

FINANCIAL ASSISTANCE PROGRAM

Full Charity Care & Discount
Partial Charity Care Policies

ABD-09



Financial Assistance Program, Full Charity Care, and Discount Partial Charity Care Policies, ABD-09

Risk:

In order to comply with the Fair Pricing Law and California Assembly Bill 1020, uninsured patients or patients with high medical costs who are at or below 400 percent (400%) of the federal poverty level shall be eligible to apply for participation under a hospital's charity care policy or discount payment policy. Providing patients with opportunities for financial assistance coverage for healthcare services is also an essential element of fulfilling the TFHD mission. The risk associated with not offering financial assistance is the Health System would be non-compliant with the Fair Pricing Law and California Assembly Bill 1020. We would also not be fulfilling an essential element in the TFHD mission.

Purpose:

- A. Tahoe Forest Hospital District (hereinafter referred to as "TFHD") provides hospital and related medical services to residents and visitors within district boundaries and the surrounding region. As a regional healthcare provider, TFHD is dedicated to providing high quality, customer oriented and financially strong healthcare services that meet the needs of its patients. Providing patients with opportunities for financial assistance coverage for healthcare services is also an essential element of fulfilling the TFHD mission. This policy defines the TFHD Financial Assistance Program; its criteria, systems, and methods.
- B. California acute care hospitals must comply with the "Hospital Fair Pricing Policies" law at Health & Safety Code Section 127400 et seq. (the "Fair Pricing Law"), including requirements for written policies providing discounts and charity care to financially qualified patients. Under the Fair Pricing Law and California Assembly Bill 1020, uninsured patients or patients with high medical costs who are at or below 400 percent (400%) of the federal poverty level shall be eligible to apply for participation under a hospital's charity care policy or discount payment policy. This policy is intended to fully comply with all such legal obligations by providing for both charity care and discounts to patients who qualify under the terms and conditions of the TFHD Financial Assistance Program. Additionally, although the Fair Pricing Law requires hospitals to provide financial assistance to certain qualifying patients for services they have received, it does not require hospitals to provide future services. Nevertheless, TFHD has allowed individuals to apply for financial assistance for future services under this policy. However, any individuals who qualify for such assistance will still be subject to admission and other criteria for receiving services and becoming patients, and will have to demonstrate their ability to meet any applicable financial obligation which is not covered by any discount or other financial assistance granted.
- C. The finance department has responsibility for general accounting policy and procedure. Included within this purpose is a duty to ensure the consistent timing, recording and accounting treatment of transactions at TFHD. This includes the handling of patient accounting transactions in a manner that supports the mission and operational goals of TFHD.

D. Patients are hereby notified that a physician employed or contracted to provide services in the emergency department of TFHD's hospital in Truckee, California is also required by law to provide discounts to uninsured patients or patients with high medical costs who are at or below 400 percent (400%) of the federal poverty level.

Definitions:

A. "Discount Partial Charity Care" means an amount charged for services to a patient who qualifies for financial assistance under the TFHD Financial Assistance Program which is discounted to the amount Medicare would pay for the same services or less. Discount Partial Charity Care, when granted to a patient, will in no case excuse a third party, or the patient, from their respective obligations to pay for services provided to such patient.

B. "Elective Services" means any services which are not medically necessary services.

C. "Emergency Services" means services required to stabilize a patient's medical condition initially provided in the TFHD emergency department or otherwise classified as "emergency services" under the federal EMTALA Law or Section 1317.1 et.seq. of the California Health & Safety Code, and continuing until the patient is medically stable and discharged, transferred, or otherwise released from treatment.

D. "Federal Poverty Level" or "FPL" means the current poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.

E. "Financial Assistance Program" means the TFHD Financial Assistance Program established by this policy for providing Full Charity Care or Discount Partial Charity Care (each, as defined below) to qualified patients.

F. "Full Charity Care" means medically necessary services provided by TFHD to a patient who qualifies under the TFHD Financial Assistance Program which are not covered by a third party, and for which the patient is otherwise responsible for paying, for which the patient will not be billed. Full Charity Care, when granted to a patient, in no case will excuse a third party from its obligation to pay for services provided to such patient.

