

Financial Assistance, Charity Care, and Discounted Care Program

Program

Catalina Island Health (CIH) strives to provide quality services in a caring environment and to make a positive, measurable difference in the health of individuals we serve. Helping to meet the needs of the low-income uninsured is an essential element of our commitment to the community.

This program provides a means for CIH to demonstrate its commitment to achieving its mission and values.

CIH offers charity care (free care) and/or discounted care based on a patient's household income, family size, and ability to pay, as described in this program.

The purpose of the Financial Assistance, Charity Care, and Discounted Care Program is to define the eligibility criteria for financial assistance and provide administrative guidelines for the communication and implementation of this charity/discount payment program.

Patient Notification about Financial Assistance, Charity Care, and Discounted Care Program

Information about financial assistance available from CIH shall be distributed as follows:

- Notices in patient statements and other correspondence distribution of patient notification at time of registration for an inpatient stay, outpatient visits, Emergency Department (ED) visits, certain Rural Health Clinic (RHC) or Family Health Clinic (FHC) visits.
- Posting notices in high volume areas such as the:
 1. Patient Access for inpatient or outpatient services
 2. Emergency Department
 3. Physical and Occupational Therapy Services
 4. Patient Financial Services offices
 5. Rural Health Clinic
 6. Other places CIH may elect
 - a. Such information shall be provided in English and can be translated upon request for patients/guarantors who speak other languages.
- Any ER physician who provides emergency medical services will be required to provide discounts to uninsured patients or patients with high medical costs who are at or below 400 percent of the federal poverty level.

Eligibility for charity care (free care) or discounted care shall be made based on family income or special circumstances. For persons 18 years of age and older, "family" means spouse, domestic partner and dependent children under 21 years of age, or any age if disabled, whether living at home or not. For persons under 18 years of age, "family" means parent, caretaker relatives, and other children under 21 years of age, or any age if disabled, of the parent or caretaker relative.

Program Summary for Charity Care or Discounted Care

Charity care is defined as the inability to pay for the medical services performed at CIH. CIH offers charity care (free care) and/or discounted care (discount payment) depending on a patient's household income, family size, and ability to pay as outlined in the program. Patients are expected to accurately complete a Financial Assistance Evaluation Application and cooperate with CIH's Patient Financial Services Department in obtaining the necessary supporting information. The application is used to determine eligibility for financial assistance. Charity care and/or discounted care shall be offered in accordance with the financial need.

Eligibility Criteria

- Eligibility for charity care (free care) shall be available to patients whose household income is at or below 400% of the Federal Poverty Level (FPL) and who are unable to pay for medically necessary services. Eligibility for discounted care should be available to patients who do not qualify for charity care, but who meet the financial assistance criteria described in this policy. Patients shall not be required to apply for or be denied coverage under any government-sponsored health care program as a condition of eligibility for charity care or discounted care. All medically necessary services are eligible for the discount payment program.
- Eligibility for charity care/discounted care shall be considered for those individuals who are uninsured (a.k.a. self-pay patient), and family income is at or below 400% of the FPL as published in the Federal Register.
- Patients shall not be required to apply for, or provide documentation of ineligibility for, any government-sponsored health care program as a condition of eligibility for charity care or discounted care. CIH may assist patients, upon request, with screening for or applying to available government-sponsored health care programs; however, participation is voluntary and is not a condition of receiving charity care or discounted care.
- Eligibility for charity care/discounted care shall be considered for those households who incurred high medical costs during the prior twelve (12) months.
- A patient who is insured but has "high medical costs" and who is at or below 400% of the FPL is eligible to apply for charity care and/or discount payment. Charity care or discount care applies to the portion of the bill that is the patient's responsibility, including co-payments and deductibles. Any patient liability that is based on a discounted rate from CIH's charges as negotiated between CIH and the insurer is not eligible to be considered for charity care or discounted care. However, for patients eligible under CIH's discount payment policy, the total expected payment for medically necessary services will not exceed the greater of: (1) the amount CIH would expect to receive, in good faith, from Medicare or Medi-Cal for the same services, whichever is greater. For services for which no government program exists, CIH will establish an appropriate discounted payment consistent with this policy.
- The presence of a recent documented bankruptcy does not exclude a patient for consideration of eligibility for financial assistance for either charity or discounted payment options. The request for review shall be directed to Patient Financial Services for submission to the Controller for evaluation.
- If the patient is deceased and no estate is found, the patient shall qualify for 100% charity without an application filed.

