



POLICY: Financial Assistance Policy
EFFECTIVE DATE: 11-1-2010
REVISED DATE(S): 6-24-16, 6-1-23, 1-1-24

Southern Mono Healthcare District d/b/a Mammoth Hospital (“MH” or “Hospital”) is committed to helping to meet the needs of the low income, uninsured and underinsured patients in our community. Consistent with our mission, MH strives to ensure that the financial capacity of families who need healthcare services does not prevent them from seeking or receiving care. MH shall provide medically necessary Financial Assistance to all eligible patients pursuant to the eligibility requirements and procedures set forth here. The intent of this Financial Assistance Policy is to satisfy the requirements of Section 501(r) of the Internal Revenue Code, California Health & Safety Code sections 127400 et seq., and the Department of Health and Human Services Office of Inspector General guidance regarding financial assistance to uninsured and underinsured patients.

A copy of the published Financial Assistance Policy, and all amended or revised Policies, shall be provided to the State of California Department of Health Care Access and Information or “HCAI” (f/k/a the Office of Statewide Health Planning and Development) in accordance with HCAI state filing procedures (See generally, Title 22 of the California Code of Regulations (CCR) section 96040-96050, et seq.).

This policy is not intended to waive or alter any contractual provisions or rates negotiated by and between MH and a third party payer, nor is the policy intended to provide discounts to a non-contracted third party payer or other entities that are legally responsible to make payment on behalf of a beneficiary, covered person or insured.

Purpose

This policy is intended to:

- Define the forms of available Financial Assistance and the associated eligibility criteria;
- Establish the processes that patients shall follow in applying for Financial Assistance and the process the hospital will follow in reviewing applications for Financial Assistance;
- Provide a means of review in the event of a dispute over a Financial Assistance determination;
- Provide administrative and accounting guidelines to assist with identifying, classifying and reporting Financial Assistance;
- Establish the process that MH shall follow to provide to patients an estimate of financial responsibility for services; and
- Define the discounts available to patients for hospital inpatient and outpatient services performed at MH.

Scope / Applicability

This policy applies to all Hospital inpatient & outpatient services in which MH performs billing (in most cases it includes the physician professional fees).

Definitions

1. **Covered Services:** Covered Services are all services that are medically necessary except those services that are Elective Services requiring prior administrative approval as defined below are not Covered Services.
2. **Emergent Care:** Emergent Care is any service as deemed life threatening, potential loss of limb or disability if care is delayed (typically service starts in the emergency department and the patient is not discharged until Emergent Care is rendered).
3. **Elective Services Requiring Prior Administrative Approval:** Due to their unique nature, certain non-emergent services require administrative approval prior to admission and the provision of service. Generally, patients who seek complex, specialized, or high- cost services (e.g. experimental procedures, transplants, cosmetic procedures) must receive administrative approval prior to the provision of services. Patients seeking to receive such services are **not** eligible for Full Charity Care, Partial Charity Care, Catastrophic Charity Care, or High Medical Cost Charity Care unless hospital administration makes an exception (only Mono County residents will be considered). MH shall develop a process for Mono County resident patients to seek prior administrative approval for services. If a patient receives a service that requires prior administrative approval without obtaining prior approval, the patient shall receive Partial Charity Care or High Medical Cost Charity Care if they are eligible under this policy, or if they are not eligible, they shall receive an Uninsured Patient Discount.
4. **Uninsured Patient:** An Uninsured Patient is a patient who has no source of payment for any portion of their medical expenses, including without limitation, commercial or other insurance, government sponsored healthcare benefit programs or third party liability, or whose benefits under insurance have been exhausted prior to the admission. Patients without third party coverage will be screened for eligibility for state and federal governmental programs.
5. **Primary Language of MH Service Area:** The primary language of the MH local population is English.
6. **Family Income:** Family income is annual family earnings from the prior 12 months or prior tax year as shown by recent pay stubs or income tax returns, less payments made for alimony and child support. Proof of earnings may be determined by annualizing year-to-date family income, giving consideration for current earning rates. For patients over 18 years of age, the patient's Family includes their spouse, domestic partner, and dependent children under 21 years of age, whether living at home or not. For patients under 18 years of age, the patient's family includes their parents, caretaker relatives, and other

children under 21 years of age of the parents or caretaker relatives.

7. **High Medical Costs:** Includes either of the following:

- Annual out-of-pocket costs incurred by the individual 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.
- Annual out-of-pocket expenses that exceed 10 percent 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.