G. "Medically Necessary Services" means hospital-based medical services determined, based upon a medical evaluation, to be necessary to preserve a patient's life or health.

H. "Monetary Assets" means all monetary assets of the patient's family excluding retirement or deferred compensation plans (both qualified and non-qualified under the Internal Revenue Code), not counting the first \$10,000 of such assets, nor fifty percent (50%) of the amount of such assets over the first \$10,000.

I. "Non-Emergency Services" means medically necessary services that are not Emergency Services.

J. "Patient" means an individual who has received Emergency Services or Non-Emergency Services at a facility operated by TFHD who is requesting financial assistance with respect to such services.

- K. “The amount Medicare would have paid” means the amount Medicare would pay for the services provided, or, in the event there is no specific amount that can be determined that Medicare would pay for such services, the highest amount payable for such services by any other state-funded program designed to provide health coverage.
- L. “Third Party Insurance” means health benefits coverage by a public or private program, insurer, health plan, employer, multiple employer trust, or any other third party obligated to provide health benefits coverage to a patient.

Scope:

- A. This policy applies to all TFHD patients. This policy does not require TFHD to accept as a patient and provide services to any person who does not qualify for treatment or admission under any of TFHD’s applicable policies, practices, and procedures, and does not prohibit TFHD from discharging, or otherwise limiting the scope of services provided to, any person in accordance with its normal policies, practices and procedures. This policy does not require TFHD to provide patients with any services that are not medically necessary or to provide access to non-emergency services or to elective services.
- B. The acute care hospital operated by TFHD provides many specialized inpatient and outpatient services. In addition to services provided at the main hospital location, Tahoe Forest Hospital operates primary care and multi-specialty clinics, home health, hospice and therapy service programs at sites in the same community but not located on the main hospital campus. Tahoe Forest Hospital also operates a distinct part skilled nursing facility. Only medically necessary services provided at facilities listed on the Tahoe Forest Hospital acute care license are included within the scope of this Financial Assistance Policy. TFHD has extended this policy to services proved at the Incline Village Community Hospital location, and clinics and therapy service programs.
- C. This policy pertains to financial assistance provided by TFHD. All requests for financial assistance from patients shall be addressed in accordance with this policy.
- D. During an Access to Healthcare Crisis, TFHD may “flex” its patient financial assistance policy to meet the needs of the community in crisis. It must be proclaimed by hospital leadership and attached to this patient financial assistance document as an addendum. An Access to Healthcare Crisis may be related to an emergent situation whereby state / federal regulations are modified to meet the immediate healthcare needs of the hospital’s community during the Access to Healthcare Crisis. These changes will be included in the patient financial assistance policy as included as an addendum. Patient discounts related to an Access to Healthcare Crisis may be provided at the time of the crisis, regardless of the date of this policy (as hospital leadership may not be able to react quickly enough to update policy language in order to meet more pressing needs during the Access to Healthcare Crisis).

Hospital Inpatient, Outpatient and Emergency Service Programs:

A. Introduction:

1. This policy sets forth a program to assist patients who are uninsured or underinsured in obtaining financial assistance in paying their hospital bill. Such financial assistance may include government sponsored coverage programs, Full Charity Care, and Discount Partial Charity Care.

B. Full Charity Care and Discount Partial Charity Care Reporting:

1. TFHD will report actual Charity Care (including both Full Charity Care and Discount Partial Charity Care) provided in accordance with regulatory requirements of the California Department of Health Care Access and Information (HCAI) as contained in the Accounting and Reporting Manual for Hospitals, Second Edition. The hospital will maintain written documentation regarding its Charity Care criteria and, for individual patients, written documentation regarding all Charity Care determinations. As required by HCAI, Charity Care provided to patients will be recorded on the basis of actual charges for services rendered.
2. TFHD will provide HCAI with a copy of this Financial Assistance Policy which includes the Full Charity Care and Discount Partial Charity Care policies within a single document. The Financial Assistance Policy also contains: 1) all eligibility and patient qualification procedures; 2) the unified application for full charity care and discount partial charity care; and 3) the review process for both full charity care and discount partial charity care. Forms of these documents shall be supplied to HCAI every two years or whenever a substantial change is made.

