

<b>MONROVIA MEMORIAL HOSPITAL</b>	
<b>Title: Charity Care and Financial Assistance</b>	<b>Number: BUS 301.1</b>
<b>Department: Business Office</b>	<b>Page 1 of</b>
<b>Department Mgr Approval:</b>	<b>Initial Date: 12/07</b>
<b>Administration Approval:</b>	<b>Review/Revise Date: 9/08, 10/08, 11/08, 2/09, 9/09, 11/10, 7/11, 9/12, 3/13, 1/14, 7/14, 3/16,10/19, 1/24</b>

**Purpose:**

The purpose of this policy is to ensure a fair, non-discriminatory, effective, and uniform method for the Provision of Financial Assistance (charity care) to eligible individuals who are unable to pay in full or part for medically necessary services provided by Monrovia Memorial Hospital (MMH). It is the intent of this policy to comply with all federal, state, and local laws. In keeping with its social mission and responsibility to the community, MMH will assist patients without insurance coverage in obtaining coverage through government means-tested programs such as Medi-Cal, Covered California (Affordable Care Act/ Medi-Cal HMOs) and other programs that may exist from time to time.

**Definitions:**

**Charity Care and/or Financial Assistance** means medically necessary hospital health care rendered to Indigent Persons when Third-Party Coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductible or coinsurance amounts required by a third-party payer based on the criteria in this policy.

**Indigent Persons** are those patients or their guarantors who qualify for Charity Care and/or Financial Assistance pursuant to this policy based on the federal poverty level, adjusted for family size, and who have exhausted any Third-Party Coverage.

**Third-Party Coverage** means an obligation on the part of an insurance company, health care services contractor, health maintenance organization, group health plan, government program (Medicare, Medicaid or medical assistance programs, workers compensation, veteran benefits), tribal health benefits, or health care sharing ministry as defined in 26 U.S.C. Sec. 5000A to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others (for example, auto accidents or personal injuries) which have resulted in the medical condition for which the patient has received hospital health care services.

**Policy:**

Monrovia Memorial Hospital is committed to the provision of health care services to all persons in need of medical attention regardless of ability to pay. To protect the integrity of operations and fulfill this commitment, the following criteria for the provision of Charity Care and/or Financial Assistance, consistent with the requirements of Hospital Fair Pricing Act (Health and Safety Code section 127400 et seq.). These criteria will assist staff in making consistent objective decisions regarding eligibility for Charity Care and/or Financial Assistance while ensuring the maintenance of a sound financial base.

**A. Eligibility Criteria for Charity Care and/or Financial Assistance**

Charity Care and/or Financial Assistance is generally secondary to all other financial resources available to the patient, including the following: group or individual medical plans; Workers' Compensation; Medicare; Medicaid or medical assistance programs; other state, Federal, or military programs; any other Third Party (e.g., auto accidents or personal injuries); or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services.

In those situations where appropriate primary payment sources are not available, for medically necessary hospital care received, MMH will consider patients for Charity Care and/or Financial Assistance under this policy, when Third-Party Coverage, if any, has been exhausted.

<b>MONROVIA MEMORIAL HOSPITAL</b>	
<b>Title: Charity Care and Financial Assistance</b>	<b>Number: BUS 301.1</b>
<b>Department: Business Office</b>	<b>Page 2 of</b>
<b>Department Mgr Approval:</b>	<b>Initial Date: 12/07</b>
<b>Administration Approval:</b>	<b>Review/Revise Date: 9/08, 10/08, 11/08, 2/09, 9/09, 11/10, 7/11, 9/12, 3/13, 1/14, 7/14, 3/16,10/19, 1/24</b>

B. Consideration of Assets When determining eligibility for Charity Care and/or Financial Assistance under this policy for care received for patients and/or guarantors not eligible for Charity Care and/or Financial Assistance for the full amount of hospital charges, MMH may take into consideration the existence, availability, and value of assets or the patient and/or guarantor to reduce the amount of the discount granted. In doing so, Hospital will exclude from consideration:

1. The first \$5000 in monetary assets for an individual, \$8000 for a family of two, and \$1500 of monetary assets for each additional family member; the value of any asset that has a penalty for early withdrawal shall be the value of the asset after the penalty has been paid;
2. Equity in a primary residence;
3. Retirement plans other than 401(k) plans;
4. One motor vehicle (and a second motor vehicle if it is necessary for employment or medical purposes);
5. Prepaid burial contracts or burial plots; and
6. Life insurance policies with a face value of \$10,000 or less.

With respect to those assets that may be taken into consideration, MMH will seek only such information regarding assets as is reasonably necessary and readily available to determine the existence, availability, and value of such assets.

1. Hospital will consider assets and collect information related to such assets as required by the Centers for Medicare and Medicaid Services (CMS) for Medicare cost reporting. Such information may include reporting of assets convertible to cash and unnecessary for the patient's daily living.
2. Duplicate forms of verification will not be requested. Only one current account statement is required to verify monetary assets.
3. If no documentation for an asset is available, a written and signed statement from the patient or guarantor is sufficient.
4. Asset information will not be used for collection activities.

