



DEPARTMENT: Patient Financial Services	CATEGORY: Policies
SUBJECT: Charity Care and Discount Payment (Partial Charity Care)	

POLICY:

Bear Valley Community Healthcare District (BVCHD) strives to provide quality services in a caring environment and to make a positive, measurable difference in the health of individuals we serve. Helping to meet the needs of the low-income uninsured is an important element of our commitment to the community.

The financial assistance policy provides the means for BVCHD to demonstrate its commitment to achieving its mission and values.

BVCHD offers charity care (free care) and/or discount payment (partial charity care) depending on means testing as outlined in this policy.

The purpose of the patient charity/discount payment (partial charity) policy is to define the eligibility criteria for financial assistance and provide administrative guidelines for the communication and implementation of this charity/discount payment policy.

Patient Notification about Patient Financial Assistance Policy

Information about financial assistance available from BVCHD shall be distributed as follows:

- Notices in patient statements and other correspondence distribution of patient notification at time of registration for an inpatient stay, outpatient visits, emergency department visit, rural or family health clinic visits
- Posting notices in high volume areas such as the:
 1. Patient Registration for inpatient or outpatient services
 2. Emergency Department
 3. Patient Financial Services office
 4. Other places as BVCHD may elect.
 - a. Such information shall be provided in English, and can be translated upon request for patients/guarantors who speak other languages.
 5. Patients who are admitted through the Emergency Department will be notified that this plan is available to them to also assist with the Emergency Department physician bill upon discharge and through posting in the Emergency Department.
- Eligibility for charity care, full/partial, will be made either on the basis of family income or special circumstances. For purposes of the financial assistance policy, a patient’s family unit shall include:
 1. The patient’s legal spouse
 2. The patient’s registered domestic partner

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3. Each parent having legal custody of the patient
4. The patient’s legal guardian

Policy Summary for Charity Care and Partial Charity [Discount Payment] Care

Charity care is defined as the inability to pay for the medical services for eligible amounts owed to BVCHD. BVCHD offers charity care (free care) and/or partial charity care (discount payment) depending on means testing as outlined in the policy.

Patients are expected to accurately and timely complete a Financial Assistance Evaluation Application, see Appendix A (Application [Financial Assistance Evaluation Application](#))for a copy of the application, and cooperate with BVCHD’s Patient Financial Services department in obtaining the necessary supporting information. The patient will be allowed three weeks (3) to complete the Financial Assistance Evaluation Application, see Appendix A (Application) for copy of the application. The application is used to determine eligibility for financial assistance. Charity care and/or partial charity care discounts will be offered in accordance with the financial need.

Eligibility Criteria

- Eligibility for charity care/partial charity care will be considered for those individuals who provide documentation of ineligibility for government sponsored programs. Documentation of ineligibility is ordinarily obtained through applying for and being denied coverage under a government sponsored program. Family income is at or below 300% of the Federal Poverty Level.
- Eligibility for charity care/partial charity will be considered for those individuals who are uninsured (a.k.a. self-pay patient) and family income is at or below 300% of the Federal Poverty Level as published in the Federal Register. The patient must provide documentation of ineligibility for any of the following:
 1. Government health care benefit program [such as Medi-Cal, Healthy Families, California Children’s Services or Medicare etc.]
 2. A patient whose injury is not a compensable injury for purposes of workers’ compensation, automobile insurance, or other insurance as determined and documented by the hospital and/or unable to pay for their care, based upon a determination of financial need in accordance with this policy.
- Eligibility for charity care/partial care will be considered for those individuals who incurred high medical costs during the prior twelve (12) months.
- A patient who is insured but has “high medical costs” and who is at or below 300% of the Federal

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Poverty Level is eligible to apply for charity care. Charity care or partial charity care applies to the portion of the bill that is the patient’s responsibility, including co-payments and deductibles. Any patient liability that is based on a discounted rate from the hospital’s charges as negotiated between the hospital and the insurer is not eligible to be considered for charity care or partial charity care.

- The presence of a recent documented bankruptcy does not exclude a patient for consideration of eligibility for financial assistance for either charity or discounted payment options. The request for review shall be directed to the Director of Patient Financial Services for submission to the Chief Financial Officer and Chief Executive Officer for evaluation.
- Financial obligations not eligible for consideration for charity care are co-pays, indemnity balances, or share of cost. However, upon request, special consideration may be made for extraordinary circumstances. The request for review should be directed to the Director of Patient Financial Services for submission to the Chief Financial Officer and Chief Executive Officer for determination.
- If the patient is deceased and no estate is found, the patient will qualify for 100% charity without an application filed.

