



PHYSICIANS FOR HEALTHY HOSPITALS
MENIFEE VALLEY MEDICAL CENTER

POLICY/PROCEDURE

Category: Patient Financial Services

Code:

Subject: Charity Program

Created Date: 12/2006

Revised/Reviewed: 2/01/2011

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Policy:

Menifee Valley Medical Center will offer a charity care program for those patients who meet the eligibility tests described below and comply with the requirements of Health & Safety Code sections 127400 to 127446.

Procedure:

1. **Eligibility for Participation In Charity Care Program**

A. **Self Pay Patients**

A patient qualifies for the Charity Care Program if all of the following conditions are met: (1) the Patient does not have third party coverage from a health insurer, health care service plan, union trust plan, Medicare, or Medi-Cal as determined and documented by the hospital; (2) the patient's injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital; (3) the patient's family income does not exceed 150% of the Federal Poverty Level; and (4) the patient has monetary assets of less than \$10,000.00.

B. **Insured Patients**

A patient who has third party coverage or whose injury is an compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital does not qualify for the Charity Care Program, but may qualify for the Discount Payment Program if certain conditions are met.

C. **Definition of Patient's Family & Determination of Family Income**

The "patient's family" means the following: (1) for persons 18 years of age and older, spouse, domestic partner and dependent children under 21 years of age, whether living at home or not; and (2) for persons under 18 years of age, parent, caretaker, relatives, and other children under 21 years of age of the parent or caretaker relative.

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Documentation of family income shall be limited to recent pay stubs or tax returns.

In determining a patient's monetary assets, the hospital shall not consider retirement or deferred compensation plans qualified under the Internal Revenue Code, non qualified deferred compensation plans, the first ten thousand dollars (\$10,000.00) of monetary assets, and fifty percent (50%) of the patient's monetary assets over the first ten thousand dollars (\$10,000.00).

D. Federal Poverty Levels

The measure of 150% of the Federal Poverty Level shall be made by reference to the most up to date Health and Human Services Poverty Guidelines for the number of persons in the patient's family or household. The current **2011 Federal Poverty Levels** are as follows:

Persons on Family or Household	Poverty Level	150% of Poverty Level
1	\$10,890	\$16,335
2	\$14,710	\$22,065
3	\$18,530	\$27,795
4	\$22,350	\$33,525
5	\$26,170	\$39,255
6	\$29,990	\$44,985
7	\$33,810	\$50,715
8	\$37,630	\$56,445
For each additional person, add	\$3,820	\$5,730

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2. Charity Care

The patient balances for those patients who qualify to participate in the Charity Care Program, as determined by the hospital, shall be reduced to \$ _____ with the remaining balance eliminated and classified as charity care.

3. Resolution of Disputes

Any disputes regarding a patient's eligibility to participate in the Charity Care Program shall be directed and resolved by the Director of the Hospital Business Office.

4. Notices

In order to ensure that patients are aware of the existence of the Charity Care Program, the following actions shall be taken:

A. Written Notice to Patients

Each patient who is seen at the hospital, whether admitted or not, shall receive the notice attached hereto as Exhibit 1.

B. Posting of Notices

The notice attached hereto as Exhibit 2 shall be clearly and conspicuously posted in locations that are visible to the patients in the following areas: (Emergency Department; (2) Business Office; (3) Admissions Office; (4) Other Outpatient Settings.

C. Notice to Accompany Bills to Potentially Eligible Patients

Each bill that is sent to a patient who has not provided proof of coverage by a third party at the time care is provided or upon discharge must include a statement of charges for services rendered by the hospital and notice attached hereto as Exhibit 3.

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5. Efforts to Information Regarding Coverage & Applications for Medi-Cal and Healthy Families

Menifee Valley Medical Center shall make all reasonable efforts to obtain from the patient or his or her representative information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered by the hospital to a patient including, but not limited to the follow: (1) private health insurance; (2) Medicare; and/or (3) the Medi-Cal Program, the healthy Families Program, the California Childrens Services program, or other state funded programs designed to provide health coverage.

If a patient does not indicate that he/she has coverage by a third party payor or requests a discounted price or charity care then the patient shall be provided with an application for the Medi-Cal program, the Healthy Families Program, or other governmental program prior to discharge.