8. **Federal Poverty Guidelines:** The measure of income level published annually by the United States Department of Health and Human Services and is used by hospitals for determining eligibility for Financial Assistance. These guidelines are available at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

2023 Guidelines:

		100% Free Care	90% Charity Discount	80% Charity Discount	65% Charity Discount	50% Charity Discount	40% Charity Discount
Family Size (household)	100%FPL	Annual 200% FPL	Annual 250% FPL	Annual 300% FPL	Annual 350% FPL	Annual 400% FPL	Annual 450% FPL
1	\$ 14,580	\$ 29,160	\$ 36,450	\$ 43,740	\$ 51,030	\$ 58,320	\$ 65,610
2	\$ 19,720	\$ 39,440	\$ 49,300	\$ 59,160	\$ 69,020	\$ 78,880	\$ 88,740
3	\$ 24,860	\$ 49,720	\$ 62,150	\$ 74,580	\$ 87,010	\$ 99,440	\$ 111,870
4	\$ 30,000	\$ 60,000	\$ 75,000	\$ 90,000	\$ 105,000	\$ 120,000	\$ 135,000
5	\$ 35,140	\$ 70,280	\$ 87,850	\$ 105,420	\$ 122,990	\$ 140,560	\$ 158,130
6	\$ 40,280	\$ 80,560	\$ 100,700	\$ 120,840	\$ 140,980	\$ 161,120	\$ 181,260
7	\$ 45,420	\$ 90,840	\$ 113,550	\$ 136,260	\$ 158,970	\$ 181,680	\$ 204,390
8	\$ 50,560	\$ 101,120	\$ 126,400	\$ 151,680	\$ 176,960	\$ 202,240	\$ 227,520
For each add'l	\$ 5,140	\$ 10,280	\$ 12,850	\$ 15,420	\$ 17,990	\$ 20,560	\$ 23,130

Policy

*** Financial Assistance is available to eligible patients who receive Covered Services and who follow applicable procedures (such as completing applications and providing required information).**

Financial Assistance: The term Financial Assistance refers to Full and Partial Charity Care, Special Circumstance Charity Care, Catastrophic Charity Care and High Medical Cost Charity Care, Uninsured Patient Discount and Extended Payment Plan.

A. Full Charity Care: Full Charity Care is a *complete* write-off of the hospital's undiscounted charges for Covered Services. Full Charity Care is available to patients whose Family Incomes are at or below 200% of the most recent Federal Poverty Income guidelines.

B. Partial Charity Care: Partial Charity Care is a *partial* write-off of undiscounted charges for Covered Services. MH shall provide a 40% - 90% discount on services that are not already discounted to patients whose Family Incomes are between 201% - 450% of the most recent Family Federal Poverty Income Guidelines.

C. Special Circumstances Charity Care: MH reserves the discretion to grant circumstantial eligibility based on an objective, good faith determination of financial need, taking into account the individual patient's circumstances, the local cost of living, a patient's income, a patient's family size, and/or the scope and extent of a patient's medical bills, based on reasonable methods to determine financial need. Special Circumstances Charity Care allows Uninsured Patients who do not meet the Financial Assistance criteria set forth in section 1 or 2, above, or who are unable to follow specified hospital procedures, to receive a complete or partial write-off of the hospital's undiscounted charges for Covered Services with the approval of the MH Chief Financial Officer ("CFO"), or designee. The hospital must document the decision, including the reasons why the patient did not meet the regular criteria. The following is a non-exhaustive list of some situations that may qualify for Special Circumstances Charity Care:

- i. **Bankruptcy:** Patients who are in bankruptcy or recently completed bankruptcy (i.e., discharge of debtor);
- ii. **Indigent Patients:** patients without a payment source if they do not have a job, mailing address, residence, or insurance.
- iii. **Deceased:** Deceased patients without insurance, an estate or third party coverage.
- iv. **Medicare:** Income-eligible Medicare patients may apply for Financial Assistance for denied stays, denied days of care, non-covered services and Medicare cost shares;
- v. **Medi-Cal:** Income-eligible Medi-Cal patients may apply for Financial Assistance for denied stays, denied days of care, and non-covered services; however, patients may not receive Financial Assistance for the Medi-Cal share of cost. Persons eligible for programs such as Medi-Cal but whose eligibility status is not established for the period during which

the medical services were rendered may apply for Financial Assistance.