Qualification Timeline

- A patient may qualify for eligibility for charity or partial charity care prior to admission, after admission, after discharge, or during the course of the financial assistance process. Every attempt will be made to identify all available funding sources prior to or at time of visit. If a funding source cannot be identified after full compliance by the patient or guarantor, charity care or partial charity care may be provided. A request for charity care or partial charity care may be initiated via completion of a Financial Assistance Evaluation Application, by the patient, family member, physician, or health care representative. All financial assistance requests will be considered for eligibility upon receipt of the requested financial information.

Administrative Review Process

- BVCHD recognizes that the financial status of patients may change over time. Accordingly, Patient Financial Services personnel will assist families in securing eligibility for available government programs with the cooperation of patients and their guarantors. Contact the Patient Financial Services Department during business hours Monday thru Friday 8:00 AM until 4:30 PM and arrange an appointment to discuss the available government programs and assistance with completing the necessary forms.
- The granting of charity care or partial charity care shall be based on an individualized determination of financial need and shall not take into account age, gender, race, ethnicity, socio-economic or immigrant status, sexual orientation, abilities or religious affiliation. Factors for determining financial need may include but are not limited to family income, family size, scope and extent of a patient’s

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medical bills, and employment status.

- The Financial Assistance Evaluation Application shall be timely completed and the signed copy returned to the Patient Financial Services Department within three (3) weeks of receipt of the application. Moreover, a Patient Financial Services Department employee will be available to assist in completing the Financial Assistance Evaluation Application via telephone or by appointment at the Patient Financial Services Department during business hours Monday thru Friday 8:00AM until 4:30PM.
- The Financial Assistance Evaluation Application shall remain valid for services rendered within a 180-day period. The Financial Assistance Application may be updated at any time during or after initial 180-day period expires. The Financial Assessment will include a review of the family’s gross income, number of family members, employment status and outstanding balances of the medical bills. Copies of prior year tax return and the most recent one (1) month of pay stubs shall be submitted with the completed Financial Assistance Evaluation Application.

Benefits to Financially Eligible Patients

Charity Care Benefit Amount

- Applicants qualifying income is at 200% or less of the unit value(s) established by the Department of Health and Human Services’ (HHS) Federal Poverty Level (FPL) Guidelines revised annually and published in the Federal Register shall be granted charity care benefit as follows:
 1. Income 200% or less FPL shall be granted full (100%) charity care (free care) for a 12 month period.
- Applicants who are homeless and qualifying income is at or greater than 201% and equal to or less than 300% less of the unit value(s) established by the Department of Health and Human Services’ (HHS) Federal Poverty Level (FPL) Guidelines revised annually and published in the Federal Register shall be granted charity care benefit as follows:
 1. Income 201%-300% or less FPL who are homeless shall be granted fully (100%) charity care (free care)

Partial Charity Discount Benefit Amount

Self-Pay Patients

- Applicants qualifying income is at 201% but no greater than 350% the FPL benefit is as follows:
 1. Income 201%-300% of FPL Guidelines discounted to MediCal Allowed Amount
 2. Income 301%-350% of FPL Guidelines discounted to 75% of Self Pay Liability
 3. Income >350% of FPL Guidelines Self Pay Liability

High Medical Cost Patients

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- Applicants qualifying income is at 201% but no greater than 350% the FPL Eligibility for charity care/partial care will be considered for those individuals who incurred high medical costs during the prior twelve (12) months. The patient’s out-of-pocket medical expenses in prior twelve (12) months (whether incurred in or out of Bear Valley Community Healthcare District’s Hospital) exceeds 10% of family income and patient does not otherwise receive discount as a result of third-party coverage benefit is as follows:
 1. Income 201%-300% of FPL Guidelines discounted to MediCal Allowed Amount
 - a. If patient is insured the patient liability is reduced to the difference between maximum government amount [MediCal Allowed Amount] and insurance company payment
 2. Income 301%-350% of FPL Guidelines discounted to 75% of Self Pay Liability
 - a. If patient is insured the patient liability is reduced to the difference between the maximum [75% of Self Pay Liability] and insurance company payment.
 3. Income > 350% of FPL Guidelines Self Pay Liability
 - a. If patient is insured the patient liability is reduced to the difference between maximum amount [Self Pay Liability] and insurance company payment.