C. Full and Discount Charity Care Eligibility: General Process and Responsibilities:

1. Any patient whose family income is less than 400% of the FPL, is not covered by third party insurance or if covered by third party insurance and unable to pay the patient liability amount owed after insurance has paid its portion of the account, is eligible to apply for financial assistance under the TFHD Financial Assistance Program.
2. The TFHD Financial Assistance Program utilizes a single, unified patient application for both Full Charity Care and Discount Partial Charity Care. The process is designed to give each applicant an opportunity to apply for the maximum financial assistance benefit for which he or she may qualify. The financial assistance application provides patient information necessary for determining patient qualification by the hospital and such information will be used to determine the maximum coverage under the TFHD Financial Assistance Program for which the patient or patient's family may qualify.
3. Eligible patients may apply for financial assistance under the TFHD Financial Assistance Program by completing an application consistent with application instructions, together with documentation and health benefits coverage information sufficient to determine the patient's eligibility for coverage under the program. Eligibility alone is not an

entitlement to financial assistance under the TFHD Financial Assistance Program. TFHD must complete a process of applicant evaluation and determine, in accordance with this policy, whether financial assistance will be granted.

4. The TFHD Financial Assistance Program relies upon the cooperation of individual patients to determine who may be eligible for full or partial assistance. To facilitate receipt of accurate and timely patient financial information, TFHD will use a financial assistance application. All patients without adequate financial coverage by Third Party Insurance will be offered an opportunity to complete the financial assistance application. Uninsured patients will also be offered information, assistance and referral to government sponsored programs for which they may be eligible. Insured patients who are unable to pay patient liabilities after their insurance has paid, or those who experience high medical costs may also be eligible for financial assistance. Any patient who would like to receive financial assistance will be asked to complete a financial assistance application.
5. The financial assistance application is provided to all patients with billing statements. It is also available upon patient request. The application form may be completed at any time prior to or within one year after discharge, or within one year after the patient became eligible, whichever comes first.
6. To the extent it deems necessary, in its sole and reasonable discretion, TFHD may require an applicant for financial assistance to provide supplemental information in addition to a complete financial assistance application to provide:
 - a. Confirmation of the patient's income and health benefits coverage;
 - b. Complete documentation of the patient's monetary assets;
 - c. Other documentation as needed to confirm the applicant's qualification for financial assistance; and
 - d. Documentation confirming the hospital's decision to provide financial assistance, if financial assistance is provided.
7. However, a completed financial assistance application may not be required if TFHD determines, in its sole discretion, that it has sufficient patient information from which to make a financial assistance qualification decision.

Procedures:

A. Qualification: Full Charity Care and Discount Partial Charity Care

1. Eligibility for financial assistance shall be determined based on the patient's and/or patient's family's ability to pay and on the other factors set forth in this policy. Eligibility for financial assistance shall not be based in any way on age, gender, sexual orientation, ethnicity, national origin, veteran status, disability or religion.
2. The patient and/or the patient's family representative who requests assistance in meeting their financial obligation to TFHD shall make every reasonable effort to

provide information necessary for TFHD to make a financial assistance qualification determination. TFHD will provide guidance and assistance to patients or their family representative as reasonably needed to facilitate completion of program applications. Completion of the financial assistance application and submission of any or all required supplemental information may be required for establishing qualification for the Financial Assistance Program.

