

Status **Active** PolicyStat ID **13566185**



Origination 12/1/2009  
Last Approved 5/3/2023  
Effective 5/3/2023  
Last Revised 5/3/2023  
Next Review 5/2/2026

Owner John Fankhauser,  
MD: Chief  
Executive Officer,  
VCMC & SPH  
Policy Area Administrative -  
Fiscal

## 110.030 Charity Care Policy

### PURPOSE:

Ventura County Medical Center (VCMC)/Santa Paula Hospital (SPH) and hospital clinics strive to provide compassionate, quality patient care for the community we serve. This policy demonstrates VCMC and SPH's commitment to our mission and vision by helping meet the needs of low income and uninsured patients in our community.

### POLICY:

The Ventura County Health Care Agency (HCA) hospitals, Ventura County Medical Center (VCMC) and Santa Paula Hospital (SPH) and hospital clinics, will offer a Charity Care Program for hospital, ambulatory care and urgent care services to patients who meet the eligibility tests described below, pursuant to Health & Safety Code sections 127400 through 127446.

### PROCEDURE:

#### Eligibility for Participation in Charity Care Program

**Self-Pay Patients:** A patient qualifies for the Charity Care Program if all of the following conditions are met:

- The patient does not have third party coverage from a health insurer, health care service plan, Medicare or Medi-Cal as determined and documented by the hospital; or
- The patient has incurred annual out-of-pocket medical costs 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, or annual out-of-pocket medical expenses that exceed 10 percent of the patient's family income; and
- The patient's injury is not a compensable injury for purposes of workers' compensation,

- automobile insurance, or other insurance as determined and documented by HCA; and
- The patient's family income does not exceed 400% of the Federal Poverty Level; and
- The patient has monetary assets of less than \$10,000.00. Monetary assets shall not include retirement or deferred compensation plans qualified under the Internal Revenue Code, or non-qualified deferred compensation plans (the patient's first \$10,000 of monetary assets, and 50 percent of the patient's monetary assets in excess of \$10,000, shall not be considered in determining eligibility).

Hospital staff shall make reasonable efforts to obtain from the patient, or his or her representative, information about whether private or public health insurance, including eligibility for the California Health Benefit Exchange, may fully or partially cover the charges for care. If the patient does not have proof of third party coverage, hospital staff shall provide the patient with application forms and other information explaining how the patient may be eligible for specified health coverage programs, including, but not limited to, Medi-Cal, California Children's Services, the California Health Benefit Exchange or other government-funded health care programs.

The fact that a patient is applying for any of the above described health care coverage shall not preclude such patient from qualifying for the Charity Care Program or Discount Payment Program.

**Other Circumstances:** A patient may also qualify for the Charity Care Program if:

- a. The patient qualifies for limited benefits under Medi-Cal, i.e., limited pregnancy or emergency benefits, but does not have benefits for other services provided at the hospital.
- b. The patient qualifies for a medically indigent adult program offered by a county other than Ventura County.
- c. Reasonable efforts have been made to locate and contact the patient, such efforts have been unsuccessful, and the HCA Director or designee has reason to believe that the patient would qualify for charity or a discount (i.e., the patient is homeless).
- d. A third party collection agency has made efforts to collect the outstanding balance and has recommended to the HCA Director or designee that charity care or a discount be offered.

**Definition of Patient's Family and Determination of Family Income:** The "patient's family" is defined as the following:

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

Documentation of family income shall be limited to recent pay stubs or tax returns. In determining a patient's monetary assets, the hospital/clinic shall not consider retirement or deferred compensation plans qualified under the Internal Revenue Code, non-qualified deferred compensation plans, the first ten thousand dollars (\$10,000.00) of monetary assets, or fifty percent (50%) of the patient's monetary assets in excess of the first ten thousand dollars (\$10,000.00).

**Federal Poverty Levels:** The measure of 400% of the Federal Poverty Level shall be made by reference to the most up-to-date Department of Health and Human Services poverty guidelines for the number of

persons in the patient's family or household. <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

## Charity Care

Balances for those patients who qualify to participate in the Charity Care Program, as determined by HCA, shall be reduced to a sum equal to \$0 with the remaining balance eliminated and classified as charity care.

## Resolution of Disputes

Any disputes regarding a patient's eligibility to participate in the Charity Care Program shall be directed to and resolved by the Health Care Agency Chief Financial Officer.

## Notices

To ensure that patients are aware of the existence of the Charity Care Program, the following actions shall be taken:

**Written Notice to Patients** - Each patient who is seen at the hospital, whether admitted or not, shall receive the notice attached hereto as Exhibit 1. The notice shall be provided in English and non-English languages spoken by a substantial number of the patients served by the hospital.

In addition, the notice attached hereto as Exhibit 1 shall also be clearly and conspicuously posted in locations that are visible to patients in the following areas:

- Emergency Department
- Billing Office
- Admissions Office
- Other outpatient settings
- Prominently displayed on the hospital's internet website with a link to the Charity Care Program

Each bill that is sent to a patient who has not provided proof of coverage by a third party at the time care is provided or upon discharge must include a statement of charges for services rendered by the hospital and the notice attached hereto as Exhibit 2. The notice shall be provided in English and non-English languages spoken by a substantial number of the patients served by the hospital.