Payment Plans

- BVCHD will extend an interest free payment plan for those patients with family FPL income 201% to 350%.
 1. Patient will obligate to three payments to clear discounted bill.
 2. If unable to do so, patient will be offered financing through Torrey Pines Bank with no interest charges.
 3. BVHD will extend an interest bearing payment plan for those patients not eligible for partial charity with family FPL income greater than 350%.
- All variances from the stated policy payment terms must be approved by the Director of Patient Financial Services and the Chief Financial Officer.

Debt collections for eligible patients

- If payment has not been received in full by agreed upon timeline, Patient Accounting will enforce its cash collection policy. The hospital shall not allow an account to have adverse information reported to a credit-reporting agency or commence civil action against a patient for non-payment at any time prior to 90 days after billing. If a patient has a pending appeal for coverage of services, the hospital shall not allow an account to have adverse information reported to a credit-reporting agency or

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commence civil action against the patient for non-payment at any time prior to 90 days after the patient appeal is completed.

Application Review and Approval Process

- The Director of Patient Financial Services or designee shall review all Financial Assistance Evaluation Applications to determine eligibility for charity care/partial charity care based upon current monthly income and family size as provided on the Financial Assistance Evaluation Application and supporting documentation. Reasonable efforts will be made to verify financial data; including obtaining a credit report and the patient is expected to participate in obtaining the needed information. If a reasonable of available credit is found via the credit report the patient will not qualify for charity care. All financial information provided will be considered confidential and staff will respect each circumstance with dignity.
- Written notification of determination of eligibility or ineligibility for charity care or partial charity care shall be forwarded to the applicant by the Director of Patient Financial Services or designee within 30 days of receipt of the completed Financial Assistance Application.
- BVCHD recognizes that there may be extraordinary circumstances or disputes, which may warrant an appeal of the financial assistance determination. In such cases, a written description of the nature of the extraordinary circumstances or dispute should be forwarded to the attention of the Director of Patient Financial Services. Upon receipt, the Director of Patient Financial Services will review the request and will approve, deny or make a recommendation toward approval based upon the limits established in the procedure.
 - a) Appeals to denied applications shall be directed to the Director of Patient Financial Services. The application being appealed shall be reviewed by the Director of Patient Financial Services, the CFO and the CEO for charity, either full or partial, consideration.
 - b) If the denial is reversed, the Director of Patient Financial Services shall send the patient an appeal acceptance letter, stating the reasons(s) for the acceptance. The Director of Patient Financial Services will update the patient account in accordance with the approval procedures stated above.
 - c) If the denial is upheld, the Director of Patient Financial Services will send the patient an appeal denial letter stating the reason(s) for the denial.
- Upon meeting the guidelines for either full or partial charity care allowance, any patient account recommended for charity care or partial charity care allowance is subject to the following approval levels:

- | | |
|--------------------|---|
| 1. \$0-\$2,999 | Director of Patient Financial Services |
| 2. \$3,000-\$5,999 | Director of Patient Financial Services/Chief Financial Officer |
| 3. \$6,000 or > | Director of Patient Financial Services/Chief Financial Officer/ |

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Chief Executive Officer

Federal Poverty Guidelines FFY 2014

Eligibility Guide for 2014: Using household income and size to identify eligibility for financial discount.

Family Size	Period	Federal Poverty Guidelines	If income is below 200% (shown below) of FPIG eligible for Full write off	If income is above 300% but below 350% (shown below) eligible for partial Write-off
1	Annual	\$11,490.00	\$22,980.00	\$40,215.00
2	Annual	\$15,510.00	\$31,020.00	\$54,285.00
3	Annual	\$19,530.00	\$39,060.00	\$68,355.00
4	Annual	\$23,550.00	\$47,100.00	\$82,425.00
5	Annual	\$27,570.00	\$55,140.00	\$96,495.00
6	Annual	\$31,590.00	\$63,180.00	\$110,565.00
7	Annual	\$35,610.00	\$71,220.00	\$124,635.00
8	Annual	\$39,630.00	\$79,260.00	\$138,705.00

***For each additional family member add \$3,480 for annual income.**

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