Qualification Timeline

- A patient may qualify for eligibility for charity or discounted care prior to admission, after admission,

after discharge, or during the financial assistance process. Every attempt shall be made to identify all available funding sources prior to or at the time of visit. If a funding source cannot be identified after full compliance by the patient or guarantor, charity care or discounted care may be provided. A request for charity care or discounted care may be initiated via completion of a Financial Assistance Evaluation Application, by the patient, family member, provider, or health care representative. All financial assistance requests shall be considered for eligibility upon receipt of the requested financial information.

Administrative Review Process

- CIH recognizes that the financial status of patients may change over time. Accordingly, Patient Financial Services personnel shall assist families in securing eligibility for available government programs with the cooperation of patients and their guarantors. Contact the Patient Financial Services Department during business hours Monday through Friday 8:00 AM until 4:30 PM and arrange an appointment to discuss the available government programs and assistance with completing the necessary forms.
- The granting of charity care or discounted care shall be based on an individualized determination of financial need and shall not consider age, gender, race, ethnicity, socio-economic or immigrant status, sexual orientation, abilities or religious affiliation. Factors for determining financial need may include but are not limited to family income, family size, scope and extent of a patient's medical bills, and employment status.
- The Financial Assistance Evaluation Application shall be completed and the signed copy returned to the Patient Financial Services Department. Moreover, a Patient Financial Services Department employee shall be available to assist in completing the Financial Assistance Evaluation Application via telephone or by appointment at the Patient Financial Services Department during business hours Monday thru Friday 8:00AM until 4:30PM.
- The Financial Assistance Evaluation Application shall remain valid for services rendered within a 180-day period. The Financial Assistance Evaluation Application may be updated at any time during or after initial 180-day period expires. The Financial Assessment shall include a review of the family's gross income, number of family members, employment status and outstanding balances of the medical bills. Copies of the patient's tax return documenting income for the year in which the patient was first billed, or for the 12 months prior to the first billing, shall be submitted with the completed Financial Assistance Evaluation Application. Alternatively, pay stubs covering a period within six (6) months before or after the patient's first billing, or, in the case of pre-service applications, at the time the application is submitted, may also be included.
- Any payment plan terms are established through a collaborative process between CIH and the patient. CIH shall negotiate the terms of the payment plan and take into consideration the patient's family income and essential living expenses.

Benefits to Financially Eligible Patients Charity Care Benefit Amount

- Applicants qualifying income is at 200% or less of the unit value(s) established by the Department of Health and Human Services' (HHS) FPL Guidelines revised annually and published in the Federal Register shall be granted charity care benefit as follows:
 1. Income 200% or less FPL shall be granted full (100%) charity care (free care) for a 12-month period.
- Applicants who are homeless and qualifying income is at or greater than 201% and equal to or less than 400% less of the unit value(s) established by the HHS's FPL Guidelines revised annually and

published in the Federal Register shall be granted charity care benefit as follows:

1. Income 201%-400% or less FPL who are homeless shall be granted fully (100%) charity care (free care).

Discounted Care Benefit Amount – Self Pay Patients

- Applicants qualifying income is at 201% but no greater than 400% the FPL benefit is as follows:
 1. Income 201%-400% of FPL Guidelines discounted to not exceed the maximum amount a patient would reasonably be expected to pay based on Medicare or Medi-Cal rates, whichever is greater.
 2. Income >400% of FPL Guidelines Self Pay Liability.