## Collection Activities

HCA may use the services of an external collection agency for the collection of patient debt. No debt shall be assigned for collection until the HCA Director or his/her designee has reviewed the account, and either 1) the patient has been found to be ineligible for financial assistance, or 2) the patient has not responded to any attempts to bill or offer financial assistance for 180 days. The notice attached hereto as Exhibit 3 will be provided to the patient prior to an account being assigned to an external collection agency.

HCA shall obtain an agreement from each collection agency that it utilizes to collect patient debt that the agency will comply with the requirements of Health & Safety Code Sections 127425, 127426 and 127430

and the Charity Care Program.

Neither HCA nor any collection agency utilized by HCA shall report adverse information to a consumer credit reporting agency or commence civil action against the patient for nonpayment at any time prior to 180 days after the initial billing if the patient lacks third party coverage, or if the patient who provides information that he or she may qualify for the Charity Care Program.

In addition, if a patient is attempting to qualify for eligibility under the Charity Care Program or Discount Payment Program and is attempting in good faith to settle an outstanding bill with the hospital by negotiating a reasonable payment plan or making regular partial payments of a reasonable amount, HCA shall not send the unpaid bill to any collection agency unless that entity has agreed to comply with Health & Safety Code Sections 127425, 127426 and 127430, and the Charity Care Program.

Any collection agency shall comply with any payment plan entered into by a patient. HCA shall not, in dealing with patients eligible under the Charity Care Program or Discount Payment Program, use wage garnishments or liens on primary residences as a means of collecting unpaid hospital bills.

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## EXHIBIT 1

### Charity Care and Discounted Payment Program

Patients who lack insurance or have inadequate insurance and meet certain low- and moderate-income requirements may qualify for discounted payments or charity care. Patients should contact the Ventura County Health Care Agency at **805-648-9553** or [VCHCA.PatientAssistance@ventura.org](mailto:VCHCA.PatientAssistance@ventura.org) to obtain further information. Emergency Department physicians, who are not employees of the hospital, must also provide a discounted payment program. Please contact **626-447-0296** for further information.

There are organizations that will help patients understand the billing and payment process. For assistance, patients may contact the Health Consumer Alliance (<https://healthconsumer.org>.)

For information and eligibility for Covered California, please visit [www.coveredca.com](http://www.coveredca.com).

For Medical eligibility, please visit [www.medi-cal.ca.gov](http://www.medi-cal.ca.gov).

For a list of the hospital's shoppable services, please visit [https://apps.para-hcfs.com/PTT/FinalLinks/Ventura\\_V3.aspx](https://apps.para-hcfs.com/PTT/FinalLinks/Ventura_V3.aspx).

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## EXHIBIT 2

### Notice to Accompany Bills to Potentially Eligible Patients

Our records indicate that you do not have health insurance coverage or coverage under Medicare, Medi-Cal, or other similar programs. If you have such coverage, please contact our office at **805-648-9553** as soon as possible so the information can be obtained and the appropriate entity billed.

If you do not have health insurance coverage, you may be eligible for Medicare, Medi-Cal, the Ventura County Health Care Agency's Discounted Payment Program, or the Charity Care Program. For more information about how to apply for Medicare, Medi-Cal, the California Health Benefit Exchange, or other similar programs, please contact the Ventura County Health Care Agency by telephone at **805-648-9553** or via email at [VCHCA.PatientAssistance@ventura.org](mailto:VCHCA.PatientAssistance@ventura.org) and speak to a representative who will be able to answer questions and provide you with applications for these programs.

Emergency Department physicians, who are not employees of the hospital, must also provide a discounted payment program. Please contact **626-447-0296** for further information.

For additional assistance, patients may contact the Ventura County consumer assistance center toll free at **866-904-9362** or visit the Ventura County Human Services Agency website at [www.vchsa.org](http://www.vchsa.org).

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### EXHIBIT 3

#### Notice of Commencement of Collection Activities

John Doe  
123 Main Street  
Ventura, CA 93001  
Re: Encounter #: 2000000001  
Balance: \$100.00

Dear Mr. Doe,

State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8 a.m. or after 9 p.m. In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment.

Before assigning your account to a collection agency, a newly enacted California law requires that we notify you of the following information:

The date or dates of service of this account: XX/XX/XXXX  
The name of the company your account will be assigned to: California Business Bureau  
How you can obtain an itemized bill from us: Please call 805-648-9553 for an itemized bill  
The name and type of health care coverage on record at the time of services or a statement that the hospital does not have that information:  
Applications for our Charity Care and Discount Payment Policies: See attached applications.  
The date(s) you were originally sent a notice about applying for financial assistance: XX/XX/XXXX  
The date(s) you were sent a financial assistance application: XX/XX/XXXX  
The date a decision was made on the application: XX/XX/XXXX

Please contact us at (phone number/business office) if you have any questions about this letter, or about your account/bill with us.

Respectfully

VCHCA

For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-382-4357 or online at [www.ftc.gov](http://www.ftc.gov). Patients may also contact the Ventura County consumer assistance center toll free at **866-904-9362** or visit the Ventura County Human Services Agency website at [www.vchsa.org](http://www.vchsa.org).

## All Revision Dates

5/3/2023, 4/14/2023, 7/30/2019, 8/1/2017

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## Attachments

[Charity Care Application](#)

## Approval Signatures

Step Description	Approver	Date
Finance	Michael Taylor: Chief Financial Officer, Health Care Agency	5/3/2023
Finance	Jill Ward: Chief Financial Officer, VCMC & SPH	5/3/2023
Policy Owner	John Fankhauser, MD: Chief Executive Officer, VCMC & SPH	5/3/2023

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