



Manual	Business Office
Title	Financial Assistance, Charity Care & Billing Practices for Underinsured
Policy #	
Effective Date	01/2007
Revise Date	10/2022;11/2023;12/2024
Review Date	
Scope	California Hospitals
Reference	California Hospital Fair Pricing & Debt Collection

POLICY:

Kentfield and its affiliated hospitals (“Kentfield”) are committed to providing financial assistance, charity care, and discounted payments for service provided. In addition, Kentfield will provide written materials to patients and their representatives regarding its policies regarding discount payments and charity care for those individuals that meet the eligibility requirements outlined below. Finally, assistance in completing any applications for hospital discounted payments, charity care, or in the application for third party health insurance (i.e. Medicare, Medi-Cal, state or county-funded health insurance programs) will be offered to patients and their representatives.

Eligibility for charity care or discounted payments will be considered for those individuals that have met medical necessary criteria adopted by the hospital and as required by regulatory and accrediting agencies. In addition, the person receiving services must be accepted for admission by a physician or physicians that has/have been credentialed by the hospital Medical Staff and Governing Body.

Determination regarding charity care or discounted payment service will be in consideration of the information provided by the patient or their representative by the administrator or his/her designee.

I. Charity Care

- a. **Eligibility criteria may include, but is not limited to:**
 - i. Patients with income below 400% of the Federal Poverty Level (FPL)
 - ii. No third-party payor
 - iii. Limited assets not including those listed below
 - b. **Both patient income and monetary assets of the patient will be considered but shall not include:**
 - i. Retirement or deferred compensation plans qualified under the Internal Revenue Code (i.e. 401K, IRA);
 - ii. Non-qualified deferred compensation plans;
 - iii. The patient's first \$10,000 of assets; or
 - iv. More than 50% of monetary assets over the first \$10,000
 - c. **Eligibility is at the discretion of the administrator**
- II. Discounted Payment**
- a. **Eligibility Criteria**
 - i. Patients with high medical costs whose income is at or below 400% of the Federal Poverty Level (FPL)
 - b. **Extended payment plan to allow payment of the discounted price over time**
 - i. The hospital and the patient will negotiate the terms of the payment plan and taking into consideration the patient's family income and essential living expenses.
 - ii. If the two parties cannot agree on the plan, the hospital will use a formula described in Subdivision (i) of Section 127400 to create a reasonable payment plan.

The granting of charity care or discounted payments shall not be based on an individualized determination of financial need and will NOT take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

Eligible persons may have payments adjusted on a sliding fee scale, in accordance with financial needs, as determined in reference to the FPL in effect at the time of the determination. The basis for the amounts charged for qualified persons is as follows:

- Patients whose family income is at or below 400% of the FPL may receive free care
- Patients whose family income is above 400% of the FPL but no more than 600% of the FPL are eligible to receive services at discounted rates

- Patients whose family income exceeds 600% of the FPL may be eligible to receive discounted rates on a case-by-case basis, based on their specific circumstances, such as catastrophic illness.
- Any expected payments from those patients eligible would not exceed the payments that would be expected from Medicare or Medi-Cal, whichever is greater. If there is no established payment for the service under Medicare or Medi-Cal, the hospital may establish an appropriate discount payment.

PROCEDURE:

I. Pre-Admission

- a. The hospital will make reasonable efforts to obtain from the patient or the patient's representative information about whether private or public health insurance may fully or partially cover the charges for services provided by the hospital to the patient including, but not limited to:
 - i. Private health insurance (including insurance offered through the state health benefit exchange)
 - ii. Medicare
 - iii. Medi-Cal or other state-funded health coverage programs
- b. The hospital will provide all persons without insurance a written estimate of the amount the hospital will require patients to pay for the health care services provided.