6. Collection Activities

Menifee Valley Medical Center shall use the services of an external collection agency for the collection of patient debt. No debt shall be advanced for collection until the Director of the Hospital business Office or his/her designee has reviewed the account and approved the advancement of the debt to collection. Menifee Valley Medical Center shall obtain an agreement from each collection agency that it utilizes to collect patient debt that the agency will comply with the requirements of AB755.

Neither Menifee Valley Medical Center nor any collection agency utilized by Menifee Valley Medical Center shall report adverse information to a consumer credit reporting agency or commence civil action against the patient for nonpayment at any time prior to 150 days after the initial billing if the patient lacks third party coverage or for a patient that provides information that he or she may qualify for the Charity Care Program. In addition, if a patient is attempting to qualify for eligibility under Menifee Valley Medical Center's Charity Care Program or the Discount Payment Program Policy and is attempting in good faith to settle an outstanding bill with the hospital by negotiating a reasonable payment plan or making regular partial payments of a reasonable amount, Menifee Valley Medical Center shall not send the unpaid bill to any collection agency unless that entity has agreed to comply with AB755.

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Menifee Valley Medical Center shall not, in dealing with patients eligible under the Charity Care Program or the Discount Payment Policy, use wage garnishments or liens on primary residences as a means of collection unpaid hospital bills.

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EXHIBIT 1

Charity Care & Discounted Payment Program

Patients who lack insurance or have inadequate insurance and meet certain low and moderate income requirements may qualify for discounted payments or charity care. Patients should contact our Patient Financial Counselor at the Hospital to obtain further information.

Menifee Valley Medical Center
(951) 672-7008

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EXHIBIT 2

Charity Care & Discounted Payment Program

Patients who lack insurance or have inadequate insurance and meet certain low and moderate income requirements may qualify for discounted payments or charity care. Patients should contact our Patient Financial Counselor at the Hospital to obtain further information.

Hemet Valley Medical Center
(951) 672-7008

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EXHIBIT 3

Our records indicate that you do not have health insurance coverage or coverage under Medicare, Medi-Cal, Healthy Families, or other similar programs. If you have such coverage, please contact our office as soon as possible so the information can be obtained and appropriate entity billed.

If you do not have health insurance coverage, you may be eligible for Medicare, Medi-Cal, Healthy Families, the hospital's discounted Payment Program, or Charity Care. For more information about how to apply for Medicare, Medi-Cal, Healthy Families, or other similar programs, please contact the Patient Financial Counselor, who will be able to answer questions and provide you with applications for these programs.

Patients who lack insurance or have inadequate insurance and meet certain low and moderate income requirements may qualify for discounted payments or charity care. Patients should contact the Patient Financial Counselor at the hospital to obtain further information.

Menifee Valley Medical Center
(951) 672-7008

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DISCOUNT PAYMENT PROGRAM

Policy:

Menifee Valley Medical Center will offer a discount payment program for those patients who meet the eligibility tests described below and comply with the requirements of Health & Safety Code sections 127400 to 127446.

Procedure:

1. Eligibility for Participation In Discount Payment Program

A. Self Pay Patients

A patient who does not have third party coverage from a health insurer, health care service plan, union trust plan, Medicare, or Medi-Cal or who injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital and whose family income does not exceed 350% of the federal Poverty Level shall be eligible for the Discount Payment Program.

B. Insured Patients

A patient who has third party coverage or whose injury is an compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital does not qualify for the Charity Care Program, but may qualify for the Discount Payment Program if all of the following conditions are met: (1) the family income of less than 350% of the Federal Poverty Level; (2) the patient does not receive a discount rate from the hospital as a result of his or her third party coverage; and (3) the patient has annual out of pocket costs incurred by that individual at Menifee Valley Medical Center that exceed 10% of the patient's family income in the prior 12 months or the patient has annual out of pocket expenses that exceed 10% of the patient's family income if the patient provides documentation of the patient's medical expenses paid by the patient or the patient's family in the prior 12 months.

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Definition of Patient's Family & Determination of Family Income

The "patient's family" means the following: (1) for persons 18 years of age and older, spouse, domestic partner and dependent children under 21 years of age, whether living at home or not; and (2) for persons under 18 years of age, parent, caretaker, relatives, and other children under 21 years of age of the parent or caretaker relative.

Documentation of family income shall be limited to recent pay stubs or tax returns.