D. Catastrophic Charity Care: Catastrophic Charity Care is a partial write-off of an Uninsured Patient's financial responsibility for Covered Services that is applied when an Uninsured Patient's financial responsibility exceeds 30% of their Family Income. Patients eligible for Catastrophic Charity Care will receive a full write-off of their undiscounted charges for Covered Services that exceed 30% of their Family Income.

*[Uninsured Patient's financial responsibility for undiscounted charges for Covered Services] - [Family Income * 30%] = Catastrophic Charity Care write-off.*

E. High Medical Cost Charity Care (for Insured Patients): High Medical Cost Charity Care for Insured Patients ("High Medical Cost Charity Care") is a full write-off of the hospital's undiscounted charges for Covered Services. High Medical Cost Charity Care is not available for patients receiving services that are already discounted (e.g., package discounts for cosmetic services).. This discount is available to insured patients who meet the following criteria:

- i. The patient's Family Income is less than 450% of the Family Federal Poverty Income guidelines;
- ii. The Patient has High Medical Costs as defined in this Policy.; and
- iii. The patient's insurer has not provided a discount off the patient's bill (i.e., the patient is responsible to pay undiscounted charges).

F. Uninsured Patient Discount: The Uninsured Patient Discount is an adjustment of 30% of the hospital's undiscounted charges for Covered Services taken at the time an Uninsured Patient is billed for the hospital services rendered. The Uninsured Patient Discount does not apply to patients who qualify for charity care or receive services that are already discounted. Patients who are responsible for a hospital bill not covered or discounted by any type of insurance or governmental program, or whose benefits under insurance have been exhausted prior to admission are eligible for an Uninsured Discount if the patient or the patient's guarantor verifies that he or she is not aware of any right to insurance or government program benefits that would cover or discount the bill. Insurance in this case includes but is not limited to any HMO, PPO, indemnity coverage, or consumer-directed health plan.

G. Extended Payment Plan: On any Partial Charity care, Uninsured Patient Discounts, or High Medical Cost Charity Care, the hospital will allow payments of the discounted price over time. The hospital and the patient may negotiate the terms of the payment plan and take into consideration the patient's family income and essential living expenses. If the hospital and the patient cannot agree on the payment plan, the hospital must use the statutory formula to create a reasonable payment plan, defined as monthly payments that are not more than 10 percent of a patient's family income for a month, excluding deductions for essential living expenses.

H. Caps on Patient Liability: MH shall limit expected payments for services to the highest amount the hospital would expect, in good faith, to receive from Medicare or Medi-Cal. If the hospital provides a service for which there is no established payment

by Medicare or Medi-Cal, the hospital shall establish an appropriate discounted payment. Consistent with Section 501(r)(5) of the Internal Revenue Code, this amount is always lower than the amount generally billed.

Procedures

A. Applying for Financial Assistance:

- i. A patient who indicates the financial inability to pay a bill for Covered Service shall be evaluated for Financial Assistance. In order to qualify as an Uninsured Patient, the patient or the patient's guarantor must verify that he or she is not aware of any right to insurance or government program benefits that would cover or discount the bill.
- ii. The MH standardized application form, "*Financial Assistance Application*", will be used to document each patient's overall financial situation. This application shall be available in the primary language(s) of the MH service area. Documents and information required to consider eligibility are: Income tax returns (preferred) or pay check stubs, or for complete 100% charity care, unemployment/disability payment stubs. Any information obtained as part of the Financial Assistance Application shall not be used for collection activities.
- iii. If an patient does not complete the application form within 30 days of delivery/receipt, the patient will be notified that the application has not been received and will provide the patient reminders monthly until the timely filing/deadline is reached.
- iv. Financial Assistance Application Timely Filing/Deadline: Guarantor/Patient must apply/file for Financial Assistance within 240 calendar days from the first date a statement is mailed to patient/guarantor requesting payment for services rendered. Request for Financial Assistance consideration will be denied if period exceeds 240 days from initial billing statement.

