POLICY AND PROCEDURE

Mee Memorial Hospital 300 Canal Street King City, California 93930 (831) 385-6000	DIVISION: Financial Counseling	
	SUBJECT: Financial Assistance and Self Pay Discount	
	SECTION:	PAGE: 1 of 6
MEE MEMORIAL HOSPITAL	DATE: 1/1/2012 no changes	SUPERSEDES: 12/1/2007

Policy:
Financial Assistance (Charity) and Self-Pay Discount Policy

Adopted: December 2007

Purpose

- To establish the policies and processes for billing, collecting, and providing financial assistance to all uninsured and self-pay patients.
- To ensure that the hospital and its clinics maintain compliance with California State Law, including but not limited to Assembly Bill 774, as adopted in September 2006 and including all subsequent revisions.
- To ensure that the hospital and its clinics maintain compliance with EMTALA.
- To provide the opportunity for financial assistance to qualifying uninsured patients in a manner that respects the dignity of the patients and their families.
- To provide self-pay patients with several user-friendly options for payment of their hospital bills.

References

California State Assembly Bill 774 and all subsequent additions and revisions.

Scope

- All references in this policy to the "hospital" are also references the Emergency Room as well as all of the associated clinics.
- Patients eligible for financial assistance are those who fail to qualify for government sponsored programs and whose family earns less than 200% of the current federal poverty level for their given family size.
- Financial assistance is always secondary to government sponsored programs.
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- Eligibility for financial assistance will be determined on an individual basis using processes that are in compliance with all applicable Medicare regulations and California state laws.
- Financial assistance applies to all medically necessary hospital services.
- Services not provided or billed by the hospital are not covered by this policy.
- Cosmetic services and other non-medically necessary healthcare services are not eligible for financial assistance.
- Eligibility for financial assistance requires the full cooperation of the patient and his/her family in providing and completing required documents and information in a timely basis.
- The hospital will keep confidential all documents and information relevant to the financial assistance process.
- The hospital may adjust the eligibility criteria from time to time in accordance with applicable changes in Medicare regulations and/or California state law.
- CCS and any other collections vendors who are assigned patient accounts by the hospital, and any vendors who subsequently purchase or are assigned any of the hospital's accounts, shall remain at all times compliant with all applicable laws, including California Assembly Bill 774 and all of its components. Failure of the collections vendor's ability to correct deficiencies in this regard within 10 days may result in cancellation of the contracts between the hospital and the vendor.

Policy

It is the policy of George L. Mee Memorial Hospital to provide excellent customer service to all patients, and assist all uninsured patients with obtaining coverage from government-sponsored programs such as Medicare, Medi-Cal, Central Coast Alliance for Health, and Health Families. If such coverage is not available to the patient, the hospital will provide appropriate healthcare to the patient, and the hospital will provide financial assistance based on the current federal poverty level, and per the hospital's policy, in accordance with California state law, EMTALA, and Medicare regulations. Further, self-pay patients who do not qualify for financial assistance based on income will be provided with several options for payment of their bills.

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It is the hospital's policy to:

- Assist all uninsured patient with obtaining coverage from government-sponsored programs such as Medicare, Medi-Cal, Central Coast Alliance for Health, and Health Families.
- Provide all medically necessary health care services at no cost to eligible patients whose family's income is below 100% of the current federal poverty level.
- Provide all medically necessary health care services at a 50% discount to eligible patients whose family's income is between 101% and 133% of the current federal poverty level. For the services provided to a patient meeting these criteria, expected payment shall not exceed the greater of the amount that would be expected from Medicare, Medi-Cal, Central Coast Alliance for Health, or Healthy Families for the same services.
- Provide all medically necessary health care services at a 35% discount to eligible patients between 133% and 200% of the current federal poverty level. For the services provided to a patient meeting these criteria, expected payment shall not exceed the greater of the amount that would be expected from Medicare, Medi-Cal, Central Coast Alliance for Health, or Healthy Families for the same services.
- Provide interest-free payment plans for eligible patients under this policy.
- Forgo reports to credit bureaus, referral of accounts to collection agencies, liens against property or wage garnishments for eligible patients who are meeting an agreed-upon payment plan.
- Provide adequate notice of this policy in all admitting and reception areas.
- Offer free financial counseling to all uninsured patients for financial matters related to their hospital bills.
- For all uninsured patients above 100% of the current federal poverty level, several payment options will be presented, as follows:

