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Page: 1 of 8 (Attachments)

Charity Care Policy

APPROVALS:

SLT: 07/31/19; MEC: 08/05/19; BOD: 2Q-19

Scope: X Medical Center X Medical Foundation (Hospital-Based Services Only)

I. PURPOSE / BACKGROUND

The purpose of this Charity Care Policy (the “Policy”) at the City of Hope National Medical Center (“COHNMC”) is to improve the quality of health care and assure that care is accessible to the maximum number of people possible within the resources available at COHNMC. Meeting the needs of uninsured and underinsured patients is an important element in COHNMC’s commitment to the community.

This policy seeks to demonstrate COHNMC’s commitment to its patients and their families and the communities it serves with COHNMC’s unique mix of services, which integrate biomedical advancements in research, education and clinical care.

This policy seeks to promote access to the resources of COHNMC consistent with its mission and its Code of Conduct.

To be an effective steward of COHNMC’s resources, the Board of Directors (“the Board”) strives to preserve the financial health of COHNMC. To this end, the Board promotes a high quality, patient friendly and effective billing and collection system, while continuing a commitment to support and subsidize the medically necessary care of patients who require financial assistance. This policy was adopted with the intention of satisfying the requirements set forth in Section 501(r) of the Internal Revenue Code of 1986, as amended (the “Code”). Accordingly, any interpretation of this policy should be consistent with Section 501(r) of the Code.

II. POLICY

- A. **Patients Covered:** An individual is eligible for financial assistance at COHNMC for free care if the individual meets all of the following conditions: (1) the individual meets the criteria for care at COHNMC for a primary diagnosis of cancer, diabetes, HIV/AIDS, hematologic disease or for treatment with hematopoietic cell transplantation; (2) the individual meets the income eligibility criteria set forth in Section II.F below and the *Charity Care Guidelines Table*; and (3) the individual is a legal resident of the United States, as confirmed by passport, social security card and/or election validation documentation.
- B. **Financial Assistance Provided:** If a patient is accepted for charity care, the patient will receive the financial assistance necessary to ensure that services covered under this policy as defined in Section II.G below (“Services”) received during the applicable time period are free to the patient. To further clarify, there is no sliding discount scale for financial assistance once a patient at COHNMC qualifies for charity care; the patient receives all Services at a 100% discount.

- C. **Amounts Generally Billed:** In providing charity care, COHNMC is required by law to consider the amounts generally billed to individuals who have insurance covering emergency or other medically necessary care (“Amounts Generally Billed” or “AGB”) and to guarantee that patients accepted for charity care will not be charged more than AGB for other medically necessary services. COHNMC uses the prospective Medicare method for calculating AGB and, as stated in Section II.B, COH will not charge patients more than AGB for other medically necessary services because these patients will receive Services free of charge.
- D. **Duration of time for which charity care is approved:** A patient will be accepted for charity care for a period of one year. If a longer period of charity care is requested, the patient will be re-evaluated, using the same criteria as were initially applied and outlined within this policy.
- E. **Charity Care Guidelines Table:** The *Charity Care Guidelines Table*, attached to this Policy as Attachment A, takes into account income and family size, and is based on the federal poverty level (FPL) guidelines established and updated annually by the Department of Health and Human Services. The *Charity Care Guidelines Table* will be updated annually by the Vice President of Revenue Cycle based on updates to the FPL.
- F. **Income Eligibility:**
1. **Income Below 600% of FPL:** An individual will be considered for charity care if his or her Income (or family’s Income) is less than 600% of FPL, as provided in the Charity Care Guidelines Table.
 2. **Patient Assets:** In order to provide consistency with City of Hope’s (“COH”) mission and proper stewardship of COH charity dollars, all monetary assets of the patient or patient’s legal guardian are taken into account in reviewing a charity care application, with the exception of the following assets: (a) amounts in patient retirement or deferred compensation plans qualified under the Internal Revenue code; (b) the primary residence where the patient or the patient’s family resides; (c) automobile needed to transport working family members to and from work; and (d) savings accounts with less than two months of annual income.
- G. **Services Covered:** This policy covers all medically necessary services that COHNMC typically provides to its patients, which are generally directly related to an eligible patient’s treatment for a primary diagnosis of cancer, diabetes, HIV/AIDS, hematologic disease or for treatment with hematopoietic cell transplantation are covered by this policy. COH does not normally provide medically necessary care in other contexts (e.g., COH does not operate an emergency department or provide emergency medical care to the population at large); however, to the extent COH did provide other medically necessary services to its patients, beyond the services covered by this policy as described above, COH would do so without regard for the individual’s ability to pay for the care. Only charges for services provided at hospital-based City of Hope locations and the City of Hope Retail Pharmacy are covered under Charity Care. COH’s “List of Providers” is attached to this policy for reference. Other services provided by outside parties, including but not limited to Home Health Services that are excluded from Medicare Coverage Guidelines, and services rendered at non-hospital-based City of Hope Medical Foundation Community Sites are not covered. COHNMC does not operate an emergency department.

