

Washington Hospital Healthcare System  
Patient Financial Assistance and Charity Care Policy

**I. Purpose**

The purpose of this Patient Financial Assistance and Charity Care Policy (“Policy”) is to provide guidelines for patient financial assistance and charity care to low income, uninsured or underinsured individuals who receive services at Washington Hospital. This Policy is consistent with our mission and reflects our commitment to providing assistance. This Policy is intended to comply with California Health & Safety Code section 127400 *et seq.* (AB 774), Hospital Fair Pricing Policies, as amended.

**II. Limitation**

This policy is not intended to waive or alter any contractual provisions or rates negotiated by and between Washington Hospital and a third party payer, nor is the policy intended to provide discounts to a non-contracted third party payer or other entities that are legally responsible to make payment on behalf of a beneficiary, covered person or insured.

**III. Policy**

**A. Statement of Policy**

1. This Policy is designed to provide assistance to financially qualified patients (as defined below) who require Eligible Hospital Services (as defined below). Patients are granted assistance depending upon their specific circumstances in accordance with this Policy.
2. This Policy permits non-routine waiver of patients’ out-of-pocket medical costs based on an individual determination of financial need in accordance with the criteria set forth below.
3. This Policy excludes routine waiver of deductibles, co-payments and/or co-insurance imposed by insurance companies for patients whose family income is greater than 350% of the federal poverty level.
4. This Policy excludes services which are not medically necessary, and separately-billed physician services.
5. This Policy will not apply if the patient/responsible party provides false or misleading information about financial eligibility or if the patient/responsible party fails to make every reasonable effort to apply for and receive government-sponsored insurance benefits for which he or she may be eligible.

6. This Policy and the financial screening criteria will be consistently applied to all cases throughout Washington Hospital. If application of this Policy conflicts with payer contracting or coverage requirements, consult with Washington Hospital legal counsel.
7. This Policy is required to disclose that emergency physicians (as defined in Health and Safety Code section 127450) who provide emergency medical services at Washington Hospital are required by law to provide discounts to Financially Qualified Patients.

## **B. Definitions**

The following definitions apply to this Policy:

1. “Federal Poverty Level” (“FPL”) means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.
2. “Financially Qualified Patient” means a patient who is **both** of the following:
  - (a) A patient who is a “Self Pay Patient” as defined below or a “Patient with High Medical Costs” as defined below; and
  - (b) A patient who has a family income that does not exceed 350 percent of the FPL.
3. “Self Pay Patient” means a patient who satisfies all of the following criteria:
  - (a) No third party coverage;
  - (b) No Medi-Cal/Medicaid Coverage, or patients who qualify but who do not receive coverage for all services or for the entire stay;
  - (c) No compensable injury for purposes of government programs, workers’ compensation, automobile insurance or other insurance or third party liability as documented by Washington Hospital; and
  - (d) Family income is at or below the 350% of the FPL.
4. “A Patient with High Medical Costs” (also referred to in this Policy as “High Medical Cost Patient”) means a patient who satisfies all of the following criteria:
  - (a) Not a Self Pay Patient;
  - (b) Family Income at or below 350% of the FPL;
  - (c) Out-of-pocket medical expenses in the prior twelve (12) months (whether incurred in or at out of any hospital) exceeds 10% of family income; and
5. “Patient’s family” means the following:

- (a) For persons 18 years of age and older, the patient's spouse, domestic partner and dependent children under 21 years of age, whether living at home or not.
  - (b) For persons under 18 years of age, the patient's parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative.
6. "Eligible Hospital Services" means the following performed at Washington Hospital:
- (a) Emergency medical services provided in Washington Hospital's emergency department;
  - (b) Non-elective services provided in response to a life-threatening circumstance in a non-emergency room setting;
  - (c) Medically necessary services (as defined below) provided to Medicaid eligible beneficiaries that are not covered under their respective program;
  - (d) Services for conditions which if not treated timely would result in an adverse change in the health status of an individual;
  - (e) Other medically necessary services not listed above will be evaluated on a case-by-case basis at Washington Hospital's discretion.

### **C. Notification of Financial Assistance and Charity Care Availability**

1. At the time of registration, patients are to be given written notice of this Policy, including eligibility requirements, contact information for our Financial Assistance Coordinator from whom they can obtain further information, a billing overview document, an Application for Financial Assistance, a Medi-Cal application and a Healthy Families application. Notices should be provided in English and in languages as determined by Washington Hospital's geographical area.
2. Notice of the Patient Financial Assistance and Charity Care Policy is to be posted in locations visible to the public, including but not limited to: the Emergency Department, Billing office, Admissions office, Outpatient Registration areas, and Cashiers Office (Business Office).

