Financial assistance is available to those with or without healthcare insurance.
 - a. For patients without insurance: UC Davis Health shall provide a payment discount to those individuals who meet the definition of Uninsured Patient and who attest to their eligibility.
 - b. For patients with insurance: To qualify for assistance, patients with insurance must have incurred health care costs amounting to at least 10 percent of their family income, either at UC Davis Health or with receipts if incurred elsewhere.
2. A patient's family income must be at or below 400 percent of the Federal Poverty Level (FPL).
 - a. Eligibility must be validated with documentation. For purposes of determining eligibility for charity care, documentation of income is limited to recent pay

stubs or income tax returns. The patient may provide other forms of documentation of income, but is not required to do so.

- b. UCDH will not use information obtained for eligibility validation for collection activities.
- B. In the event of a dispute or denial, a patient may seek review from the Customer Service Manager. The Assistant Director of Finance for Patient Financial Services will review a second level appeal.
- C. If a patient wishes to seek financial assistance greater than the patient discount established in this policy, the patient is referred to the UC Davis Health Financial Assistance/Charity Care Policy and may complete a Financial Assistance Application pursuant to that Policy.
- D. For patients eligible for discount payments, UCDH will negotiate the terms of a payment plan and take into consideration the patient's family income and essential living expenses. If UCDH and the patient cannot agree on the payment plan, UCDH 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.
- E. In the event that a patient is overcharged any amount over \$5.00, the hospital shall reimburse the patient the overcharged amount with 7 percent annual interest (Article XV, Section 1 of the California Constitution) calculated from the date the patient made the overpayment.

V. PROCEDURE

- A. Patient Discount – Guidelines and Eligible Services:
 - 1. The Patient Discount shall automatically be applied to medically necessary hospital and qualifying physician services provided at and by UC Davis Health physicians.
 - 2. Services that are generally not considered to be medically necessary and are therefore not eligible for the Patient Discount include but are not limited to:
 - a. Reproductive Endocrinology and Infertility services which are not typically covered by a large group health care service plan contract under California Health & Safety Code 1374.55.
 - b. Cosmetic or plastic surgery services.
 - c. Vision correction services including LASIK, and intraocular contact lens; and
 - d. Hearing aid and listening assistive devices.
 - 3. In rare situations where a UC Davis Health Physician considers one of these services to be medically necessary, such services may be eligible for the Patient Discount upon review and approval by the Dean of Clinical Affairs or designee.
- B. Information to be Provided by Patient for Eligibility Determination

1. UC Davis Health shall determine eligibility for the Patient Discount in accordance with this Policy.
 2. UC Davis Health expects a patient to cooperate fully in the information gathering process under this Policy, and failure to do so may affect UC Davis Health's ability to provide the Patient Discount.
- C. Public notice concerning the availability of Patient Discount under this Policy shall be by the following means:
1. Posted notices explaining that UC Davis Health has a variety of options available including discounts and financial assistance, including 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 the discounts and financial assistance availability.

D. Established Patient Discount

Pursuant to this Policy, individuals identified as eligible for the Patient Discount shall receive a forty-six percent (46%) discount on physician fees for services deemed medically necessary by the UC Davis Medical Group. Additionally, a sixty percent (60%) discount shall apply to hospital fees charged by UC Davis Health for services that qualify as medically necessary.

The Patient Discount amount will be reviewed on an annual basis and is subject to change without notice.

VI. REFERENCES

Administrative Policy 1891, Charity Care Screening

Administrative Policy 1885, Self Pay, Hospital or Physician Discount

Cal. Health & Safety Code 127405

Cal. Health & Safety Code 127440

Cal. Health & Safety Code 1374.55

Cal. Insurance Code 10119.6

22 CCR 96051.6

VII. REVIEWED BY

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