For purposes of this policy, questions or issues about medical necessity will be resolved by COHNMC’s Chief Medical Officer, or his/her designee, in consultation with the Charity Care Committee.

- H. **Nondiscrimination:** In making decisions regarding the provision of charity care pursuant to this policy, COHNMC does not discriminate on the basis of age, sex, race, religion, creed, disability, sexual orientation, or national origin. All determinations regarding patient financial obligation are based solely on financial need and patients may be considered for charity care at any time that the inability to pay becomes evident to the patient or COHNMC, regardless of any prior determinations under this policy. A patient may apply for charity care at any time after receiving care.
- I. **Access to Charity Care – Guiding Principles, Patient Application Process and City of Hope Review Procedures:**
1. **Guiding Principles:**
 - a. Patients are able to apply for charity care or are identified as potential charity care applicants by COHNMC staff at multiple institutional entry points, such as new patient services, inpatient and outpatient admitting and registration. All front line administrative and clinical staff, including COHNMC affiliated physicians, social service staff and Patient Advocates are encouraged to identify patients and refer them to Financial Support Services (“FSS”), a division of Patient Access. *Identification of patients who are eligible for charity care can take place at any time during the rendering of services or during the billing and collection process.*
 - b. If an initial determination is made that the patient has the ability to pay all or a portion of the bill, such a determination does not prevent the patient from applying for financial assistance at a later date.
 - c. COHNMC makes the financial assistance policy widely available to the public including providing written notice of its charity care program on all patient-friendly-bill statements, and upon request gives consideration to offering charity care, before outstanding accounts are sent to collection. COHNMC does not advance outstanding accounts to collection while patient is attempting to qualify for charity care, or attempting in good faith to settle payment.
 - d. COHNMC renders charity care on a uniform and consistent basis according to this policy.
 - e. COHNMC may reevaluate patients designated as eligible for charity care at any time and will reevaluate each patient’s eligibility at least annually.
 2. **Patient Application Process:**

Applicants must agree to and cooperate with a review of income and assets. The following financial screening will be required prior to acceptance for charity care:

 - a. Patient financial information is gathered through the *Financial Evaluation Form*.
 - i. Patients are required to submit various documents to substantiate financial circumstances and proof of income, including paycheck stubs, W-2 forms, income tax returns, unemployment or disability statements, and savings and bank account statements. To the extent a patient has filed for Chapter 7 bankruptcy, a patient may submit the bankruptcy discharge, which is a court order approving the bankruptcy, to demonstrate need for financial assistance if such discharge is dated within the prior 2 years of the time period in which the patient is seeking charity care.

- ii. FSS counselors assist patients in completing charity care applications to provide maximum consistency.
- b. If it appears that the patient might be eligible for Medi-Cal or another state health program, FSS refers the patient to a vendor who assists COHNMC in assisting patients with Medi-Cal and Medicare Part B applications. It is the responsibility of the patient or his/her family to apply for such coverage with assistance from COHNMC's application vendor and proof of a completed application must be provided to COHNMC.
- c. Patients who do not qualify for charity care may be eligible for financial assistance outside of this policy as stated in the COH policy, "Patient Discounts and Free Services."