3. Whether financial assistance will be granted is determined after the patient and/or patient family representative establishes eligibility according to criteria contained in this policy, as it may be amended from time to time. While financial assistance shall not be provided on a discriminatory or arbitrary basis, TFHD retains full discretion, consistent with this policy, laws and regulations, to determine when a patient has provided sufficient evidence to establish eligibility for financial assistance, and what level of financial assistance an eligible patient is will receive.
4. Except as otherwise approved by TFHD, patients or their family representative must complete an application for the Financial Assistance Program in order to qualify for eligibility. The application and required supplemental documents are submitted to Financial Counseling at TFHD. This office shall be clearly identified on the application instructions. Patients have thirty (30) days to complete the application along with supporting materials or to request an extension.
5. TFHD will provide personnel who have been trained to review financial assistance applications for completeness and accuracy. Application reviews will be completed as quickly as possible considering the patient's need for a timely response.
6. Approval of an application for financial assistance to eligible patients will be made only by approved TFHD personnel according to the following levels of authority:
 - a. Financial Counselor: Accounts less than \$2,500
 - b. Director of Patient Access: Accounts less than \$10,000
 - c. Chief Financial Officer: Accounts less than \$50,000
 - d. Chief Executive Officer: Accounts greater than \$50,000
7. Factors considered when determining whether to grant an individual financial assistance pursuant to this policy may include (but are not limited to):
 - a. Extent of Third Party Insurance;
 - b. Family income based upon tax returns or recent pay stubs;
 - c. Monetary assets, if the patient requests any level of financial assistance greater than the Basic Discount (as defined below);
 - d. The nature and scope of services for which the patient seeks financial assistance;

- e. For patients 18 years or older, family includes the patient's spouse, registered domestic partner, and dependent children under 21 whether living at home or not. For patients under 18 years of age, family includes patient's parent, caretaker relatives, and other children under 21 years of age of the parent or caretaker. If a patient claims a dependent on their income tax return, according to the Internal Revenue Service rules, that individual may be considered a dependent for the purposes of determining financial assistance eligibility.
 - f. Hospital budget for financial assistance;
 - g. Other criteria set forth in this policy.
8. Financial assistance will be granted based upon consideration of each individual application for financial assistance in accordance with the Financial Assistance Program set forth in this policy.
 9. Financial assistance may be granted for Full Charity Care or Discount Partial Charity Care, based upon this Financial Assistance Program policy.
 10. Once granted, financial assistance will apply only to the specific services and service dates for which the application has been approved by TFHD. In cases of care relating to a patient diagnosis which requires continuous, on-going related services, the hospital, at its sole discretion, may treat such continuing care as a single case for which qualification applies to all related on-going services provided by the hospital. Other pre-existing patient account balances outstanding at the time of qualification determination by the hospital will not be included unless applied for and approved by TFHD pursuant to this policy.
 11. Patient obligations for Medi-Cal/Medicaid Share of Cost payments will not be waived under any circumstance. However, after collection of the patient share of cost portion, any other unpaid balance relating to a Medi-Cal/patient (such as a provided service where coverage is denied) may be considered for financial assistance.

B. Full and Discount Partial Charity Care Qualification Criteria

1. Cap On Patient Liability For Services Rendered to Patients Eligible for Financial Assistance:
Following completion of the application process for financial assistance, if it is established that the patient's family income is at or below 400% of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the entire patient liability portion of the bill for services rendered will be no greater than the amount Medicare would have paid for the services, net of any Third Party Insurance ("the Basic Discount"). This shall apply to all medically necessary hospital inpatient, outpatient and emergency services provided by TFHD.
2. Financial Assistance For Emergency Services
If an individual receives Emergency Services and applies for financial assistance under the Financial Assistance Program, the following will apply:

- a. If the patient’s family income is at or below 200% or less of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the patient will be granted Full Charity Care for Emergency Services provided.
- b. If the patient’s family income is between 201% and 400% of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the patient will be granted Partial Discount Charity Care for Emergency Services provided in accordance with the following:
 - i. Patient’s care is not covered by Third Party Insurance. If the services are not covered by Third Party Insurance, the patient’s payment obligation will be a percentage of the gross amount the Medicare program would have paid for the service if the patient were a Medicare beneficiary. The actual percentage paid by any individual patient shall be based on the sliding scale shown in Table 1 below:

TABLE 1 - SLIDING SCALE PAYMENT SCHEDULE

Family Percentage of FPL	Percentage of Medicare Amount Payable (Subject to an additional discount if TFHD determines, in its sole discretion, that unusual circumstances warrant an additional discount.)
201 – 215%	10%
216 – 230%	20%
231 – 245%	30%
246 – 260%	40%
261 – 275%	50%
276 – 290%	60%
291 - 305%	70%
306 - 320%	80%
321 – 335%	90%
336 – 400%	100%