In determining a patient's monetary assets, the hospital shall not consider retirement or deferred compensation plans qualified under the Internal Revenue Code, non qualified deferred compensation plans, the first ten thousand dollars (\$10,000.00) of monetary assets, and fifty percent (50%) of the patient's monetary assets over the first ten thousand dollars (\$10,000.00).

D. Federal Poverty Levels

The measure of 150% of the Federal Poverty Level shall be made by reference to the most up to date Health and Human Services Poverty Guidelines for the number of persons in the patient's family or household. The current 2011 Federal Poverty Levels are as follows:

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2. Discount Rates

For those patients who do not qualify for charity care but qualify to participate in the Discount Payment Program, the amount of the discount shall be left to the discretion of the Hospital Business Office Director provided however that the expected payment for services the hospital provides to any patient who is eligible under the Payment Discount Program shall not exceed the amount of payment the hospital would receive for providing services from Medicare, Medi-Cal, healthy Families, or any other government sponsored health program of health benefits in which the hospital participates, whichever is greater. This will be determined on a case by case basis.

3. Extended Payment Plans

Patients who are eligible to participate in the Payment discount Program shall be permitted to make payments of the discounted amount over an extended period of time with no interest accruing or being charged.

4. Resolution of Disputes

Any disputes regarding a patient's eligibility to participate in the Payment Discount Program shall be directed and resolved by the Director of the Hospital Business Office.

5. Notices

In order to ensure that patients are aware of the existence of the Payment Discount Program, the following actions shall be taken:

A. Written Notice to Patients

Each patient who is seen at the hospital, whether admitted or not, shall receive the notice attached hereto as Exhibit 1.

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B. **Posting of Notices**

The notice attached hereto as Exhibit 2 shall clearly and conspicuously posted in locations that are visible to the patients in the following areas: (1) emergency Department; (2) billing Office; (3) Admissions Office; and (4) Other Outpatient Settings.

C. **Notice to Accompany Bills to Potentially eligible Patients**

Each bill that is sent to a patient who has not provided proof of coverage by a third party at the time care is provided or upon discharge must include a statement of charges for services by the hospital and the notice attached hereto as Exhibit 3.

6. **Efforts to Information Regarding Coverage & Applications for Medi-Cal and Healthy Families**

Menifee Valley Medical Center shall make all reasonable efforts to obtain from the patient or his or her representative information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered by the hospital to a patient including, but not limited to the follow: (1) private health insurance; (2) Medicare; and/or (3) the Medi-Cal Program, the healthy Families Program, the California Children's Services program, or other state funded programs designed to provide health coverage.

If a patient does not indicate that he/she has coverage by a third party payor or requests a discounted price or charity care then the patient shall be provided with an application for the Medi-Cal program, the Healthy Families Program, or other governmental program prior to discharge.

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7. Collection Activities

Menifee Valley Medical Center shall use the services of an external collection agency for the collection of patient debt. No debt shall be advanced for collection until the Director of the Hospital business Office or his/her designee has reviewed the account and approved the advancement of the debt to collection. Menifee Valley Medical Center shall obtain an agreement from each collection agency that it utilizes to collect patient debt that the agency will comply with the requirements of AB755.

Neither Menifee Valley Medical Center nor any collection agency utilized by Menifee Valley Medical Center shall report adverse information to a consumer credit reporting agency or commence civil action against the patient for nonpayment at any time prior to 150 days after the initial billing if the patient lacks third party coverage or for a patient that provides information that he or she may qualify for the Charity Care Program. In addition, if a patient is attempting to qualify for eligibility under Menifee Valley Medical Center's Charity Care Program or the Discount Payment Program Policy and is attempting in good faith to settle an outstanding bill with the hospital by negotiating a reasonable payment plan or making regular partial payments of a reasonable amount, Menifee Valley Medical Center shall not send the unpaid bill to any collection agency unless that entity has agreed to comply with AB755.

Menifee Valley Medical Center shall not, in dealing with patients eligible under the Charity Policy or the Payment Discount Policy, use wage garnishments or liens on primary residences as a means of collecting unpaid hospital bills.

8. Refunds

To the extent that Menifee Valley Medical Center receives more than the amount set forth in Section 2 from a patient eligible for the Payment Discount Program, Menifee Valley Medical Center shall refund the excess amount paid with interest at the rate of 7%.