3. City of Hope Review Process:

Charity care applications will be processed by FSS to determine if financial qualifications are met. After financial qualification is verified by FSS, approval or denial for charity care for patients requiring assistance for their entire treatment plan is determined by COH's Charity Care Committee (the "Committee") and for limited services and/or renewals is determined in accordance with subsection (f) below):

- a. Composition of the Charity Care Committee: The Committee is comprised of representatives from each clinical program at COH, including the Chair or designee from Hematology/Hematopoietic Cell Transplantation; Medical Oncology; Surgery; Pediatrics; and Supportive Care Medicine. In addition, membership will include representatives from the administration, including Financial Support Services (FSS); Chief Medical Officer; Case Management; and Patient Access. A representative from the COH Ethics Committee will be included, as well as a community/patient representative.
- b. The Committee will meet bi-weekly, or as needed, to review patient applications.
- c. The Committee will determine patient eligibility for coverage for their entire treatment plan by considering a financially eligible patient's medical condition, the ability of COHNMC to provide the type of care required, and the availability of COH charity care resources.
- d. Other considerations for approval or denial by the Committee will include the following: Priority will be given to patients who live in the Southern California area as well as patients who have cancer, hematologic diseases, HIV/AIDS, or diabetes, and whose conditions are treatable or curable by methods available at COHNMC.
- e. In circumstances of disagreement between Committee members concerning approval or denial of charity care, the Chief Medical Officer or his/her designee will make the final decision.
- f. Applications for services and renewal of charity care will be reviewed by FSS counselors. Approvals may be granted incrementally by:
 - Up to \$5,000 – Approved by Financial Counselor, Financial Support Services
 - \$5,001 to \$25,000 – Approved by Manager, Financial Support Services
 - \$25,001 to \$50,000 – Approved by Sr. Manager, Patient Financial Services
 - \$50,001 to \$100,000 – Approved by Sr. Director, Patient Financial Services

\$100,001 and greater – Approved by Charity Care Committee

- g. Following receipt of completed application and financial qualifications verified by FSS, a “Charity Care Pending” insurance plan will be appended to the patient’s demographic record. This will suppress any patient billing and collections efforts while awaiting decision on the application. Once a decision is made and communicated to the patient, the demographic record will be updated accordingly.
- h. Outside of this policy, the Committee, at its discretion, may grant approvals on cases that do not meet all of the criteria specified in the policy for patients who remain in active primary treatment or those who have had a reoccurrence of disease. An approval may be granted if it is determined that an interruption in care will likely compromise the patient’s clinical outcome. Interruptions in care include, but are not limited to the following:
- Expired Breast and Cervical Cancer Treatment Program Restricted coverage
 - Conditions of participation requiring the patient to have a Primary Care Physician (PCP) in the community
 - Treatment/services that are restricted in the community
 - Existing COH patients converting to non-contracted Managed Care Plans (Medicare and Medi-Cal) –COH Physician reviews and determines that patient’s safety and survival will be comprised from interruption of ongoing treatment at COH.
- J. **Patient Notification:** Applicants for charity care are notified of decisions in writing. When possible, notification to new patients is included in the New Patient’s Acceptance Letter.
- K. **Patient Right to Appeal:** Each patient denied charity care will be given the right to appeal. If a patient is denied charity care, all reasons for denial are included in the notice provided and the patient is informed about how to appeal rights and procedures. Appeals will be reviewed and determined by the Vice President of Revenue Cycle and the President of COH’s Medical Staff. Should the Vice President of Revenue Cycle and the President of COH’s Medical Staff not agree, the matter will be referred to the Chief Executive Officer, whose decision will be final.
- Within 14 days of receipt of a request for appeal from a patient who has been denied charity care, the patient and FSS will be notified whether the initial determination will be affirmed or reversed.
- L. **Respect of Confidentiality and Privacy:** All patients are treated with dignity and fairness in the financial application process and COHNMC respects the confidentiality and privacy of those who seek financial assistance.
1. FSS personnel receive training regarding requirements for confidentiality and privacy of all patient information, including patient financial information. No information obtained in a patient’s application for financial assistance may be released except in compliance with applicable federal and state laws and COHNMC policy.
 2. Conversations regarding financial assistance are conducted in private unless otherwise requested by a patient (e.g., outpatient waiting areas when patients choose

not to leave the waiting area). In these cases, privacy is maximized to the extent possible.