- ii. Patient's care is covered by Third Party Insurance. If the services are covered by Third Party Insurance, but such coverage or liability is insufficient to pay TFHD's billed charges, leaving the patient responsible for a portion of the billed charges (including, without limitation, any applicable deductible or co-payment), the patient's payment obligation will be an amount equal to the difference between the gross amount paid by Third Party Insurance and the gross amount that Medicare would have paid for the service if the patient were a Medicare beneficiary. If the amount paid by Third Party Insurance exceeds what Medicare would have paid, the patient will have no further payment obligation. In no event shall the patient's obligation to pay a percentage of the unpaid amount be greater than the percentages of the amounts Medicare would pay for the same services set forth in Table 1, above.
- c. If a patient who meets all other Financial Assistance Program requirements whose family income is either greater than 400% the current FPL, or has family income of less than 400% of the FPL and the seeks a discount for emergency services greater than the discount set forth above, then TFHD may decide, in its sole discretion, whether to provide such financial assistance, and the extent to which it will be provided, if at all. In making its decision, TFHD may consider the following factors, without limitation:
 - i. The patient's need for financial assistance.
 - ii. The extent of TFHD's limited charitable resources, and whether they are best spent providing these services at an additional discount or whether there are other patients with greater immediate need for TFHD's charitable assistance.
 - iii. Any other facts (such as the patient's monetary assets) that, in TFHD's sole discretion, are appropriate to take into account in considering the patient's request for charity care.

3. Financial Assistance For Non-Emergency Services:

If a patient requests financial assistance for Non-emergency Services (with the exception of primary care clinic, multispecialty care clinic, home health, hospice or skilled nursing services, which are covered as described below), the following will apply:

If the patient's family income is 400% or less of FPL and meets all other Financial Assistance Program qualification requirements, the patient will be granted the Basic Discount. TFHD may decide, in its sole discretion, whether and to what extent additional financial assistance will be provided, such as whether to provide the level of assistance the patient would receive if he/she had received Emergency Services.

- a. In addition to the information required by the financial assistance application, TFHD may require the individual to provide additional information regarding the individual's family monetary assets, as it deems appropriate in its sole discretion.

- b. TFHD will decide, in its sole discretion, whether and to what extent to grant financial assistance in addition to the Basic Discount. Only medically necessary services will be considered. In making its determination, TFHD may, in addition to any other criteria set forth in this policy and without limitation, consider the following factors:
- i. The degree of urgency that the services be performed promptly.
 - ii. Whether the services must be performed at TFHD, or whether there are other providers in the patient's geographic area that could provide the services in question.
 - iii. Whether the services can most efficiently be performed at TFHD, or whether there are other providers that could perform the services more efficiently.
 - iv. The extent, if any, that TFHD's limited charitable resources are best spent providing the requested service and whether there are others with greater immediate need for TFHD's charitable assistance.
 - v. The patient's need for financial assistance.
 - vi. Any other facts that, in TFHD's sole discretion, are appropriate to take into account in considering the patient's request for financial assistance.

C. Refunds

In the event that a patient is determined to be eligible for financial assistance for services for which he/she or his/her guarantor has made a deposit or partial payment, and it is determined that the patient is due a refund because the payments already made exceed the patient's liability under this policy, any refund due shall be processed under TFHD's Credit and Collection Policy, which provides, in pertinent part, as follows:

"In the event that a patient or patient's guarantor has made a deposit payment, or other partial payment for services and subsequently is determined to qualify for full Financial Assistance or discount partial Financial Assistance, all amounts paid which exceed the payment obligation, if any, as determined through the Financial Assistance Program process, shall be refunded to the patient. Any overpayment due to the patient under this obligation may not be applied to other open balance accounts or debt owed to TFHD by the patient or family representative. Any or all amounts owed shall be reimbursed to the patient or family representative within a reasonable time period."

