



Subject	Community Care Financial Assistance and Discount Payment Program				
Department(s)	Business Office and Compliance				
Reference #	4632				
Scope of Policy (Identifies the entities that are covered under the policy)					
X	All Orchard Hospital entities		Medical Specialty Center		
	Orchard Hospital		Medical Specialty Center (Oroville)		

DISCOUNT PAYMENT POLICY

POLICY:

Orchard Hospital realizes the need to provide service to patients who cannot otherwise afford health care. This policy applies to all uninsured or underinsured patients who meet the guidelines of this policy and who agree to its terms. A sliding fee schedule based on the annual HHS Poverty Guidelines will be used to determine the qualifying income levels of applicants. Guidelines are subject to change yearly based on the HHS Poverty Guidelines. Understanding this need, the hospital has chosen to fulfill their responsibility to the community by adopting the following Discount Payment Policy.

PROCEDURE:

1. Enrollment Process

An informal determination of Discount Payment eligibility will be determined by the Patient Financial Counselor and Credit/Collection Specialist, and the applicant may choose to fill out an application based on the recommendation of the Patient Financial Counselor and Credit/Collection Specialist; however, the recommendation of the Patient Financial Counselor and Credit/Collection Specialist is not required in choosing to fill out the Discount Payment Application.

Upon being submitted for consideration by the Patient Financial Counselor and Credit/Collection Specialist, all properly submitted applications will be reviewed and considered for implementation within 10 business days.

All applications must be filled out completely and accurately with one of the following required documentations attached, to be considered:

- Current W-2 withholding form or Income Tax statement form from the previous year, **or**
- Pay stubs from the previous three months

Verification of accuracy of application information, including contacting employers for verification of employment, will be made.



Subject	Community Care Financial Assistance and Discount Payment Program				
Department(s)	Business Office and Compliance				
Reference #	4632				
Scope of Policy (Identifies the entities that are covered under the policy)					
X	All Orchard Hospital entities		Medical Specialty Center		
	Orchard Hospital		Medical Specialty Center (Oroville)		

A letter of either approval or denial will be submitted to each applicant. The letter will contain: the percent discount; adjusted balance (if more than one account, each will be combined into one account for accounting and billing/statement purposes); and the required monthly payment due each month. Also included in the envelope will be a payment schedule and a discount card.

Updates will be conducted at the end of each calendar year for continued eligibility, or as needed with updated information/changes to guarantor accounts.

2. Discount Payment Account Billing Process, Terms and Settlement

All accounts will be billed out on a monthly basis.

Participants are requested to remain current on their outstanding balances. In order to remain current, participants must pay the balance due by the 15th of the following month. If unable to meet these requirements, prior arrangements must be made with the Business Office/Patient Financial Counselor and Credit/Collection Specialist.

If participant information changes, the participant shall submit changes to the Business Office/Patient Financial Counselor and Credit/Collection Specialist to update their applications or to complete/submit a new application.

If a participant does not pay within 15 days past due, without prior arrangements with the Business Office/Patient Financial Counselor and Credit/Collection Specialist, he/she will be removed from the program.

Upon removal from the program, a 6-month grace period will be enforced where all amounts will be due, and the patient will not be eligible for the program. Accounts on the program will have the discounted amount removed, original balance reinstated minus any payments, and prepared for collections. These accounts will not be considered a part of the new application once the participant is eligible for the program again.

A new application on new accounts may be submitted after the grace period for consideration.

Accounts that are removed from the program and that still contain a positive balance after the 6-month grace period will be forwarded to an outside collection agency who will, at their discretion and in accordance with rules and regulations put forth by California Assembly Bill 774, notify credit reporting bureaus. Under no circumstances will an account be reported to a credit reporting bureau under 150 days from the first bill date.



Subject	Community Care Financial Assistance and Discount Payment Program				
Department(s)	Business Office and Compliance				
Reference #	4632				
Scope of Policy (Identifies the entities that are covered under the policy)					
X	All Orchard Hospital entities		Medical Specialty Center		Community Care Center
	Orchard Hospital		Medical Specialty Center (Oroville)		

3. Participant Accounts Maintenance

All accounts will be reviewed monthly for fee adjustments, monthly payments and co-payments. Notices will be sent to all accounts which are non-compliant.

Collections efforts may be pursued for accounts that violate the terms set herein.

