

TITLE: Charity Care and Financial Assistance**DEPARTMENT: Patient Financial Services****PAGE 1 OF 6****Scope:** Financial Personnel**Policy:**

Kern Valley Healthcare District (KVHD) is committed to providing high-quality health care services to patients for emergent and medically necessary care, regardless of their ability to pay. KVHD strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Financial Assistance is not considered to be a substitute for personal responsibility, and patients are expected to comply with KVHD's procedures for obtaining financial assistance and to contribute to the cost of their care based on individual ability to pay.

Kern Valley Healthcare District provides charity care and financial assistance under its Charity Care and Financial Assistance Policy to uninsured patients, underinsured patients, and insured patients with high medical costs. The Financial Counselor reviews each case and determines what financial assistance may be available before, during, or after services are provided. Once eligibility is verified, a qualifying individual will not be required to pay more than the greater of the Medicare or Medi-Cal payment amount for the same service. In accordance with this policy, KVHD offers discounted care for medically necessary and emergency services provided to hospital inpatients and outpatients, including professional emergency room physician fees. Under Health and Safety Code section 127405(a)(1)(B), an emergency room physician is a physician who provides emergency medical services in a hospital that provides emergency care and is required by law to offer discounts to uninsured patients and patients with high medical costs whose income is at or below 400% of the federal poverty level. This statement shall not be interpreted to impose any additional responsibilities on the hospital. A patient who is 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 KVHD to make a decision, KVHD may consider that grounds for disqualification.

Definitions:

Charity Care: Free care provided when a patient meets certain qualifications under this Charity Care and Financial Assistance policy.

Discounted Care: A reduction in the amount a patient is expected to pay when a patient is uninsured or has insurance that does not cover the entire amount due, and the patient meets certain qualifications under this Charity Care and Financial Assistance policy.

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Federal Poverty Level (FPL) Guideline: The FPL guidelines establish the gross income and family size eligibility criteria for Charity Care and Discount Care status as described in this policy. The FPL guidelines are update periodically by the United States Department of Health and Human Services. Current FPL can be found at [Poverty Guidelines | ASPE](#).

2026 FEDERAL POVERTY GUIDELINES	
1	\$15,960
2	\$21,640
3	\$27,320
4	\$33,000
5	\$38,680
6	\$44,360
7	\$50,040
8	\$55,720
For families/households with more than 8 persons, add \$5,680 for each additional person.	

Hospital Bill Complaint Program: The Hospital Bill Complaint Program is a state program, which reviews hospital decisions about whether you qualify for help paying your hospital bill. If you believe you were wrongly denied financial assistance, you may file a complaint with the Hospital Bill Complaint Program. For more information or to file a complaint, go to [Hospital Bill Complaint Program HCAI](#).

Medically Necessary Services: Financial Assistance under this policy applies to medically necessary services as defined by California Welfare & Institutions Code §14059.5. A service is medically necessary when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or alleviate severe pain.

Patient’s Family:

- For patients 18 years of age or older, the patient family includes spouse, domestic partner, dependent children under 21 years of age, and dependent children of any age if those children are disabled whether living at home or not.
- For patients under 18 years of age, the patient family includes the patient’s parent(s), or caretaker relative(s), and other children under 21 years of age, or dependent children of any age.

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Reasonable Payment Plan: An extended interest-free payment plan that is negotiated between KVHD and the patient. The payment plan shall consider the patient's income, essential living expenses, assets, the amount owed, and any prior payments. If the hospital and patient cannot agree on the payment plan, the hospital shall create a reasonable payment plan, where monthly payments are not more than 10% of the family's monthly income, excluding deductions for essential living expenses.

Procedure:**A. Notice:**

Patient 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, Mountain View Health Clinic, Mesa Clinical Pharmacy, and other outpatient locations. This notice will be in English and other languages as required by Insurance Code 12693.30.

B. Eligibility:

1. Eligibility for charity care and discounted care shall be made on the basis of family income. For purposes of the financial assistance program, a patient's family is defined as:
 - For patients 18 years of age or older, the patient family includes spouse, domestic partner, dependent children under 21 years of age, and dependent children of any age if those children are disabled whether living at home or not.
 - For patients under 18 years of age, the patient family includes the patient's parent(s), or caretaker relative(s), and other children under 21 years of age, or dependent children of any age.
2. The Financial Counselor will review all documentation and determine financial assistance eligibility based on the patient's income and the federal poverty levels at the time of first billing.
3. Patient's whose income is at or below 100% of the federal poverty level will qualify for charity care, which is free care. Patients whose income is between 101% and 400% of the federal poverty level will qualify for a financial assistance discount (90%-55% discount of total charges).