D. Primary Care and Multi-Specialty Clinics

TFHD operates certain outpatient clinics which can be located apart from the main campus of the hospital. Because of the lower cost of these services performed on an outpatient basis, the following shall apply to office visit services and professional fees rendered in these outpatient clinics:

- a. Clinic patients are patients of the hospital, and will complete the same basic financial assistance application form

- b. The patient’s family income will primarily be determined using pay stubs
- c. Tax returns will not be required as proof of income unless Financial Counseling determines it is reasonable and necessary due to unusual circumstances
- d. A patient attestation letter may be used on a limited basis when appropriate to an individual patient’s circumstance
- e. Subject to consideration of the factors set forth in paragraph 3 above for non-emergency services, to be determined by TFHD in its sole discretion, patients will pay a reduced fee based on the sliding scale below. If the Patient is covered by a third party obligation, the Patient’s obligation will be to pay the difference between the amount paid by the third party and the amounts of the sliding scale, if any.

TABLE 2 - CLASSIC SLIDING SCALE

Patient/Family FPL Qualification	Amount of Payment Due for Clinic Visit
Incomes less than or equal to 200%	\$25 flat fee per visit
Incomes between 201% and 400%	Actual Medicare Fee Schedule

E. Home Health and Hospice Services

TFHD operates both Home Health and Hospice Services that are located apart from the hospital campus and provide care and services in patient homes per Medicare and Medi-Cal/ Medicaid guidelines. Due to the lower cost related to providing care in the home for patients who are homebound verses the related additional cost of transportation and follow up in outpatient clinic or the hospital, the following shall apply to services rendered in the home setting:

1. Home Health and Hospice patients are patients of TFHD, and will complete the same basic financial assistance application form.
2. The patient’s family income will primarily be determined using pay stubs.
3. Tax returns will not be required as proof of income unless Financial Counseling or Home Health and Hospice personnel determine it is reasonable and necessary due to unusual circumstances.
4. A patient attestation letter may be used on a limited basis when appropriate to an individual patient’s circumstance.

5. Subject to consideration of the factors set forth above for non-emergency services, to be determined by TFHD in its sole discretion, patients will pay a reduced fee based on the sliding scale below. If the patient is covered by a third party obligation, the patient's obligation will be to pay the difference between the amount paid by the third party and the amounts of the sliding scale, if any.

TABLE 3 - HOME HEALTH & HOSPICE SLIDING SCALE

Patient/Family FPL Qualification	Amount of Payment Due for Home Visit
Incomes less than or equal to 200%	50% of the Medicare Payment Rate
Incomes between 201% and 400%	Actual Medicare Fee Schedule

F. Distinct Part Skilled Nursing Services

- a. Skilled nursing services are also quite different in nature than acute care inpatient, outpatient and emergency services. Patients at the distinct part skilled nursing facility are often residents at the hospital and require special programs designed to meet their long-term care needs.
- b. Given the unique nature of providing care to skilled nursing facility patients, the following financial assistance requirements shall apply:
 - i. All skilled nursing patients and/or their family representatives shall complete the TFHD financial assistance application and provide supporting documents as required by the standard application
 - ii. Patients will pay a reduced fee based on the following sliding scale

TABLE 4 - DISTINCT PART SKILLED NURSING SERVICES

Patient/Family FPL Qualification	Amount of Payment Due for Distinct Skilled Nursing Facility Services
Incomes less than or equal to 200%	50% of the Medi-Cal Payment Rate
Incomes between 201% and 400%	100% of the Medi-Cal Payment Rate

G. Payment Plans

1. When a determination to grant Discount Partial Charity Care has been made by TFHD, the patient may be given the option to pay any or all outstanding amount due through a scheduled term payment plan, as an alternative to a single lump sum payment.
2. TFHD will discuss payment plan options with each patient that requests to make arrangements for long-term payments. Individual payment plans will be arranged based upon the patient's ability to effectively meet the payment terms. As a general guideline, payment plans will be structured to last no longer than three (3) months. In addition, TFHD works with an outside vendor if patients need payment plan terms that exceed three (3) months. Payment plan terms are subject to vendor requirements. TFHD shall negotiate in good faith with the patient; however there is no obligation to accept the payment terms offered by the patient. No interest will be charged to qualified patient accounts for the duration of any payment plan arranged under the provisions of the Financial Assistance Policy.

