

	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 1 of 12
Departments Affected: All Departments	

TABLE OF CONTENTS

I.	PURPOSE:	3
II.	POLICY:	3
	A. Purpose	3
	B. Availability of Uninsured Patient Discounts to International Patients	3
	C. Not Available to Insured Patients	3
III.	DEFINITIONS:	3
	A. Charges	3
	B. Healthcare Services.....	3
	C. Hospital Services	3
	D. Medically Necessary	4
	E. Patient.....	4
	F. Payment Plan	4
	G. Professional Services	4
	H. Uninsured Patient	4
IV.	Eligibility for Uninsured Patient Discount:	5
	A. Eligibility	5
	B. Emergency Physician Services.....	5
	C. Review of discount rate.....	5
	D. Payment Plans.....	5
	E. Disputes regarding eligibility for Uninsured Patient Discount.....	6
	F. Services not eligible for the Uninsured Patient Discount	6
	G. Eligibility Determination.....	7
	H. Public Notice regarding Uninsured Patient Discount	7
V.	COMPLIANCE:	8
VI.	APPENDICES:	8
	A. Appendix A	8
	B. Appendix B	8
VII.	RELATED DOCUMENTS:	8
	A. Financial Assistance Policy.....	8
	B. Debt Collection Policy	8
	C. Cash Pay Services Policy	8

	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 2 of 12
Departments Affected: All Departments	

VIII. DOCUMENT INFORMATION: 8

A. Legal Authority/References..... 8

B. Original Document 8


C. Review and Renewal Requirements..... 9

D. Review and Revision History 9

E. Approvals..... 10

Appendix A 11

Appendix B 12

	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 3 of 12
Departments Affected: All Departments	

I. **PURPOSE:**


The purpose of this Uninsured Patient Discount Policy (the “Policy”) is to define the eligibility criteria for discounts offered to Patients who receive medically necessary Healthcare Services at Stanford Health Care (“SHC”) and who are uninsured, but do not qualify for Financial Assistance under the Financial Assistance Policy.

II. **POLICY:**


- A. **Purpose.** This Policy establishes the guidelines for discounts available to certain uninsured Patients. SHC is committed to consistently providing an Uninsured Patient Discount to individuals who are uninsured or are insured but without insurance coverage for certain Medically Necessary Healthcare Services offered by SHC, and are not eligible for the Financial Assistance under SHC’s Financial Assistance Policy. The Uninsured Patient Discount reflects a desire by SHC to respond to the individual financial situations of its Patients, while satisfying its not-for-profit and teaching missions and meeting its strategic, operational, and financial goals.
- B. **Availability of Uninsured Patient Discounts to International Patients.** The Uninsured Patient Discount may be offered to Patients residing in the United States or internationally for hospital services and physician services billed by SHC.
- C. **Not Available to Insured Patients.** Patient balances post-insurance processing are generally excluded from the Uninsured Patient Discount, including co-payments, co-insurance and insurance deductibles, unless specifically noted in this Policy.

III. **DEFINITIONS:**

- A. **Charges:** The total charges at the organization's full established rates for the provision of care services before deductions are applied.
- B. **Healthcare Services:** Medically Necessary Healthcare Services that a hospital or provider is licensed to provide, including emergency and other Medically Necessary care.
- C. **Hospital Services:** Healthcare Service delivered in a hospital or other facility that bills for its services separately from the physician or other provider.

	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 4 of 12
Departments Affected: All Departments	