In the folder for each application the following items are required:

- Patient information and application
- A copy of every correspondence between Orchard Hospital and the participant
- Detailed bills on all accounts to be included in the application.
- Adjustment form with adjustments taken on accounts
- Any additional notations and pertinent information

The processes and procedures described above are designed to comply with CA AB 774 (Statutes of 2006) and SB 350 (Chapter 347, Statutes of 2007). Questions regarding AB 774 and SB 350 can be addressed by the Patient Financial Counselor and Credit/Collection Specialist or by California's Office of Statewide Health Planning and Development's website, at <http://www.oshpd.ca.gov/hid/products/hospitals/fairpricing/index.html>.

REFERENCES:

Pursuant to AB 774 Sect. 127405(2), Orchard Hospital has established eligibility levels for financial assistance and community care at less than 400 percent of the federal poverty level as appropriate to maintain its financial and operational integrity. Mayers Memorial Hospital is a rural hospital as defined in Section 124840. <http://aspe.hhs.gov/poverty/12poverty.shtml>



Subject	Community Care Financial Assistance and Discount Payment Program				
Department(s)	Business Office and Compliance				
Reference #	4632				
Scope of Policy (Identifies the entities that are covered under the policy)					
X	All Orchard Hospital entities		Medical Specialty Center		
	Orchard Hospital		Medical Specialty Center (Oroville)		

2023 HHS POVERTY GUIDELINES

Household Size	100% US Poverty Level	150% US Poverty Level	200% US Poverty Level
	80% Discount	60% Discount	40% Discount
1	\$14,580	\$21,870	\$29,160
2	\$19,720	\$29,580	\$39,440
3	\$24,860	\$37,290	\$49,720
4	\$30,000	\$45,000	\$60,000
5	\$35,140	\$52,710	\$70,280
6	\$40,280	\$60,420	\$80,560
7	\$45,420	\$68,130	\$90,840
8	\$50,560	\$75,840	\$101,120
9	\$55,700	\$83,550	\$111,400
10	\$60,840	\$91,260	\$121,680

To determine discount eligibility:

Count the number of people in your family/household.

- For persons 18 years of age and older, spouse, domestic partner, and dependent children under 21 years of age, whether living at home or not
- For persons under 18 years of age, parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative



Subject	Community Care Financial Assistance and Discount Payment Program				
Department(s)	Business Office and Compliance				
Reference #	4632				
Scope of Policy (Identifies the entities that are covered under the policy)					
X	All Orchard Hospital entities		Medical Specialty Center		Community Care Center
	Orchard Hospital		Medical Specialty Center (Oroville)		

Calculate the household income (annual).

Sliding across the row corresponding to the number of persons in your family/household above, stop in the first bucket that has an amount greater than the household income.

At the top of that column, the % discount is displayed.

REPAYMENT SCHEDULE

Total Patient Responsibility	Maximum Repayment Term	Minimum Monthly Payment
\$50 or less	In Full	In Full
\$51 - \$100	2 Months	\$40
\$101 - \$300	3 Months	\$55
\$301 - 4600	6 Months	\$75
\$601 - \$1,000	9 Months	\$100
\$1,001 - \$3,000	12 Months	\$150
\$3,001 - \$6,000	15 Months	\$250
\$6,000 And over	18 Months	\$350

To determine repayment schedule parameters:

Establish estimated or calculated total patient charges prior to discount.

- The Patient Financial Counselor and Credit/Collection Specialist and/or Department Personnel can provide a list of anticipated charged services and supplies, summed to Total Charges
- Per AB 774 Sect 127405(d), the Total Charges amount will be adjusted to mirror the amount of payment the hospital would receive as if it were providing the same services and supplies to Medicare.



Subject	Community Care Financial Assistance and Discount Payment Program				
Department(s)	Business Office and Compliance				
Reference #	4632				
Scope of Policy (Identifies the entities that are covered under the policy)					
X	All Orchard Hospital entities		Medical Specialty Center		Community Care Center
	Orchard Hospital		Medical Specialty Center (Oroville)		

Once the total liabilities reflect the amount payable by Medicare, the discount percentage established above will be applied. The resulting amount is "TOTAL PT RESPONSIBILITY" that can be inserted into the table above.

Determine which row applies to your "TOTAL PT LIABILITIES" amount by putting the amount in the appropriate range above.

Sliding to the right, the repayment of the discounted Total Patient Liabilities must be performed within the corresponding parameters.