H. Special Circumstances

1. Any application for financial assistance by or on behalf of patients covered by the Medicare Program must be made prior to service completion by TFHD.
2. If a patient is determined to be homeless he/she may be deemed eligible for charity care, in the sole discretion of TFHD.
3. Deceased patients who do not have any third party coverage, an identifiable estate, or for whom no probate hearing is to occur, may be deemed eligible for charity care, in the sole discretion of TFHD.
4. Charges for patients who receive Emergency Services for whom TFHD is unable to issue a billing statement may be written off as Full Charity Care. All such circumstances shall be identified on the patient's account notes as an essential part of the documentation process.

I. Other Eligible Circumstances

1. TFHD deems those patients that are eligible for government sponsored low-income assistance program (e.g. Medi-Cal/Medicaid and any other applicable state or local low-income program) to be eligible under the Financial Assistance Policy when services are provided which are not covered by the governmental program. For example, services to patients who qualify for Medi-Cal/Medicaid as well as other programs serving the needs of low-income patients which the government program does not cover, are eligible for Financial Assistance Program coverage. Under TFHD's Financial Assistance Policy, these resulting non-reimbursed patient account balances are eligible for full write-off as Full Charity Care. Specifically included as Charity Care are charges related to denied stays, denied days of care, and non-covered services. All Treatment Authorization Request (TAR) denials and any lack of payment for non-covered services provided to Medi-Cal/Medicaid

and other patients covered by qualifying low-income programs, and other denials (e.g. restricted coverage) are to be classified as Charity Care if, at the time that the services were provided TFHD believed that the services rendered were medically necessary.

2. The portion of Medicare patient accounts (a) for which the patient is financially responsible (coinsurance and deductible amounts), (b) which is not covered by insurance or any other payor including Medi-Cal/Medicaid, and (c) which is not reimbursed by Medicare as a bad debt, may be classified as charity care if:
 - a. The patient is a beneficiary under Medi-Cal/Medicaid or another program serving the health care needs of low-income patients; or
 - b. The patient otherwise qualifies for financial assistance under this policy and then only to the extent of the write-off provided for under this policy.

J. Catastrophic Care Consideration

1. Patients who do not qualify for charity care or discount partial charity care may nevertheless be eligible for financial assistance in the event of an illness or condition qualifying as a catastrophic event. Determination of a catastrophic event shall be made on a case-by-case basis. The determination of a catastrophic event shall be based upon the amount of the patient's liability at billed charges, and consideration of the individual's family income and assets as reported at the time of occurrence. Management may use its reasonable discretion on a case-by-case basis to determine whether and to what extent an individual or family is eligible for financial assistance based upon a catastrophic event. Financial assistance will be in the form of a percentage discount of some or all of the applicable monthly charges. The Catastrophic Event Eligibility Table will be used as a guideline by management to determine eligibility and the level of any financial assistance. The Catastrophic Event Eligibility Table does not guarantee that any individual will receive financial assistance, or the level of any assistance given.

K. Criteria for Re-Assignment from Bad Debt to Charity Care

1. TFHD will make all attempts to deem patients are ineligible for financial assistance prior to sending accounts to collections. Patient accounts will only be assigned to collections when they are severely past due and patients have a). been determined to be ineligible for financial assistance b). have not responded to attempts to bill or offer financial assistance for 180 days.
2. Any account returned to TFHD from a collection agency that has determined the patient or family representative does not have the resources to pay his or her bill, may be deemed eligible for Charity Care. Documentation of the patient or family representative's inability to pay for services will be maintained in the Charity Care documentation. An application may also be requested.

