
Heritage Oaks

Hospital

Title: Charity and Discount Care	Policy Number:
Function:	Date Developed/Revised: January 1, 2007
Developed By:	Page(s): 4
	Attachment(s): 2

POLICY: It is the policy of Heritage Oaks Hospital, in compliance with California State law AB774 (Hospital Fair Pricing Policies) to provide discounts from standard billed charges for all self-pay and high medical cost patients as defined above.

DEFINITIONS:

The following classes of patients are financially eligible for discount or charity:

Self-pay patient: Any patient with all of the following:

- No third party insurance
- No Medi-Cal benefits
- No compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital
- Family income at or below 350% of the current Federal Poverty Level (FPL) as defined by the United States Department of Health and Human Services

High medical cost patient: Any patient with health insurance or Medi-Cal coverage with all of the following:

- Family income at or below 350% of FPL
- Out of pocket medical expenses in prior 12 months exceeds 10% of family income

Patient does not otherwise receive discount as a result of third party coverage

PROCEDURE:

1. At the time of admission or as soon a practical after admission, all patients with no third party coverage or with a potential deductible or co-pay responsibility will be provided with notice of the availability of discounts or charity and the related application.
2. All individuals with no third party coverage will also be notified that we have available applications for Medi-Cal and Healthy Families programs. Such applications will be provided to patient or responsible party if requested.
3. All applications for discount will be evaluated for a discount or charity within 2 working days of receipt. Income and asset levels are subject to verification by review of supporting documentation according to the following guidelines:
 - a. Reported income levels must be supported by either a check stub or income tax return.
 - b. Asset level will consider only monetary assets excluding retirement or deferred compensation plans and may include only 50% those monetary assets exceeding \$10,000.
 - c. Failure to provide sufficient supporting documentation may exclude patient from qualifying for discount or charity.
4. After review of applications and supporting documentation, discounts or charity will be provided at the following levels:
 - a. Discounts and charity for those who qualify as Self Pay patients:
 - i. All self-pay patients with income level between 251% and 350% of the FPL will have their stay discounted to no higher than the highest of what Medicare or Medi-Cal would pay for the stay. Additional discount is available at the discretion of the hospital.

- ii. All self-pay patients with income level between 101% and 250% of the FPL will have their stay discounted to no higher than 50% the higher of what Medicare or Medi-Cal would pay for the stay. Additional discount is available at the discretion of the hospital.
 - iii. Charity: All self pay patients with income level at or below 100% of the FPL and monetary assets less than \$10,000 qualify for charity and their stay will be discounted 100%. Self-pay patients with income level at or below 100% of the FPL and monetary assets greater than \$10,000 may qualify for charity care or discount at the discretion of the hospital. In no case will the out of pocket costs expected from the patient exceed the portion of the patient's monetary assets greater than \$10,000.
 - b. Discounts for those who qualify as High Medical Cost patients:
 - i. All patients who qualify as High Medical Cost patients will be billed for deductibles and coinsurance only to the extent that third party payments received plus amounts billed to the patient do not exceed the higher of the payment that would be received from Medicare or Medi-Cal.
 - ii. The hospital at its discretion may provide a greater discount to the patient than allowed under section 4.b.i. of this policy.
- 5. Prior to commencing collection activities against a patient, the business office will provide a statement that non-profit credit counseling services may be available and a summary of their rights under various laws. This statement is contained in attachment to this policy.
- 6. Information gathered in assessing the patient's qualification for discount or charity will not be used for collection activity by the hospital.
- 7. Any amounts due from the patient under this policy are eligible for extended, interest free payment plans. Determination of payment plan will be based on the patient's ability to pay the obligation and will not exceed three years.
- 8. Patients may be referred to a collection agency after exhaustion of normal collection efforts. However, no patient will be referred to a consumer credit reporting agency by the hospital or its collection agency for non-payment prior to 150 days after initial billing.
- 9. The hospital or its agents will not use wage garnishments or liens on primary residences to collect debts from any patient.