B. Financial Assistance Determination:

- i. Determination Process:
 - MH will consider each applicant's Financial Assistance Application and grant financial assistance where the patient meets eligibility requirements and has received (or will receive) Covered Service(s).
 - MH may make Financial Assistance approval contingent upon a patient applying for governmental program assistance or through Covered California, which may be prudent if the particular patient requires ongoing services.
 - In determining whether each individual qualifies for financial assistance, other county or governmental assistance programs should also be considered. Many applicants are not aware that they may be eligible for assistance such as Medi-Cal, the Healthy Families Program, Victims of Crime, California Children Services or Covered California.
 - MH should assist the individual in determining if they are eligible for any governmental or other assistance.
 - Where administrative approval is required, the hospital will consider the request for service in a timely fashion and provide a response to the request in writing.
- ii. Uncooperative Patients and Non-Compliant Patients:

- *Uncooperative patients* are defined as unwilling to disclose any financial information as requested for Medi-Cal and/or charity care determination during the screening process. In these cases, the account will not be processed as charity care. The patient will be advised that unless they comply and provide the information, no further consideration will be given for charity care processing, and standard accounts receivable follow-up will begin.
- *Non-compliant patients* are defined as not meeting all required documentation for Medi-Cal screening, but qualifying for charity care. In these cases, the Financial Counselor may process the account for charity care, and the account will remain in the self-pay financial class until the facility processes a charity write-off adjustment.

iii. Presumptive Eligibility

- MH understands that certain patients may be unable to complete a Financial Assistance application, comply with requests for documentation, or otherwise be non-responsive to the application process. As a result, there may be circumstances under which a patient's qualification for Financial Assistance may be established without completing the formal assistance application. Under these circumstances, MH may utilize other sources of information to make an individual assessment of financial need to determine whether the individual is eligible for Financial Assistance. This information will enable MH to make an informed decision on the financial need of non-responsive patients utilizing the best estimates available in the absence of information provided directly by the patient.
- MH uses an automated financial screening tool that produces a fair and balanced, real-time determination of a patient's charity potential and propensity to pay. MH financial counselors will have access to this service with credit information pulled from Experian to be used to help determine if a patient is eligible for charity care/financial assistance. The financial counselor is authorized to access the patient's credit information for the sole purpose of determining eligibility for charity care/financial assistance. This information is strictly confidential and is to be used only by financial counselors, the Revenue Cycle Manager and the CFO in conjunction with the charity care/financial assistance policy of MH to determine eligibility.

C. Notice of Determination:

- Timeline for determining eligibility: While it is desirable to determine the amount of financial assistance for which a patient is eligible as close to the time of service as possible, there is no rigid limit on the time when the determination is made. In some cases, eligibility is readily apparent while in other cases further investigation is required to determine eligibility. In some cases, a patient eligible for Financial Assistance may not have been identified prior to initiating external collection action. MH's external collection agency shall be made aware of this policy so that the agency knows to refer back to the hospital patient accounts that may be eligible for Financial Assistance
- Notification Letter: Once a Full or Partial Charity Care, Catastrophic Charity Care, or High Medical Cost Charity Care determination has been made, a "Charity Notification

Letter” will be sent to each applicant advising them of the MH decision.

- iii. Dispute Resolution: In the event of a dispute over the application of this policy, a patient may seek review from the hospital by notifying the MH CFO, or designee, of the basis of any dispute and the desired relief. Written communication should be submitted within thirty (30) days of the patient’s notice of the circumstances giving rise to the dispute. The CFO or designee shall review the concerns and inform the patient of any decision in writing.

D. Communication of Financial Assistance Availability:

- i. Information Provided to Patients: During preadmission or registration (or as soon thereafter as practicable) MH shall offer:
 - Patients information regarding the charity care and discount policy.
 - Patients who the hospital identifies may be uninsured with a financial assistance application substantially similar to the MH standardized financial assistance application, “Financial Assistance Application”.
 - Any and all applications for Coverage that the patient may qualify for such as Medi-Cal, the Healthy Families Program, Victims of Crime, California Children Services or Covered California.

If the patient is not able to receive this information at the time of service, it shall be provided during the discharge process. If the patient is not admitted, this information shall be provided when the patient leaves the facility. If the patient leaves the facility without receiving this information, the hospital shall mail it to the patient within 72 hours of providing services.

- ii. Postings and Other Notices: Information about Financial Assistance shall also be provided through clearly and conspicuously posted notices in in locations that are visible to the public, including but not limited to the emergency department, billing office, admitting office, and other hospital outpatient service settings. This information shall also be available at <https://mammothhospital.org/home/patients-visitors/billing/>.
- iii. Applications Provided at Discharge: If not previously provided, MH shall provide uninsured Patients with applications for Medi-Cal, Healthy Families, California Children’s Services, and/or Covered California.
- iv. Notification to Uninsured Patients of Estimated Financial Responsibility: Except in the case of emergency services, MH is required by law to provide all Uninsured Patients a good faith estimate of financial responsibility for hospital services. Estimates shall be written and provided during normal business hours. Estimates shall provide the patient with an estimate of the amount the MH will require the patient to pay for the health care services, procedures, and supplies that are reasonably expected to be provided to the patient by the hospital, based upon the average length of stay and services provided for the patient’s diagnosis.