A. Prompt Pay Discount: Offer a 25% discount if the account is paid in full at time of service.

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B. Payment Plan: Offer a 15% discount if the patient signs an agreement representing that he/she will meet a payment plan that will pay the balance in full within 6 months at no interest.
C. CCS Early-Out: If the patient rejects each of the above options, the account will be sent to CCS for "early-out" collections for 90 days. This "early-out" process does not include reports to credit bureaus. At the end of the 90 days, the account will be returned to the hospital to be reviewed for potential Bad Debt write-off and collections reporting.

Determination of Eligibility

1. The hospital will use the following documents to determine eligibility for patient financial assistance (charity):

- Complete copy of the most recent year's tax return
- Current pay stubs, including social security, unemployment, and award letters
- Documentation of denied coverage from government assistance programs
- Copies of applicable above documents from all family/household members

2. In determining financial assistance, the hospital will exclude the first $10,000 of assets and 50% of all assets over $10,000.
3. The hospital will not use retirement accounts in determining the patient's net assets.
4. Within 15 days of receipt of a complete financial assistance application and supporting documentation, the hospital will mail a notification of the determination of financial eligibility to the patient, which will include the amount of assistance approved for the patient's account.

5. Patients can appeal the determination of financial assistance within 15 days of receipt of the determination, if they provide additional documentation that was not considered in making the original determination.

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Procedures

1. The hospital and clinics will post the availability of financial assistance in location where there is a high volume of patient access and registration, such as the admitting department, emergency room, clinic registration areas, and patient financial services offices.
2. Materials will be available in English and Spanish.
3. A Financial Counselor will be available to help patients, both English and Spanish, understand and apply for government sponsored programs and the hospital's financial assistance program.
4. Application forms for government sponsored programs and the hospital's application for financial assistance will be made available to all patients.
5. The hospital's billing statements will communicate the availability of government sponsored programs as well as the hospital's financial assistance program for eligible patients.
6. Within 7 days of discharge, the hospital will send a detailed billing statement of services rendered to all uninsured patients.
7. In compliance with Assembly Bill 774, the hospital's initial billing statement to the patient will include a plain language summary of the patient's rights pursuant to Assembly Bill 774, a summary of the hospital's programs available under "Policy" above, a copy of the Rosenthal Fair Debt Collection Practices Act, the Federal Fair Debt Collection Practices Act, and a statement that the Federal Trade Commission enforces the act. The summary shall read as stated in Section 127430-a-1 of California Assembly Bill 774.
8. The hospital's patient financial services department will provide a financial assistance determination within 15 days of receipt of the following: (1) a completed application, (2) all required documentation, and (3) the determination of the patient's eligibility for

government assistance. The 15-day determination timeline also applies to patients' requests to review a prior determination.

9. Incomplete financial assistance applications will be denied due to insufficient information. The application will be returned to the patient with a cover letter requesting additional/missing information.

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10. If a patient fails to make all consecutive payments due on a payment plan during a 90-day period, the payment plan will be declared inoperative. At this time, the hospital will notify the patient by phone and mail that the account is inoperative and that the patient has an opportunity to renegotiate.
11. The hospital will attempt to renegotiate the terms of the defaulted payment plan, if requested by the patient. With no response within 30 days, the patient's account may be sent to collections for reporting to credit bureaus.
12. At no time will the hospital send a patient to collection for credit bureau reporting within 150 days of the date of the initial bill.
13. In accordance with Section 127426 of California Assembly Bill 774, the period described in (12) above shall be extended if the patient has a pending appeal for coverage of services.
14. The hospital shall not charge interest on a patient's account which received a financial assistance (charity) allowance.
15. The hospital shall pay a 10% per annum interest rate, based on the amount over-paid, to all patients whose self-pay accounts are over-paid to the hospital and not refunded immediately.