

MONROVIA MEMORIAL HOSPITAL	
Title: Charity Care/Discount Payment Plan	Number: ADM 117.2
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Department Mgr Approval:	Initial Date: 12/07
Administration Approval:	Review/Revise Date: 11/14

PURPOSE:

To provide a policy related to charity care and discount payment requests, in accordance with SB1276.

POLICY:

- Charity Care may only be provided at the discretion of the Chief Executive Officer (CEO). The decision of the CEO will not be based upon business relationships, gender, race or national origin or religion of the requestor.
- Patients with high medical costs, including patients with third-party insurance coverage are eligible to request charity care or discount payment plans, even if those charges include discounted rates as the result of the third party insurance coverage. A patient's application, or pending application, for another health coverage program does not preclude the patient from being eligible the Hospital's charity care or discount payment program.

PROCEDURES:

1. A patient who requests charity care or a discount payment plan will put their request into writing using the Hospital form "Financial Needs Assessment Form. This form must be submitted to the Chief Executive Officer of the Hospital for review and final decision.
2. The CEO or designee will negotiate the terms of the discount payment plan with the patient, taking into consideration the patient's family income and essential living expenses. If an agreement cannot be reached with the patient regarding a payment plan during the negotiation process between the Hospital and the patient, the Hospital will institute a reasonable payment plan, with monthly payments of less than 10% of the patient's familial income for one month excluding deductions for essential living expenses. Essential living expenses are defined as expenses for any of the following: rent or house payments (including maintenance expense), food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care and spousal support, transportation and automobile expenses (including insurance, fuel and repairs), installment payments, laundry and cleaning expenses and other extraordinary expenses. Any affiliate, subsidiary, or external collection agency must comply with the Hospital's definition and application of a reasonable payment plan, in accordance with the Hospital Fair Pricing Policies law (AB774).
3. The Hospital, when determining if private or public health insurance coverage is available to partially or fully cover a patient's charges, is required to consider the California Health Benefit Exchange as well as the government sponsored health programs such as Medicare and Medi-Cal.
4. The Chief Executive Officer will communicate the response to this written request to the person requesting charity care or a discount payment plan within 2 weeks of receiving the request.

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5. Both the written request and a copy of the CEO response will be retained in the patient's billing file for record-keeping.

6. The Hospital will make a reasonable effort to obtain the patient's third party health coverage information, including coverage through the California Health Benefits Exchange. In the event that the Hospital bills a patient who has not provided proof of coverage by a third party at the time the care is provided or upon discharge, the Hospital must notify the patient that they may be eligible for health coverage through the California Health Benefits Exchange or other state or county-funded health coverage. This statement must also indicate how patients may obtain applications for coverage offered through these sources. In this situation, the Hospital will provide the patient with a referral or list of local consumer assistance centers that are housed at community legal services offices.