E. Other:

- i. Billing and Collections Policy: Actions MH may take in the event of nonpayment are described in a separate Billing and Collections Policy.
- ii. Where to Obtain Copies: This Financial Assistance Policy, the Financial Assistance application, and the Billing and Collections Policy is available by calling Patient

Financial Services at 760-924-4080 or 1-800-753-0414 and requesting a copy by mail or email, or for downloading online at www.mammothhospital.org/home/patients-visitors/billing. Copies of policies and the application are also available at Admissions and Patient Financial Service areas of Mammoth Hospital. English and Spanish translations are available at all locations.

- iii. Languages: All notices and communications provided shall be available in English and any other language representative of 5% of the service population and in a manner consistent with all applicable federal and state laws and regulations.
- iv. Recordkeeping: Records relating to financial assistance must be readily accessible. MH must maintain information regarding the number of uninsured patients who have received service, the number of financial assistance applications completed, the number approved, the estimated dollar value of the benefits provided, the number denied and the reasons for denial. In addition, notes relating to each financial assistance application and approval or denial should be entered on the patient's account.
- v. No Misrepresentation: MH or their agents shall not misrepresent this policy to its patients or its patients' guarantors in any way.
- vi. Emergency Physicians: An emergency physician, as defined in California Health and Safety Code §127450, who provides emergency medical services at MH that provides emergency care is also required by law to provide discounts to uninsured patients or patients with high medical costs who are at or below 400 percent of the federal poverty level.
- vii. Submission to HCAI: MH shall forward copies of this Financial Assistance Policy to the Department of Health Care Access and Information or "HCAI" (f/k/a the Office of Statewide Health Planning and Development or "OSHDPD"). Submission of the policy shall be done consistent with the manner and frequency prescribed by HCAI.
- viii. Patient Confidentiality: All patient financial information obtained for the purposes of determining charity care, patient discounts, and billing and/or collections are required to be kept in strict confidence. Disclosure of such information is limited those participating in the evaluation of a patient's eligibility for financial assistance. Unauthorized disclosure of a patient's confidential financial information is strictly prohibited and subject to disciplinary action to be determined by the CFO.
- ix. Contact for Information and Assistance. Additional information about the Financial Assistance Policy and assistance with the application process can be obtained from our Patient Financial Counselors by:
 - Calling 760-924-4080 or 1-800-753-0414
 - Emailing billing@mammothhospital.com
 - Visiting a Patient Financial Counselor at Mammoth Hospital at 85 Sierra Park Road, Mammoth Lakes, CA 93546
- x. Shoppable Services. The link to our Patient Price Estimator can be found at www.mammothhospital.org/home/patients-visitors/billing.

- xi. Hospital Bill Complaint Program. The patient or patient's authorized representative may file a complaint through the Department's Hospital Bill Complaint Program online patient complaint portal by visiting the Department's website at HospitalBillComplaintProgram.hcai.ca.gov, or by mail to the Department of Health Care Access and Information, Hospital Bill Complaint Program, located at 2020 West El Camino Avenue, Suite 1101, Sacramento, CA 95833.
- xii. Help Paying Your Bill. There are free consumer advocacy organizations that will help you understand the billing and payment process. You may call the Health Consumer Alliance at 888-804-3536 or go to healthconsumer.org for more information.
- xiii. Help in Your Language. If you need help in your language, please call (760) 924-4148 or 1-800-753-0414, email billing@mammothhospital.com, or visit Mammoth Hospital Patient Financial Services office. The office is open 8 a.m. – 4 p.m. and located at 85 Sierra Park Road. Aids and services for people with disabilities, like documents in braille, large print, audio, and other accessible electronic formats are also available. These services are free.

Responsible Department

Implementation, training, and monitoring compliance with this policy and procedure are the responsibilities of Patient Financial Services.

Renewal/Review

This policy and procedure shall be reviewed at planned intervals and evaluated as necessary, but at least every two years to determine if it complies with current recommendations, guidelines, mandates, statutes, practices, and MH operations. If changes are required, the policy and procedure will be updated as needed.