- M. **Patient Responsibility:** In order to receive charity care pursuant to this policy, patients are responsible for cooperating fully with application and financial assessment procedures, and to agree to financial screening of income and assets, as outlined in Section II.I.2. To be eligible for charity care, patients must cooperate by filling out forms for financial assistance and, if eligible, applications for government-sponsored insurance such as Medi-Cal. An applicant for charity care will be required to demonstrate compliance with this requirement.
- N. **Communication of Charity Care Process to Patients and Community:**
1. **Public Awareness:**
 - a. COHNMC is committed to building awareness of the Charity Care Policy through a variety of mechanisms including: (i) visible signage within COHNMC (such as posters or notices in key admitting and registration areas, point of service brochures in waiting areas); (ii) COHNMC's website; (iii) in routine, written notification given at the time of admission to COHNMC, and (iv) in bill statements showing outstanding patient self-pay balances. All notices will include a toll-free number and how to access a FSS counselor. COHNMC will provide a copy of the "Charity Care Policy" upon request.
 - b. COHNMC is committed to using the primary languages of the major ethnic and cultural communities who utilize COHNMC in all materials used in connection with the "Charity Care Policy." Printed information will be available in English, Spanish, and Traditional Chinese languages. Translators in COHNMC's Employee Translation Service will be used to support a variety of language needs.
 2. **Staff Training:** Clinical staff, including physicians, front-line administrative and patient financial services staff are trained to be familiar with the "Charity Care Policy" and are updated periodically. Detailed materials for training are prepared and maintained by Patient Financial Services. Materials include information on how to access charity care, standards of cultural sensitivity and how to preserve confidentiality, including best practices and practices not tolerated by COHNMC. All employees are made aware of the availability of charity care as part of employee orientation.
- O. **Collections:**
1. Patient accounts are not sent to collection without giving patients adequate time to be evaluated or re-evaluated and to develop alternative payment arrangements. Patient accounts will not be sent to collection pending completion of financial counseling. A patient will be given notice at least seven (7) business days before his or her file is sent to a collection agency.
 2. Neither COHNMC nor its third party collection vendors will use wage garnishment or liens on primary residences or any extraordinary collection activity ("ECA") as a means of collecting unpaid hospital bills from patients who are eligible for any form of charity care under this policy.
 - a. Although ECA is not authorized and will not be used in connection with this policy, COHNMC is nonetheless required by law to adhere to the following

requirements if ECA were to be used (which it will not): (1) Any third party collection vendor must make reasonable efforts within the Meaning of Section 501(r) of the Code to determine the eligibility of the individual (or another individual responsible for payment of the individual's bill) under this policy; (2) A third party collection vendor shall issue three statements and provide a final notice thirty (30) days before extraordinary collection activity will be taken; and (3) Agreements with third party collection vendors shall require compliance with Section 501(r) of the Code.

- b. For more information regarding the activities that may be taken in event of default, please refer to the Self Pay Collection Policy or the Medicare Bad Debt Policy, which COHNMC makes widely available to the public by including on COHNMC's website.
3. All agencies used for collection are advised of COHNMC policy in writing, and the "Charity Care Policy" is incorporated by reference in collection contracts with such agency(ies). COHNMC receives written assurances from agency(ies) that they will adhere to COHNMC standards.

P. Oversight and Board Responsibilities:

1. Senior management reviews detailed reports on COHNMC's provision of charity care on a quarterly basis.
2. The Board of Directors is responsible for balancing the critical need for patient financial assistance with the sustainability of COHNMC's resources and its financial integrity in order to serve the broader community. To this end, a Charity Care Report will be prepared by Patient Financial Services and presented to the Charity Care Committee by the Vice President of Revenue Cycle or the Senior Director of Patient Financial Services on a quarterly basis to inform the committee of total financial assistance provided to our patients.

Owner: Director, Patient Financial Services

Sponsor: Vice President, Revenue Cycle

Policy History:

Reviewed: 10/07; 12/09; 09/12; 01/13; 02/14/13; 10/24/14; 02/27/15

Revised: 10/07; 12/09; 03/10; 03/25/13; 03/09/15

Related Policies:

1. Code of Conduct
2. Collections Policy
3. New Patient Application and Acceptance
4. Patient Discounts and Free Services
5. Professional Courtesy Discounts
6. Retail Pharmacy Charity Care Procedures

Appendix One – Acronyms, Terms and Definitions Applicable to this Policy

1. **Charity Care** – Free or partially subsidized health care services, including retail pharmacy services, provided by COHNMC to eligible individuals who meet the criteria set forth in Section II.A of this Policy.
2. **City of Hope ("COH")** – City of Hope National Medical Center ("COHNMC") referred to as City of Hope ("COH") for the purposes of this policy.
3. **City of Hope Medical Foundation ("COHMF")** – Added to the scope of this policy as the professional charges derived from hospital-based services are covered under this policy.
4. **Community Sites** – Refers to non-hospital practices operated by City of Hope Medical Foundation ("COHMF"). Services rendered at non-hospital-based COHMF Community Sites are not covered under this policy.