L. Determination

1. Once a determination of eligibility is made, a letter indicating the determination status will be sent to the patient or family representative. The determination status letter will indicate one of the following:
 1. Approval: The letter will indicate that financial assistance has been approved, the level of assistance, and any outstanding or prospective liability by the patient.
 2. Denial: If the patient is not eligible for financial assistance due to his/her income, and/or monetary assets, or type of service, the reasons for denial of eligibility will be explained to the patient. Any outstanding amount owed by the patient will also be identified.
 3. Incomplete: The applicant will be informed as to why the financial assistance application is incomplete. All outstanding information will be identified and requested to be supplied to TFHD by the patient or family representative within a specified timeframe. In general, patients will have thirty (30) days from receipt of the application to return the completed application and applicable supporting documents.

M. Reconsideration of Eligibility Denial

1. In the event that a patient disputes TFHD's determination of eligibility, the patient may file a written request for reconsideration with TFHD within 60 days of receiving notification of eligibility. The written request should contain a complete explanation of the patient's dispute and rationale for reconsideration. Any additional relevant documentation to support the patient's claim should be attached to the written appeal.
2. Any or all appeals will be reviewed by TFHD's Chief Financial Officer. The Chief Financial Officer or his/her designee shall consider all written statements of dispute and any attached documentation. After completing a review of the patient's claims, the Chief Financial Officer shall provide the patient with a written explanation of the results of the reconsideration of the patient's eligibility. All determinations by the Chief Financial Officer shall be final. There are no further appeals.
3. All discretionary decisions by TFHD shall not be subject to further review or reconsideration.

N. Public Notice

1. TFHD shall post notices informing the public of the Financial Assistance Program. Such notices shall be posted in high volume inpatient, and outpatient service areas of the hospital, including but not limited to the emergency department, billing office, inpatient admission and outpatient registration areas or other common patient waiting areas of the hospital. Notices shall also be posted at any location where a patient may pay his/her bill. Notices will include contact information on how a patient may obtain more

information on financial assistance as well as where to apply for such assistance. Notices will also include information about obtaining applications for potential coverage through Covered California and Medi-Cal as well as contact information for Health Consumer Alliance.

2. These notices shall be posted in English and Spanish and any other languages that are representative of the primary language of 5% or greater of residents in the hospital's service area.
3. Patients are notified at the time of service that Charity Care or Financial Assistance may be available within the Guide to Billing and Financial Assistance.
4. Patients will receive an application as part of the billing statement cycle. Additional documentation and patient information may be requested following the initial application.
5. TFHD displays a summary of its financial assistance program on its website.
 - a. A copy of this Financial Assistance Policy will be made available to the public on a reasonable basis.

O. Confidentiality

It is recognized that the need for financial assistance is a sensitive and deeply personal issue for recipients. Confidentiality of requests, information and funding will be maintained for all that seek or receive financial assistance. The orientation of staff and selection of personnel who will implement this policy should be guided by these values.

P. Good Faith Requirements

1. TFHD makes arrangements for financial assistance for qualified patients in good faith and relies on the fact that information presented by the patient or family representative is complete and accurate.
2. Provision of financial assistance does not eliminate the right to bill, either retrospectively or at the time of service, for all Full Charity Care or Partial Discount Charity Care services when information has been intentionally withheld or inaccurate information has been intentionally provided by the patient or family representative to the extent such inaccurate or withheld information affects the eligibility of the patient for financial assistance, or any financial assistance provided at TFHD's discretion. In addition, TFHD reserves the right to seek all remedies, including but not limited to civil and criminal remedies from those patients or family representatives who have intentionally withheld or provided inaccurate information in order to qualify for the TFHD Financial Assistance Program.

References:

See TFHD BOD Meeting Minutes of January 26, 2015 and May 24, 2011;
The Patient Protection and Affordable Care Act, Public Law 111-148 (124 Stat. 119)
(2010) Section 9007; Health and Safety Code Sections 127360-127360; Health and Safety
Code Sections 127400-127440

All Revision Dates:

12/2023, 12/2021, 04/2020, 03/2020, 01/2015, 02/2014, 01/2014, 01/2012, 05/2011

Approval Signatures:

Harry Weis, CEO
12/2023

Martina Rochefort, Clerk of the Board
12/2023