### **D. Eligibility Criteria Determination**

Self Pay Patients and High Medical Cost Patients who meet the following eligibility requirements will receive a 100% charity care discount:

1. The patient received Eligible Hospital Services, as defined above; and
2. The patient meets the following criteria:

- (a) The Patient's Family income is verified not to exceed 350% of the FPL with documentation of assets, including recent income tax returns and recent paycheck stubs.
- (b) The first \$10,000 of monetary assets (liquid assets) is excluded.
- (c) 50% of all monetary assets (liquid assets) above \$10,000 are excluded.
- (d) Retirement accounts and IRS-defined deferred-compensation plans (both qualified and non-qualified) are not considered monetary assets and are excluded from consideration.
- (e) Assets above the statutorily excluded amounts will be considered exceeding allowable assets and may result in denial of charity care discounts.
- (f) High Medical Cost Patients will be evaluated monthly for eligibility determination, and their status will be valid for the current month or most current service month retroactive to twelve months of service. The patient is required to provide proof of payment of medical costs. Proof of payment may be verified.

If a patient applies or has a pending application for another health coverage program at the same time that he or she applies for charity care, the patient's application for the other program(s) shall not preclude eligibility for charity care.

#### **E. Application Procedure**

1. Every effort will be made to screen all patients identified as uninsured or in need of financial assistance for admissions, emergency and outpatient visits for the ability to pay and/or determine eligibility for payment or financial assistance programs. Screened patients' financial information will be monitored as appropriate. Screened patients will be provided assistance in assessing patient eligibility for private insurance, including coverage through the California Health Benefit Exchange, Medicare, Medi-Cal, the Healthy Families Program, the California Children's Services Program or any other third party coverage.
2. Patients without third party coverage will be financially screened for potential eligibility for state and federal governmental programs as well as charity care funding at the time of service or as near to the time of service as possible. If the patient does not indicate coverage by a third-party payer, or requests a discounted price or charity care, the patient should be provided with an application for the Medi-Cal program, the Healthy Families Program, California Children's Services or state funded governmental program before the patient leaves Washington Hospital, emergency room or other outpatient setting.
3. Low income patients with third party coverage with high medical costs will be screened by Patient Financial Services to determine whether they qualify as a High Medical Cost Patient. Upon a patient request for a charity care discount, the patient will be informed of the criteria to qualify as a High Medical Cost Patient and the need to provide receipts if

claiming services rendered at other providers in the past twelve months. It is the patient's decision as to whether they believe that they may be eligible for charity and wish to apply. However, Washington Hospital must insure that all information pertaining to this Policy is provided to the patient.

4. All potentially eligible patients must apply for assistance through State, County and other programs before charity care funds are considered. If denied, Washington Hospital must receive a copy of denial. Failure to comply with the application process or provide required documents may be considered in the determination. Willful failure by the patient to cooperate may result in Washington Hospital's inability to provide financial assistance. Failure to submit a completed application within 150 days from the date patient is provided with notice of Patient Financial Assistance and Charity Care Policy will be considered a willful failure by the patient to cooperate.
5. The Application for Financial Assistance should be completed for all patients requesting a financial assistance or charity care discount. The Application for Financial Assistance is used to determine a patient's ability to pay for services at Washington Hospital and/or to determine a patient's possible eligibility for public assistance. The form is available in English and in languages as determined by Washington Hospital's geographical area.

#### **F. Review Process**

1. Financial screening and means testing for patient financial assistance and charity care will be performed by the Financial Assistance Coordinator, according to the Eligibility Criteria Determination in Section D, above. It is the patient's responsibility to fully cooperate with the information gathering process. A patient who requests charity care under this Policy is required to provide Washington Hospital with documentation of income and health benefits coverage.
2. Information collected in the Application for Financial Assistance is subject to verification for authenticity by Washington Hospital. For the purposes of establishing financial eligibility under this Section F.2, "patient" shall include both the patient and the patient's family, as defined above in Section B.5.
  - (a) To verify income, the patient shall provide Washington Hospital, where feasible, with (i) the patient's most recent tax return(s); (ii) recent pay stubs; and (iii) statements from financial or commercial institutions, or other entities that hold or maintain monetary assets, in order to verify their value. If used to document income, a tax return must be a United States income tax return signed by the taxpayer and filed with the IRS. If used to verify income, pay stubs must be recent and include (i) the name of the patient, (ii) the name of the employer, (iii) the pay period, and (iv) the amount paid, and the patient must provide the name and contact information of a supervisor who can verify the amount paid.
  - (b) To verify medical coverage, the patient shall provide a copy of a denial from Medi-Cal and/or other state and federal programs for which the patient may be eligible.