High Medical Cost Patients

Applicants with family income at or above 201% but not more than 400% of the Federal Poverty Level (FPL) may qualify for charity care or discounted payment if they have incurred high medical costs during the prior 12 months. High medical costs mean annual out-of-pocket medical expenses incurred by the patient or the patient's family that exceed the lesser of 10 percent of the patient's current family income or family income in the prior 12 months. Patients who qualify and do not otherwise receive a discount because of third-party coverage shall have their expected payment for medically necessary services limited to no more than the greater of the amount the hospital would expect to receive, in good faith, from Medicare or Medi-Cal for the same services. If a patient is insured, the patient's liability is limited to the difference between this amount and any payment made by the patient's health plan. Patients with income greater than 400% of FPL are responsible for self-pay liability, unless otherwise eligible under this policy.

Payment Plans

- CIH shall extend an interest free payment plan for those patients with family FPL income 201% to 400%.
- Monthly payments shall not be more than 10% of the patient's monthly family income, excluding deductions for essential living expenses.
- CIH shall offer the option to sign up with Care Credit to pay the balance of the bill.

Debt collections for eligible patients

- If payment has not been received in full by 180 days, Patient Financial Services shall enforce its cash collection program. CIH shall not allow an account to have adverse information reported to a credit-reporting agency or commence civil action against a patient for non-payment at any time. If a patient has a pending appeal for coverage of services, CIH shall not allow an account to have adverse information reported to a credit-reporting agency or commence civil action against the patient for non-payment at any time.

Application Review and Approval Process

- Patient Financial Services shall review all Financial Assistance Evaluation Applications to determine eligibility for charity care/discounted care based upon current monthly income and family size as provided in the Financial Assistance Evaluation Application and supporting documentation. Reasonable efforts shall be made to verify financial data. All financial information provided will be considered confidential and staff shall respect each circumstance with dignity.

- Written notification of determination of eligibility or ineligibility for charity care or discounted care shall be forwarded to the applicant by Patient Financial Services within 30 days of receipt of the completed Financial Assistance Evaluation Application.
- CIH recognizes that there may be extraordinary circumstances or disputes, which may warrant an appeal of the financial assistance determination. In such cases, a written description of the nature of the extraordinary circumstances or disputes should be forwarded to the attention of Patient Financial Services. Upon receipt, Patient Financial Services shall review the request and shall approve, deny, or make a recommendation toward approval based upon the limits established in the procedure.
 1. Appeals to denied applications shall be directed to Patient Financial Services. The application being appealed shall be reviewed by Patient Financial Services and the Controller.
 2. If the denial is reversed, Patient Financial Services shall send the patient an appeal acceptance letter, stating the reasons(s) for the acceptance. Patient Financial Services shall update the patient account in accordance with the approval procedures stated above.
 3. If the denial is upheld, Patient Financial Services shall send the patient an appeal denial letter stating the reason(s) for the denial.
- Upon meeting the guidelines for either charity care or discounted care allowance, any patient account recommended for charity care or discounted care allowance is subject to the following approval levels:
 1. \$0 - \$2,999 Patient Financial Services
 2. ≥ \$3,000 Patient Financial Services/Controller



Federal Poverty Income Guidelines Sliding Scale

Eligibility Guide for 2026: Using household income and size to identify eligibility for financial discount.

Family Size	Period	Federal Poverty Guidelines	If income is at or below 200% (shown below), eligible for full write-off	If income is above 200% but at or below 400% (shown below), eligible for partial write-off
1	Annual	\$15,960	\$31,920	\$63,840
2	Annual	\$21,640	\$43,280	\$86,560
3	Annual	\$27,320	\$54,640	\$109,280
4	Annual	\$33,000	\$66,000	\$132,000
5	Annual	\$38,680	\$77,360	\$154,720
6	Annual	\$44,360	\$88,720	\$177,440
7	Annual	\$50,040	\$100,080	\$200,160
8*	Annual	\$55,720	\$111,440	\$222,880

***For each additional family member add \$5,680 for annual income.**