#### C. Communications to the Public

MMH's Charity Care policy shall be made publicly available through the following elements:

1. A notice advising patients that Hospital provides Charity Care and/or Financial Assistance shall be posted in key public areas of the Hospital, including Admissions and Billing and Financial Services, as per the published accessibility requirements.
2. Hospital billing statements and other written communications concerning billing or collection of a hospital bill by Hospital will include the following statement on the first page of the statement in both English and the second most spoken language in the Hospital's Service Area: "There are free consumer advocacy organizations that will help you understand the

<b>MONROVIA MEMORIAL HOSPITAL</b>	
<b>Title: Charity Care and Financial Assistance</b>	<b>Number: BUS 301.1</b>
<b>Department: Business Office</b>	<b>Page 3 of</b>
<b>Department Mgr Approval:</b>	<b>Initial Date: 12/07</b>
<b>Administration Approval:</b>	<b>Review/Revise Date: 9/08, 10/08, 11/08, 2/09, 9/09, 11/10, 7/11, 9/12, 3/13, 1/14, 7/14, 3/16,10/19, 1/24</b>

billing and payment process. You may call the Health Consumer Alliance at (888) 804-3536 or go to [healthconsumer.org](http://healthconsumer.org) for more information. You may qualify for free care or a discount on your hospital bill, whether or not you have insurance. Please contact the Admissions Department at (626) 408-9800. 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 denied financial assistance, you may file a complaint with the Hospital Bill Complaint Program. Go to [HospitalBillComplaintProgram.hcai.ca.gov](http://HospitalBillComplaintProgram.hcai.ca.gov) for more information and to file a complaint.

3. Hospital will distribute a written notice of the Hospital's Charity Care and Financial Assistance policy to patients at the time that the Hospital requests information pertaining to Third Party Coverage. This written information shall also be verbally explained at this time. If for some reason the patient is not notified of the existence of Charity Care before receiving treatment, he/she shall be notified in writing as soon as possible thereafter.

4. The written notice, verbal explanation, the policy summary and the application will be available in any language spoken by more than ten percent of the population in the Hospital's service area and interpreted for other non-English speaking or limited English speaking patients and for other patients who cannot understand the writing and/or explanation. The following non-English translation(s) of these document will be made available: Spanish.

5. The Hospital has established a standardized training program on its Charity Care and Financial Assistance Policy and the use of interpreter services to assist persons with limited English proficiency and non-English-speaking persons in understanding information about its Charity Care and Financial Assistance Policy. The Hospital will provide regular training to front-line staff who work in registration, admissions and billing, and any other appropriate staff, to answer Charity Care and/or Financial Assistance questions effectively, obtain any necessary interpreter services, and direct inquiries to the appropriate department in a timely manner.

6. Written information about the Hospital's Charity Care and Financial Assistance Policy shall be made available to any person who requests the information, either by mail, by telephone, or in person. The Hospital's discounts extended, if applicable, shall also be made available upon request.

### **Procedure:**

#### **A. Timing of Income Determinations.**

Annual Family Income of the applicant will be determined as of the time the appropriate hospital-based medical services were provided, or at the time of application for Charity Care and/or Financial Assistance if the application is made within two years of the time the appropriate hospital-based medical services were provided, the applicant has been making good faith efforts towards payment for the services, and the applicant demonstrates eligibility for Charity Care and/or Financial Assistance.

**B. Identification of Patients Eligible for Certain Third-Party Coverage** For services provided to patients, the following procedures will apply for identifying patients and/or their guarantors who may be eligible for health care coverage through the Health Benefit Exchange:

1. As a part of the Charity Care and/or Financial Assistance application process for determining eligibility for Charity Care and/or Financial Assistance, Hospital will query as to whether a patient or their guarantor meets the criteria for health care coverage under medical assistance programs
2. If information in the application indicates that the patient or their guarantor is eligible for coverage, Hospital will assist the patient or their guarantor in applying by, among other things, providing the patient or their guarantor with information about the necessary

<b>MONROVIA MEMORIAL HOSPITAL</b>	
<b>Title: Charity Care and Financial Assistance</b>	<b>Number: BUS 301.1</b>
<b>Department: Business Office</b>	<b>Page 4 of</b>
<b>Department Mgr Approval:</b>	<b>Initial Date: 12/07</b>
<b>Administration Approval:</b>	<b>Review/Revise Date: 9/08, 10/08, 11/08, 2/09, 9/09, 11/10, 7/11, 9/12, 3/13, 1/14, 7/14, 3/16,10/19, 1/24</b>

forms that must be completed or connecting them with other individuals or agencies who can assist.

- In providing assistance to the application process, Hospital will take into account any physical, mental, intellectual, sensory deficiencies or language barriers which may hinder either the patient or their guarantor from complying with the application procedures and will not impose procedures on the patient or guarantor that would constitute an unreasonable burden.

