

TITLE: Charity Care and Financial Assistance Policy**DEPARTMENT: Business Office****PAGE 1 OF 3****SCOPE: FINANCIAL PERSONNEL****POLICY:**

The Business Office will maintain an understandable, written financial assistance policy for low-income uninsured and underinsured patients, addressing the KVHD's Charity Care and Financial Assistance Policy.

The written financial assistance and discount policy will be in compliance with AB 774.

Uninsured patients are eligible to apply if their gross family income is at or below 400 percent of the federal poverty level.

Underinsured patients, such as those with high-deductible consumer-driven health plans, are also eligible to apply under the District's policy. To be eligible, patients must incur out-of-pocket costs that exceed 10 percent of their family income in the prior 12 months.

A patient applying must make every reasonable effort to provide the hospital with documentation of income and health benefits coverage. If the patient fails to provide information that is reasonable and necessary for the hospital to make a determination, the hospital may consider that grounds for disqualification.

The policy will state the process used to determine whether a patient is eligible for charity care or financial assistance.

PROCEDURE:

If a patient or hospital staff member considers that the patient may be eligible for financial assistance, they will provide the patient with a Financial Statement form and request that it be returned to the Financial Counselor for eligibility determination.

The Financial Counselor will review all Financial Statements submitted for eligibility determination for financial assistance as soon as reasonably possible, but in all cases prior to instituting any collection practices other than the initial deposit requirements as specified in the deposit schedule. (Attached)

In determining eligibility for financial assistance, the financial counselor will require all relevant income information from the patient to verify possible eligibility (This includes, but is not limited to Income Tax Returns, W-2's, recent pay stubs and bank statements). This information may not be used for collection activity purposes.

TITLE: Charity Care and Financial Assistance Policy**DEPARTMENT: Business Office****PAGE 2 OF 3****Notice**

Business services staff will provide patients with a written notice about the availability of the financial assistance program. This notice will be clearly and conspicuously posted in locations that are visible to the public, including, but not limited to, the emergency department, billing office, admitting office, rural health clinic, retail pharmacy, and other outpatient locations. This notice will be in English and other languages as required by Insurance Code 12693.30.

Eligibility

In determining eligibility for financial assistance, business services staff will consider the income and monetary assets of the patient. However, they will not include any of the various retirement or deferred-compensation plans that an applicant may have, the first \$10,000 of an applicant's monetary assets, and 50 percent of any amount over the first \$10,000 in determining eligibility.

Billing Requirements

Business services staff will make all reasonable efforts to obtain information from the patient about whether private or public health insurance might fully or partially cover the charges for care, including private health insurance, Covered CA, Medicare, Medi-Cal, or other state or federally funded programs.

When a patient is billed who has not provided proof of coverage by a third party at the time the care was rendered or upon discharge, the business services staff will include as part of that billing process a "clear and conspicuous" notice of the following:

- A statement of charges for services rendered;
- A statement that, if the consumer does not have health insurance coverage, the consumer may be eligible for Medicare, Medi-Cal, Covered CA or financial assistance;
- A statement indicating how patients may obtain information for the Medi-Cal and Covered CA.
- Information regarding the financially qualified patient and financial assistance application process, including the following:
 - A. A statement that indicates that, if the patient lacks or has inadequate insurance and meets certain low and moderate-income requirements, the patient may qualify for a discounted payment or charity care.
 - B. The name and number of the then-current patient financial counselor and the business office for further information about the hospital's Financial Assistance Policy, and how to apply for assistance.

TITLE: Charity Care and Financial Assistance Policy

DEPARTMENT: Business Office

PAGE 3 OF 3

Payment Plan

If a patient tries to qualify for KVHD’s charity care or financial assistance and attempts in good faith to settle an outstanding bill by negotiating a reasonable payment plan or by making regular partial payments of a reasonable amount, KVHD will not send the bill to a collection agency unless that agency agrees to comply with the requirements of AB 774.

KVHD will not use wage garnishments or liens on primary residences as a means of collecting debt from eligible patients. However, an unaffiliated collection agency may obtain a court order authorizing wage garnishment.

Any extended payment plan offered by KVHD to assist patients eligible under the charity care and deposit and discount payment policy, or any other policy adopted by KVHD for assisting low-income patients will be interest-free.

Before commencing collection activities, KVHD will provide the patient with a clear and conspicuous written notice regarding the patient’s rights under state and federal fair debt collection rules. The notice must include a statement that the Federal Trade Commission enforces these requirements.

Attachments: Charity Care and Financial Assistance Criteria
Charity Care and Financial Assistance Fee Scale

Reference: AB 774

APPROVAL	DATE	APPROVAL	DATE
Department/Division Manager	2/17/22	Interdisciplinary Team	N/A
Unit Medical Director (if applicable)	N/A	Governing Board	3/07/18
Medical Staff Committee (if applicable)	N/A	Administration	2/26/18
Reviewed By:		Reviewed By:	
Reviewed By:		Reviewed By:	

KERN VALLEY HEALTHCARE DISTRICT

HOSPITAL AND CLINIC CHARITY CARE AND FINANCIAL ASSISTANCE CRITERIA

FAMILY
UNIT

MONTHLY
INCOME

A	
1	5,020
2	6,813
3	8,607
4	10,400
5	12,193
6	13,987
7	15,780
8	17,573
9	19,367
10	21,160

Patient Owes:

RHC	\$20.00	
Lab	\$10.00	
Xray	\$15.00	
U.S	\$15.00	
CT	\$30.00	
OP Serv	\$25.00	
Rehab(PT,OT)	\$20.00	per visit
Surg/Proc	\$50.00	
CRNA	\$50.00	
Phy-Surg	\$400.00	
E/R	\$50.00	
Phy-ER	\$50.00	
Acute Care	\$50.00	daily
Swing	\$50.00	daily

EFFECTIVE:

1/1/2024

HOSPITAL AND CLINIC DISCOUNTS

THE DISCOUNTS SHOWN BELOW MAY NOT BE COMBINED WITH ANY OTHER CASH OR POLICY DISCOUNT.

Family Members	A		25%		50%		75%		100%	
	FROM	TO	FROM	TO	FROM	TO	FROM	TO	E	
1	0	5,020	5,021	5,856	5,857	6,693	6,694	7,529	7,530	
2	0	6,813	6,814	7,949	7,950	9,084	9,085	10,219	10,220	
3	0	8,607	8,608	10,041	10,042	11,475	11,476	12,909	12,910	
4	0	10,400	10,401	12,133	12,134	13,866	13,867	15,599	15,600	
5	0	12,193	12,194	14,225	14,226	16,257	16,258	18,289	18,290	
6	0	13,987	13,988	16,317	16,318	18,648	18,649	20,979	20,980	
7	0	15,780	15,781	18,410	18,411	21,039	21,040	23,669	23,670	
8	0	17,573	17,574	20,502	20,503	23,430	24,431	26,359	26,360	
9	0	19,367	19,368	22,594	22,595	25,822	25,823	29,049	29,050	
10	0	21,160	21,161	24,686	24,687	28,213	28,214	31,739	31,740	

Poverty Guideline Published 1/2024
 Effective 1/1/2024