5. **Income** – Gross income from all sources.
6. **Medical Center** – Refers to all facilities covered by City of Hope National Medical Center’s hospital license.
7. **Medically Necessary Services** – Inpatient or outpatient services deemed medically necessary by a COHNMC medical staff member.
8. **Self-Pay Balance** – The outstanding balance of a COHNMC bill deemed to be a patient’s or guarantor’s personal responsibility after public or private insurance payments (if any) or denials. A patient’s self-pay balance may be further reduced pursuant to this Charity Care Policy. (Guarantor refers to the individual assuming financial responsibility for services received by the patient.)

Attachment A: City of Hope Charity Assistance FPL Guidelines

Attachment B: City of Hope Charity Care: Methodology for Identifying LEP Populations

Attachment C: City of Hope Charity Policy: List of Providers

Attachment A
CITY OF HOPE
CHARITY CARE ASSISTANCE
FPL GUIDELINES

The following Financial Assistance Eligibility Guidelines are based on the Federal Poverty Guidelines effective April 1, 2019. This schedule delineates the household income thresholds according to the FPL.

2019 FPL GUIDELINES

Number in Household	Annual 100%	Annual 600%	Monthly
1	\$12,490	\$74,940	\$6,245
2	\$16,910	\$101,460	\$8,455
3	\$21,330	\$127,980	\$10,655
4	\$25,750	\$154,500	\$12,875
5	\$30,170	\$181,020	\$15,085
6	\$34,590	\$207,540	\$17,295
7	\$39,010	\$234,060	\$19,505
8	\$43,430	\$260,580	\$21,715
Each additional person, add	\$4,420		

Source: <https://aspe.hhs.gov/2019-poverty-guidelines>

Attachment B

City of Hope Charity Care: Methodology for Identifying LEP Populations

For 2018 fiscal year, City of Hope (“COH”) evaluated the Limited English Proficiency (“LEP”) populations among the patients it serves by utilizing EPIC patient data that identified primary language spoken. The identified LEP populations that represent more than 1,000 unique visits or at least 5% of City of Hope’s total patients seen* were:

1. Spanish: 1,720 or 8.82% of LEP persons.
2. Mandarin: 629 or 2.72% of LEP persons.

Language	Unique # of Patients	% Patients	# Clinic Visits*	% Clinic Visits
English	21,181	85.38%	101,978	83.07%
Spanish	1,720	6.93%	10,832	8.82%
Chinese - Mandarin	629	2.54%	3,345	2.72%
Armenian	264	1.06%	1,269	1.03%
Chinese - Cantonese	224	0.90%	1,323	1.08%
Korean	182	0.73%	1,200	0.98%

The FAP, FAP application, and plain language summary of the FAP were translated into the following languages:

1. Spanish
2. Traditional Chinese

*Note that COH is a specialty hospital that does not serve any specific geographic community. As a result, COH has assessed the LEP population based on actual patients served by COH rather than the population of the surrounding community.

Attachment C

City of Hope Charity Care Policy: List of Providers

- **Providers Covered Under the Charity Care Policy:**
 1. City of Hope Medical Group physicians (when services are provided at COH hospital-based locations).*
 2. Third-party contracted providers (when services are provided at COH hospital-based locations and billing is performed by COH).
- **Providers Not Covered Under the Charity Care Policy:**
 1. City of Hope Medical Group physicians (when services are provided at a location other than COH hospital-based locations).
 2. Third-party contracted providers (when services are provided at a location other than COH hospital-based locations).
 3. Third-party contracted providers (when services are provided at COH hospital-based locations but billing is not performed by COH).

There are no other outside providers who provide medically necessary care in COH hospital facilities.

*For more information, see *Charity Care Policy*. For questions, please contact Financial Support Services at (626) 256-4673, ext. 80258.