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4. KVHD will make every reasonable effort to make a patient's qualification determination as soon as possible. KVHD will not report adverse information about a patient's hospital debt to a consumer credit reporting agency. KVHD will not commence civil legal action against the patient for nonpayment at any time prior to 180 days after initial billing.

C. Application Process:

1. To be considered for Financial Assistance under this policy, a patient or guarantor must submit a true, accurate, and complete confidential Financial Assistance Application by email, mail, or online submission. The Financial Assistance Application must be completed in writing and may be completed by or with the assistance of KVHD's Financial Counselor, or designee. The Financial Assistance Application must be signed by the patient or the patient's legal representative and accompanied by the following documentation:
 - Recent pay stubs from within 6 months before or after the patient is first billed (or in preservice when Application is submitted, or
 - Copy of Federal Income Tax Return (Form 1040) for a patient and spouse or domestic partner from the year the patient was first billed or 12 months prior to when the patient was first billed.
 - KVHD may accept other forms of documentation of income but shall not require such other forms.

Patients who are approved for charity care will receive their services for free and patients that are approved for financial assistance will receive a discount on services.

2. The Financial Assistance Application should be completed as soon as there is an indication the patient may be in need of financial assistance. The application form may be completed prior to service, during a patient stay, or after services are completed and the patient has been discharged. KVHD will not deny eligibility for financial assistance based on the timing of a patient's application.
3. A patient, or a patient's legal representative, who requests Discounted Care, Charity Care, or other assistance in meeting their financial obligation to the hospital shall make every reasonable effort to provide the hospital with documentation of income and health benefits coverage. KVHD may consider failure to provide this information in making its determination. The documents provided for the Application will only be used in reaching a determination for Financial Assistance and will not be used for collection activities.

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4. An individual is considered to have submitted a complete Financial Assistance Application if the individual provides information and documentation sufficient for the hospital facility to determine whether the individual is eligible for Financial Assistance. A Financial Assistance Application is incomplete if the individual provides some, but not sufficient, information and documentation.

D. Billing Requirements:

1. Patient Services Staff will make all reasonable efforts to obtain information from the patient about whether private or public health insurance might be fully or partially cover the charges for care, including private health insurance, Covered CA, Medicare, Medi-Cal, or other state or federally funded programs.
2. 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 Patient 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, Med-Cal, Covered CA, or financial assistance.
 - A statement indicating how patients may obtain information for Medi-Cal or Covered CA.
 - Information regarding the financially qualified patient and financial assistance application process, including the following:
 - 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.
 - The name and number of the Financial Counselor to obtain further information about the hospital's Financial Assistance program, and how to apply for assistance.

E. Payment Plan:

1. If a patient applies 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.

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2. 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.
3. KVHD offers payment plans that allow you to pay your balance over time. The hospital shall negotiate the terms of the payment plan with the patient, taking into consideration the family's income and essential living expenses. If the hospital and patient cannot agree on the payment plan, the hospital shall create a reasonable payment plan, where monthly payments are not more than 10% of the family's monthly income, excluding deductions for essential living expenses.
4. 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. Any financial information given to determine a patient's eligibility for either a charity care discount or a financial assistance discount cannot be used for collection activity if a patient account is referred to an outside collection agency.

F. Disputes:

Any disputes regarding the Financial Counselor's decision about eligibility for charity care or financial discount will be referred to and reviewed by the Revenue Cycle Manager. To dispute the Financial Counselor's decision about eligibility for charity care or financial discount, contact the Revenue Cycle Manager at (760) 379-2681, ext. 336.

G. Hospital Bill Complaint Program:

The Hospital Bill Complaint Program is a state program, which reviews hospital decisions about whether you qualify for help paying your hospital bill. If you believe you were wrongly denied financial assistance, you may file a complaint with the Hospital Bill Complaint Program at [Hospital Bill Complaint Program HCAI](#) for more information and to file a complaint.

APPROVAL	DATE	APPROVAL	DATE
Department/Division Manager		Interdisciplinary Team	
Unit Medical Director (if applicable)		Governing Board	
Medical Staff Committee (if applicable)		Administration	

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