#### C. Process for Eligibility Determination for Charity Care and/or Financial Assistance Initial Determination

1. Hospital will allow a patient to apply for Charity Care and/or Financial Assistance at any point from pre-admission to final payment of the bill, recognizing that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in a need for charity services. If the change in financial status is temporary, the hospital may choose to suspend payments temporarily rather than initiate Charity Care and/or Financial Assistance.
2. Hospital shall use an application process for determining eligibility for Charity Care and/or Financial Assistance. Requests to provide Charity Care and/or Financial Assistance will be accepted from sources such as: physicians; community or religious groups; social services; financial services; personnel; and the patient provided that any further use or disclosure of the information contained in the request shall be subject to the Health Insurance Portability and Accountability Act Privacy Regulations and the hospital's Privacy Policies. All requests shall identify the patient and their guarantor.
3. Pending final eligibility determination, Hospital will not initiate collection efforts or request deposits, provided that the patient and/or their guarantor is cooperative with the Hospital's efforts to reach a final determination of sponsorship status.
4. If Hospital becomes aware of factors which might qualify the patient for Charity Care and/or Financial Assistance under this policy, it shall advise the patient of this potential and make an initial determination that such account is to be treated as Charity Care and/or Financial Assistance.

#### Final Determination

1. Prima Facie Write Offs. In the event that the patient or their guarantor's identification as an Indigent Person is obvious to Hospital personnel, and Hospital can establish that the applicant's income is clearly within the range of eligibility, Hospital will grant Charity Care and/or Financial Assistance based solely on this initial determination. In these cases, the Hospital is not required to complete full verification or documentation.
2. Charity Care and Financial Assistance forms, instructions, and written applications shall be furnished to the patient and/or their guarantor when Charity Care and/or Financial Assistance is requested, when need is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or the Hospital, should be accompanied by documentation to verify information indicated on the application form. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of Charity Care and/or Financial Assistance eligibility:
  - A "W-2" withholding statement
  - Pay stubs from all employment during that relevant time period
  - An income tax return from the most recently filed calendar year
  - Forms approving or denying eligibility for Medicaid and/or State-funded medical assistance
  - Forms approving or denying unemployment compensation
  - Written statements from employer or welfare agencies regarding consideration of assets and what documentation may be requested to confirm availability of assets.

<b>MONROVIA MEMORIAL HOSPITAL</b>	
<b>Title: Charity Care and Financial Assistance</b>	<b>Number: BUS 301.1</b>
<b>Department: Business Office</b>	<b>Page 5 of</b>
<b>Department Mgr Approval:</b>	<b>Initial Date: 12/07</b>
<b>Administration Approval:</b>	<b>Review/Revise Date: 9/08, 10/08, 11/08, 2/09, 9/09, 11/10, 7/11, 9/12, 3/13, 1/14, 7/14, 3/16,10/19, 1/24</b>

3. During the initial request period, the patient and the Hospital may pursue other sources of funding, including Medical Assistance and Medicare. The patient and/or guarantor will be required to provide written verification of ineligibility for all other sources of funding. Hospital may not require that a patient applying for a determination of Indigent Person status through a bank or other loan source funding.

4. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.

5. If the patient or their guarantor is not able to provide any of the documentation described above, the Hospital must rely upon written and signed statements from the patient or the guarantor for making a final determination of eligibility for classification as an Indigent Person.

Time frame for Final Determination and Appeals

1. Each Charity Care applicant that has been initially determined eligible for Charity Care and/or Financial Assistance shall be provided with at least 14 calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her care application prior to receiving a final determination of sponsorship status.
2. The hospital shall notify the applicant of its final determination within 14 days of receipt of all application and documentation material.
3. The patients or their guarantor may appeal the determination of eligibility for Charity Care and/or Financial Assistance by providing additional verification of income or family size to the CFO within 30 days of receipt of notification.
4. The timing of reaching a final determination of Charity Care and/or Financial Assistance status shall have no bearing on the identification of Charity Care and/or Financial Assistance deductions from revenue as distinct from bad debts.
5. If the patient or guarantor has paid some or all of the bill for medical services and is later found to have been eligible for Charity Care at the time services were provided, he/she shall be reimbursed for any amounts in excess of what is determined to be owed. The patient will be reimbursed within 30 days of receiving the Charity Care and/or Financial Assistance designation.

Adequate Notice of Denial

1. When an application for Charity Care and/or Financial Assistance is denied, the patient and the guarantor shall receive a written notice of denial, which includes:

- The reason or reasons for the denial
- The date of decision
- Instructions for appeal or reconsideration

2. When the applicant does not provide requested information and there is not enough information available for the Hospital to determine eligibility, the denial notice also includes:

- A description of the information that was requested and not provided, including the date the information was requested
- A statement that eligibility for Charity Care and/or Financial Assistance cannot be established based on information available to the Hospital
- That eligibility will be determined if, within 30 (thirty) days from the date of denial notice, the applicant provides all specified information previously requested but not provided.