- D. **Medically Necessary:** Healthcare services, including emergency care, are Medically Necessary when, in the opinion of an SHC treating physician, the service, item, procedure or level of care is:
1. Necessary for the proper treatment or management of the Patient's illness, injury or disability; or
 2. Reasonably expected to prevent the onset of an illness, condition, injury or disability, or is routine, generally accepted preventive care; or
 3. Reasonably expected to reduce or ameliorate the physical, mental or developmental effects of the Patient's illness, condition, injury or disability; or
- Will assist the Patient to achieve or maintain maximum functional capacity in performing daily activities, taking into account both the functional capacity of the Patient and those functional capacities that are appropriate for the Patient's age.
- E. **Patient:** A Patient is an individual who received Healthcare Services from SHC. All references to a Patient in this Policy shall be deemed to include the Guarantor.
- F. **Payment Plan:** An extended interest free payment plan that is negotiated between SHC and the Patient for any Patient out-of-pocket fees. The payment plan shall take into account the Patient's income, essential living expenses, assets, the amount owed, and any prior payments.
- G. **Professional Services:** Healthcare Services provided to Patients by physicians contracted to provide services at SHC.
- H. **Uninsured Patient:** An individual having no coverage from a commercial third-party insurer or health care service plan, an ERISA plan, a Federal Health Care Program (including without limitation Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), TriCare/ChampVA, Worker's Compensation, or other third-party assistance to assist with meeting their payment obligations. Uninsured Patients also include (i) Patients that have third party coverage, but have either exceeded their benefit cap, or their third-party coverage does not provide coverage for the particular Medically Necessary Healthcare Services for which the Patient is seeking treatment from SHC; and (ii) Patients that have third party

	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 5 of 12
Departments Affected: All Departments	

coverage, but does not seek to have a claim for services submitted to their third party coverage, instead opting to pay out-of-pocket.

IV. **Eligibility for Uninsured Patient Discount:**

- A. **Eligibility.** Under the Uninsured Patient Discount, SHC shall limit the expected payment by an Uninsured Patient for Medically Necessary Hospital Services and Professional Services, to an amount determined by SHC to be within a range between the average discount from billed charges for all commercial fee-for-service managed care payers and the least discount extended to any managed care payer. The current SHC Uninsured Patient Discount is set forth in Appendix A. No application is necessary for an Uninsured Patient to receive the Uninsured Patient Discount; the discount shall be applied to qualifying accounts automatically.
- B. **Emergency Physician Services.** In California, an emergency physician, as defined in Health and Safety Code section 127450, who provides emergency services in a hospital is 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.
- C. **Review of discount rate.** The Uninsured Patient Discount rate will be reviewed on a quarterly basis and is subject to change at any time.
- D. **Payment Plans.**
 1. **Term of Payment Plans.** Patients shall have the opportunity to negotiate an interest-free payment plan that would allow the Patient to pay their balance over time. If SHC and the Patient are not able to agree on the terms of a payment plan, the default payment plan shall be monthly payments that are not more than 10 percent of a Patient's family income for a month, excluding deductions for essential living expenses. "Essential living expenses" means, for purposes of this subdivision, expenses for any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.
 2. **Declaring Payment Plan no longer operative.** The extended payment plan may be declared no longer operative after the Patient's

 Stanford MEDICINE Health Care	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	
Departments Affected: All Departments	Page 6 of 12


or Guarantor's failure to make all consecutive payments due during a 90-day period starting with the first day that the Patient misses a payment. Before declaring the hospital extended payment plan no longer operative, SHC shall make a reasonable attempt to contact the Patient or Guarantor by telephone and to give notice in writing at least sixty (60) calendar days after the first missed payment that the extended payment plan may become inoperative, and of the opportunity to renegotiate the extended payment plan. Prior to the hospital extended payment plan being declared inoperative, SHC shall attempt to renegotiate the terms of the defaulted extended payment plan, if requested by the Patient or Guarantor. The Patient shall be given at least thirty (30) calendar days, starting from the date the written notice of the missed payment was sent, to make a payment before the extended payment plan is declared inoperative. For purposes of this, the notice and telephone call to the Patient or Guarantor may be made to their last known telephone number and address. If a payment plan is declared inoperative, and the Patient has qualified for Financial Assistance, Hospital or third-party debt recovery services vendor shall limit the amount it seeks from the Patient to the amount the Patient was responsible to pay after any discounts.

- E. **Disputes regarding eligibility for Uninsured Patient Discount.** In the event SHC determines that a Patient is not eligible for an Uninsured Patient Discount, the Patient may seek review of that determination by contacting the Customer Service Billing department at (800) 549-3720 or other number indicated at Stanford Health Care Billing website (<https://stanfordhealthcare.org/for-Patients-visitors/financial-assistance.html>) and request review by Manager of Self Pay Resolution.

