Origination 04/2012

Last Approved 11/2018

Effective 11/2018

Last Revised 11/2018

Next Review 11/2021

Owner Ricardo Reyes: Admitting Director

Area Finance

References CMH, OVCH

Payment Hierarchy, HS-FIN312

I. PURPOSE:

To provide a standardized set of actions that, when engaged, seamlessly secure patient collections. This payment hierarchy sets up an equitable process by which a patient and/or responsible party can make a payment or acceptable payment arrangement. This policy also allows for the patient's financial obligation to be completed efore or upon admission for scheduled inpatient services, at the time service is rendered for outpatients, and prior to discharge for urgent and emergent admissions. The policy will also account for any requirements necessary for compliance (i.e. EMTALA).

II. POLICY:

It is the policy of Community Memorial Health System (CMHS) to provide every patient from the community we serve with medically necessary health services regardless of their ability to pay. This policy sets standards for the collection of patient payments and establishes a patient hierarchy for payment methods for Community Memorial Health System. Nothing in this policy will prohibit CMHS from offering reduced or more favorable financial assistance to an uninsured patient based upon individual circumstances.

III. SCOPE:

Business Office

IV. PROCEDURE:

 A. Federal

   1. Patient will be screened for any health care program operated or financed at least in part by the Federal Government. Upon qualification, patients will be asked to

complete necessary application(s) and will then be referred to an enroller. Financial Advocate sees patient and determines potential eligibility for disability through Medicare.

2. Financial Advocate makes referrals to Medicare Eligibility Vendor or assists with application completion.

3. Medicare Eligibility Vendor (TBD) asks for additional information.

4. If all methods for Federal funds have been exhausted, patient will be moved to screening for State and Local programs.

B. State and Local

1. CMHS will screen and evaluate all state and local funding options. Upon qualification, patients will be asked to complete necessary application(s) and be referred to the Financial Advocates to assist with the application processing function.

2. Form completed include:

a. Self Pay Assessment Form

b. Patient Financial Assessment Document

3. Patient will be screened and referred for Medi-cal application, Workers Compensation, Victims of Violent Crime, Cobra, or any other funding source that may be applicable.

4. If all methods for State and Local funds have been exhausted, patient will be moved to screening for Privately funded programs.

C. Private and Philanthropic

1. CMHS will evaluate all philanthropic funds to leverage private donations as a funding source for those patients whom qualify. Upon qualification, patients will be asked to complete necessary application(s).

2. If all methods for Private funds have been exhausted, patient's financial situation will be reviewed for a possible Charity discount.

D. Cash

1. For uninsured patients who do not qualify for federal, state, other government programs, who are unwilling to disclose their financial income, or are not an eligible subscriber or dependent under an insurance plan, a 40% discount will be offered for Outpatients and a per diem for Inpatients. Self-pay patients can also be quoted the Medicare DRG amount for Inpatient services, if at the time services are provided CMHS knows which DRG will be assigned. If a DRG is not known at the time of service, the below will be an estimate of amount owed. Fee Schedule for Self-pay patients is the equivalent to Medicare rates, but where the fee schedule does not apply use the below schedule.

2. The following is the list of Per Diems for Uninsured Inpatients:

Patient Type	Discount/Per Diem
Outpatient	40%

Med/Surg	$1933
ICU/CCU	$2706
DOU	$2397
NICU	$2656
Self-Pay OB (Vaginal)	$1200 for day 1 and $600 for each day thereafter
Self-Pay OB (C-Section)	$3850 for 3 days and $600 for each day thereafter
Laparosopic Cholecystectomy	$5008 for day 1 and then per diem for outpatient $5954 per case
Lithotripsy	$6370 per case
Decompressive Laminectomy DRG 500	$5440 for 2 day stay
Anterior Cervical Fusion DRG 520	$10,093 for 2 day stay
Bariatric Surgery	Lap Band $9000 for 1 day $900 per day Bariatic Y $15000 for 3 days then $900 per day
Open Heart	$4907
Prosthetics/Implants	Payment should be 31.25% of Billed Charges

E. Credit Card

    1. Patients not paying in cash will be advised that they are able to pay with a credit card with an open available line of credit.

    2. CMHS accepts, Visa, MasterCard, Discover and American Express.

F. Payment Plans

    1. Hospital payment plans would be another option for uninsured CMHS patients, especially those with large balances relative to income and high-risk credit history.

    2. Hospital will offer monthly payment plans of equal distributions at zero percent interest to patients who qualify.

        a. Program requirements as are follows (payments exclude bad debt accounts)

        b. If payment commitments are breached, then the patient's debt will be sent to bad debt and considered such.

Balance	Payment Terms
Less than $250	Upon Receipt of Bill
$250-$500	3 months
$501-$2000	9 months

$2001-$5000	9-12 months
Over $5000	12-18 months

3. Clinics will offer monthly payment plans of equal distributions at zero percent interest to patients who qualify.

    a. Program requirements as are follows (payments exclude bad debt accounts)

    b. If payment commitments are breached, then the patient's debt will be sent to bad debt and considered such.

Balance	Payment Terms
Less than $50	Upon receipt of bills
$80-$250	4 months
$251-$500	6-8 months
$501-$2000	9-12 months
$2001-$5000	12-18 months

Keyword Search:

Discounts

Attachments:

Related Policies:

Financial Assistance/Charity Policy

References:

Replaced by:

This document is no longer current once it is printed.

Approval Signatures

Step Description	Approver	Date