2006 HHS Poverty Guidelines

Persons in Family or Household	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 9,800	\$12,250	\$11,270
2	13,200	16,500	15,180
3	16,600	20,750	19,090
4	20,000	25,000	23,000
5	23,400	29,250	26,910
6	26,800	33,500	30,820
7	30,200	37,750	34,730
8	33,600	42,000	38,640
For each additional person, add	3,400	4,250	3,910

SOURCE: *Federal Register*, Vol. 71, No. 15, January 24, 2006, pp. 3848-3849

Attachment 1

Debt Collection Notice (to be provided to all patients prior to commencing debt collection activities):

Page 3

Approval Date: January 1, 2007

“State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00 a.m. or after 9:00 p.m. In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-FTC-HELP (382-4357) or online at www.ftc.gov.”

Attachment 2

Notice of Charity and Discount Policy

Page 4

Approval Date: January 1, 2007

It is the policy of Heritage Oaks Hospital, in compliance with California State law AB774 (Hospital Fair Pricing Policies) to provide discounts from standard billed charges for certain self pay and high medical cost patients.

Eligibility for this program is based on the following criteria:

Charity Care:

- Family income of less than 100% of the Federal Poverty Level
- No Medicare, Medi-Cal, third party insurance, and no coverage under workers compensation or other insurance

Discount from Billed Charges:

- Family income of less than 350% of the Federal Poverty Level
- No Medicare, Medi-Cal, third party insurance, no coverage under workers compensation or other insurance

Discount of Deductibles and Coinsurance:

- Family income of less than 350% of the Federal Poverty Level
- No Medicare or Medi-Cal coverage
- Out of pocket medical expenses over the prior twelve months which total more than 10% of family income

Additional discounts from charges and for deductibles and coinsurance may be provided at the discretion of the hospital. In addition, all patients who qualify for a discount are eligible for an interest free extended payment plan. Length of time for the payment plan will be based on the patient's ability to pay but will not exceed three years.

Contact the Heritage Oaks Hospital business office at (916)483-3336 for an application or for additional information.

Please sign below for confirmation of receipt of this notice.

Signature (Patient or person acting on behalf of patient)

Witness (if signature is by mark)

Date

Heritage Oaks Hospital
4250 Auburn Blvd., Sacramento, CA 95841
(916)489-3336

Notice of Charity and Discount Policy

FORM #SV _____ (Rev. 12/06)

Patient Identification

Es política de Heritage Oaks Hospital, según la ley estatal AB774 de California (Políticas de fijación de precios justos para hospitales), proporcionar descuentos en gastos estándares

facturados para algunos pacientes que pagan por cuenta propia y pacientes con costos médicos elevados según se define a continuación.

La elegibilidad para este programa se basa en el siguiente criterio:

Beneficencia:

- Ingreso familiar menor que el 100% del Nivel federal de pobreza
- Sin Medicare, Medi-Cal, seguro contra terceros y sin cobertura de compensación de trabajadores ni otro seguro

Descuento en gastos facturados:

- Ingreso familiar menor que el 350% del Nivel federal de pobreza
- Sin Medicare, Medi-Cal, seguro contra terceros, sin cobertura de compensación de trabajadores ni otro seguro

Descuento de deducibles y coseguro:

- Ingreso familiar menor que el 350% del Nivel federal de pobreza
- Sin cobertura Medicare ni Medi-Cal
- Gastos médicos en efectivo en los doce meses anteriores que asciendan a más del 10% del ingreso familiar.

Los descuentos adicionales para gastos, deducibles y coseguro pueden proporcionarse a criterio del hospital. Además, todos los pacientes que califican para un descuento son elegibles para un plan de pago extendido sin intereses. La extensión de tiempo del plan de pago dependerá de la capacidad de pago del paciente pero no excederá tres años.

Contáctese con la oficina comercial de Heritage Oaks Hospital al (916) 489-3336 para obtener una solicitud o más información.

Firme a continuación para confirmar recibo de este aviso.

Firma (paciente o persona que actúe en nombre del paciente)

Testigo (si la firma es con una marca)

Fecha

Heritage Oaks Hospital
4250 Auburn Blvd., Sacramento, CA 95841
(916)489-3336

Notice of Charity and Discount Policy

FORM #HOH _____ (Rev. 12/06)

Patient Identification