- F. **Services not eligible for the Uninsured Patient Discount.**

The following services are not eligible for the Uninsured Patient Discount:

1. **Patients treated by physician not affiliated with Stanford.** Patients who are treated by a non-Stanford physician may contact their physician directly to inquire about available discounts for the services provided (non-Stanford physicians are not covered by this Policy.)
2. **Cash Price Services.** Services that are considered Cash Price Services as defined in the Eligible Services and Criteria for Cash Price Services Policy are not eligible under the Uninsured Patient Discount program or any further discounts. Cash Price Services can

 Stanford MEDICINE Health Care	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 7 of 12
Departments Affected: All Departments	

be identified by their Code Description prefix “PSA” or “Cash Pay” and are maintained in unique Cash Price Epic Fee Schedules.

3. Second Opinions. Second opinions are not considered to be Medically Necessary services and are not eligible for the Uninsured Patient Discount.
4. Special Pricing Program. Services that are identified in an SHC special pricing program (see Appendix B) are not eligible for the Uninsured Patient Discount.
4. Other Exclusions. SHC reserves the right to change the list of services deemed to be not eligible for the Uninsured Patient Discount at its discretion, subject to applicable law.


In rare situations where a Stanford physician considers non-eligible services to be Medically Necessary, requests will be reviewed and approved by SHC’s office of the Chief Medical Officer. SHC reserves the right to change the list of services deemed to be not Medically Necessary services at its discretion.

G. Eligibility Determination.

1. A Patient who has third-party coverage shall provide coverage information to SHC.
2. Patients shall cooperate fully with providing information SHC requires to determine eligibility. Failure to do so may affect SHC’s ability to provide the Uninsured Patient Discount.

H. Public Notice regarding Uninsured Patient Discount.

1. Public notice concerning the availability of the Uninsured Patient Discount under this Policy shall be by the following means:
 - a. Posted notices shall explain that SHC has a variety of options available including discounts and Financial Assistance to financially qualified Patients.
 - b. Notices include a contact telephone number a Patient can call to obtain more information about such discounts and financial assistance.
2. SHC billing statements shall inform the Patient that the Uninsured Patient Discount is provided to Uninsured Patients.

 Stanford MEDICINE Health Care	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 8 of 12
Departments Affected: All Departments	

V. COMPLIANCE:

- A. All workforce members including employees, contracted staff, students, volunteers, credentialed medical staff, and individuals representing or engaging in the practice at Stanford Health Care (SHC) are responsible for ensuring that individuals comply with this Policy.
- B. Violations of this policy will be reported to the Department Manager and any other appropriate Department as determined by the Department Manager or in accordance with SHC policy. Violations will be investigated to determine the nature, extent, and potential risk to SHC. Workforce members who violate this Policy will be subject to the appropriate disciplinary action up to and including termination.

VI. APPENDICES:


- A. **Appendix A.** Current Uninsured Discount Rate Information
- B. **Appendix B.** SHC Special Pricing Program Services

VII. RELATED DOCUMENTS:

- A. **Financial Assistance Policy**
- B. **Debt Collection Policy**
- C. **Cash Pay Services Policy**

VIII. DOCUMENT INFORMATION:

- A. **Legal Authority/References.**
 - 1. California Hospital Fair Pricing Act of 2006, California Health and Safety Code 127400-127462 as applicable.
 - 2. Federal Patient Protection and Affordable Care Act, Section 501(r) of the Internal Revenue Code and regulations thereunder.
 - 3. American Hospital Association Patient Billing Guidelines (2020)
- B. **Original Document.**
 - 1. Author/Original Date: June 2007, David Haray, Vice President, Patient Financial Services

 Stanford MEDICINE Health Care	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 9 of 12
Departments Affected: All Departments	


2. Stored in: SHC Organization wide Document Management System, Administrative Manual

C. Review and Renewal Requirements.

1. This policy will be reviewed biennially or as required by change of law or practice. Any changes to the policy must be approved by the same entities or persons who provided initial approval.