II. Patient Admission

- a. Upon admission (within 3 days of admission) the patient or their representative will be provided with written documents about the financial assistance policy (i.e. discounted payment and charity care) of the hospital which will include, but is not limited to:
 - i. A statement indicating that if the patient lacks or has inadequate insurance and meets certain low- and moderate- income requirements that the patient may qualify for discounted payments or charity care.
 - ii. The name and telephone number of the hospital administrator from which the patient may obtain information about discounted payments or charity care and how to apply for that assistance.

- b. If the patient is not competent or able to receive the notice during the admission process, the notice will be provided at the latest during the discharge process or via United States Postal Mail within 72 hours of providing the service, and include:
 - i. Eligibility criteria contact information for the hospital administrator where they may obtain additional information about the hospital policies.
 - ii. The internet address for the Health Consumer Alliance (<https://healthconsumer.org>).
- c. In addition, the hospital's policy regarding discounted payment and charity services will be posted in location(s) that are visible to the public, such as the admissions office and hospital lobby in addition to the hospital's internet website.
- d. These notices will be made available in at least English and Spanish to meet the primary languages spoken in the community. For any patient who is unable to understand the information in the written formats available, the information will be provided by reading the information to the patient utilizing language or auditory interpreter services.
- e. Patients admitted to the hospital that do not have coverage by a third-party payor or those that request a discounted price or charity care will receive an application and assistance in completing the application for the Medi-Cal program or other state- or county- funded health coverage program.
- f. It is preferred, but not required, that a request for charity care or discounted payment and a determination of financial need occur prior to rendering medically necessary services. The determination may be done at any point and at any time additional information relevant to the eligibility of the patient becomes known.

III. Applications

- a. Applications forms for charity care or discounted services will be provided to the patient or their representative from case management or hospital administration upon request.
- b. The form provided is at the discretion of the hospital and may include, but is not limited to, personal, financial and other information as well as a release allowing information to be collected from banking institutions, employers, and other entities required to make a determination of financial need.
- c. Patients that request a discounted payment, charity care or other assistance will be required to make every reasonable effort to

- provide the hospital with documentation of income and health benefits coverage requested.
- d. If the patient fails to provide information that is reasonable and necessary for the hospital to make a determination, the hospital will consider that failure in making a decision.
 - e. The following financial information will be requested at a minimum by the hospital based on the type of financial assistance:
 - i. Discounted payment application – proof of income via either last three (3) months' pay stubs or income tax returns
 - ii. Charity Care – all monetary assets except those of retirement or deferred compensation plans (i.e. 401k, IRA)
 - f. No information obtained through the financial discovery process will be used in the collection activities.

IV. Appeal of Financial Assistance Determination

- a. Patients may submit a written request for reconsideration to the hospital Patient Financial Services Department. Such an appeal should demonstrate that the individual either:
 - i. Believes their Financial Assistance Application was not approved according to this policy; or
 - ii. Disagrees with the way the policy was applied to their case

The appeal must be submitted within 30 days of the date of the decision letter. The Director of Business Revenue or his or her designee will be the final level of appeal.

- b. **How to Ask for Help:** A patient may request assistance with understanding the medial bill or in applying for Financial Assistance by visiting the Patient Financial Service Department in person or by calling the business office at 209-488-4820. Patient Financial Services Department is open Monday through Friday from 8:00 am to 4:30 pm, except holidays.

Additionally, there are free consumer advocacy organizations that will help the patient understand the billing and payment process. The patient may call the Health Consumer Alliance at **1-888-804-3536** or go to <https://healthconsumer.org> for more information.

DEFINITIONS:

Self-Pay Patients:

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. Self-pay patients may include charity care patients.

Patient with High Medical Costs:

A person whose family income does not exceed 400% of the federal poverty level.

High Medical Costs:

High medical costs mean any of the following:

1. Annual out-of-pocket costs incurred by the individual at the hospital that exceed the lesser of 10% of the patient's current family income or family income in the prior 12 months.
2. Annual out-of-pocket expenses that exceed 10% of the patient's family income, 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.
3. A lower level determined by the hospital in accordance with the hospital's charity care policy.