D. Review and Revision History.

1. June 2007, Sarah DiBoise, Chief Hospital Counsel, Gary May, VP Managed Care, SUMC, David Haray, VP Patient Financial Services, SUMC
2. November 2007, Sarah DiBoise, Chief Hospital Counsel, Gary May, VP Managed Care, SUMC, David Haray, VP Patient Financial Services, SUMC
3. September 2010, Steve Chinn, DPM, Director, Accreditation, Quality & Safety
4. March 2014, Sarah DiBoise, Chief Hospital Counsel, David Haray, VP Patient Financial Services
5. December 2014 Andrea M. Fish, Office of General Counsel, Terri Meier, Director Patient Financial Services, Michael Honeyman, Assistant Director Patient Financial Services
6. July 2018, Andrea M. Fish, Office of General Counsel, Kristine Grajo, Director Patient Financial Services – Self-Pay Management Office
7. June 2019, Sarah J. DiBoise, Office of General Counsel, Noel Juare, Interim Executive Director Patient Financial Services, Kristine Grajo, Director Patient Financial Services – Self-Pay Management Office
8. January 2023, Sarah J. DiBoise, Office of General Counsel, Sondra Hornsey, Interim Chief Compliance and Privacy Officer, Noel Juare, Executive Director Patient Financial Services, Kristine Grajo, Director Patient Financial Services – Self Pay Management

	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	
Departments Affected: All Departments	Page 10 of 12


Office; Debra Bohn, Administrative Director, Decision Support Services

9. December 2024, Kathy Zhang, Office of General Counsel, Kristine Grajo, Director Self Pay Management Office, Alicia Perrone, Senior Manager Self Pay Management Office

E. **Approvals.**

1. August 2007 SHC Core Operations Group
2. February 2008 SHC Core Operations Group
3. October 2010 Quality, Patient Safety & Effectiveness Committee
4. November 2010 SHC MEC; SHC Board Credentials, Policies and Procedures Committee
5. May 2014 Quality, Patient Safety and Effectiveness Committee
6. June 2014 Medical Executive Committee; Credentials, Policies & Procedures Committee
7. August 2015 SHC Board Credentials, Policies & Procedures Committee
8. August 2019 Policy & Procedure Steering Committee
9. September 2019 Medical Executive Committee; SHC Board Credentials, Policy & Procedure Committee
10. September 2023 Policy & Procedure Steering Committee; Operational Leadership Team Committee
11. October 2023 SHC Board Credentials, Policy & Procedure Committee
12. January 2025, Stanford Health Care Board of Directors

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	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 11 of 12
Departments Affected: All Departments	

Appendix A


Current Uninsured Patient Discount Rate Information as of January 1, 2025

Pursuant to this Policy, Uninsured Patients receiving Medically Necessary services shall receive an Uninsured Patient Discount. Discounts for 340B drugs are only for 340B eligible Patients and are not applicable to this Policy. The Uninsured Patient Discount shall be as follows:

1. A **fifty percent (50%) discount** off charges for Professional Services billed by SHC (as defined in Part IV, Section B(1) of the Policy).
2. A **sixty percent (60%) discount** off Charges for Hospital Services charged by SHC for domestic Patients.
3. A **sixty percent (60%) discount** off Charges for Hospital Services charged by SHC for international Patients.

Additionally, the cost of select outpatient drugs, device and supplies will be charged to the Uninsured Patient at SHC's cost plus five percent (5%).

The discount amounts are reviewed on a quarterly basis and are subject to change at any time without notice.

 Stanford MEDICINE Health Care	Last Approval Date: January 2025
Policy Title: Uninsured Patient Discount Policy	Page 12 of 12
Departments Affected: All Departments	

Appendix B

SHC Special Pricing Program Services as of January 1, 2025

The following services are part of Special Pricing Programs offered by SHC. These services may have discounted rates that are lower than the standard Uninsured Patient Discount rates outlined in Appendix A.

Patients must meet clinical guidelines and be properly qualified into these programs. Payment must be made prior to services being rendered.

1. Endoscopic Skull-base Surgery (ESS)
2. Safe Harbor Reproductive Health Services
3. Radiology Wellness Services
4. Gender Affirmation Services

Eligibility criteria and acceptance of Patients in these programs are managed by the clinics that provide these services with oversight by the Stanford Health Care Strategic Pricing Council.