- (c) The patient shall provide any waiver or release authorizing Washington Hospital to obtain account information from financial or commercial institutions, or other entities that hold or maintain monetary assets to verify their value. A failure to provide a waiver or release under this Section may be considered by Washington Hospital in making a determination under this Policy.
  - (d) A patient need not provide all of the above documentation in order to be eligible under this Policy, however, Washington Hospital may consider the failure to provide any of items listed in this Section in making a final determination of eligibility under this Policy.
3. In the event that the necessary documentation is not included with the application, the patient will be notified by mail or phone, if available, for additional documentation.
  4. The patient's signature on the Application for Financial Assistance will certify that the information contained in the application is accurate and complete.
  5. Patients who have been recognized as homeless and deceased patients with no estate may be deemed eligible without having to meet the documentation requirements. Under these circumstances, the Senior Director of Patient Financial Services will give the approval to waive these requirements.
  6. Eligibility determination will be made within 30 days of receipt of an Application for Financial Assistance and all necessary documents. Any patient, or patient's legal representative, who requests a charity care discount under this policy shall make every reasonable effort to provide Washington Hospital with documentation of income and all health benefits coverage. For those applications where further documentation is requested, Washington Hospital allows 60 days for return of additional requested documentation. Failure to provide such documentation within 60 days results in the denial of charity care discount and the account shall begin following normal collection practices.
  7. Recommendations for approvals or denials are made by the Financial Assistance Coordinator and Patient Accounting Manager. Final approval status will be given by the Director of Patient Financial Services and the Chief Financial Officer.
  8. Patient will be notified in writing of approval or reason for denial of charity care eligibility in languages as determined by Washington Hospital's geographical area.
  9. An Application for Financial Assistance will be required each time the patient is admitted and is valid for the current admission plus any other outstanding patient liability at Washington Hospital at the time of determination. The Application for Financial Assistance is valid for outpatient services for 6 calendar months starting with the month of eligibility determination and any other patient financial liability at Washington Hospital at the time of determination. High Medical Cost Patients will be evaluated monthly for eligibility determination, and their status will be valid for the current month or most current service month retroactive to 12 months of service.

10. In the event of a dispute or denial of charity care, a patient may seek review from the Senior Director of Patient Financial Services within 30 days.

## **G. Patient Billing and Collection Process**

1. Patients who have not provided proof of coverage by a third party at or before care is provided will receive a statement of charges for services rendered at the Washington Hospital. Included in that statement will be a request to provide Washington Hospital with health insurance coverage, Medicare, Healthy Families Program, Medi-Cal or other third party coverage information. An additional statement will be provided on the bill that informs the patient that if they do not have health insurance coverage, the patient may be eligible for Medicare, Healthy Families Program, Medi-Cal, California Children's Services Program, coverage offered through the California Health Benefit Exchange, other state- or county-funded health coverage, or charity care. If the patient did not indicate coverage by a third-party payer or has requested charity care, Washington Hospital shall also provide an application for the Medi-Cal program, the Healthy Families Program, coverage offered through the California Health Benefit Exchange or other state- or county-funded health coverage programs. Contact information will also be provided for Washington Hospital's Financial Assistance Coordinator from whom they can obtain further information regarding charity care and how to apply and the patient will be referred to the local consumer assistance center housed at legal services offices.
2. A patient may request an Application for Financial Assistance verbally or in writing, and it is to be given or mailed to the patient or guarantor at the address provided. Written correspondence to the patient shall also be in the languages as determined by Washington Hospital's geographical area.
3. All bills for patients who have submitted an Application for Financial Assistance and necessary documentation will be placed on hold from any collection activity until such time as the final determination, including any appeal, has been made.
4. Patients are required to report to Washington Hospital any change in their financial information promptly.
5. Washington Hospital shall limit expected payment for services it provides to a patient at or below 350 percent of the FPL eligible under this Policy to the amount of payment Washington Hospital would expect, in good faith, to receive for providing services from Medicare, Medi-Cal, Healthy Families, or another government-sponsored health program of health benefits in which Washington Hospital participates, whichever is greater.
6. Prior to commencing collection activities against a patient, Washington Hospital and its agents will provide a notice containing the statements required by subdivision (a) of section 127430 of the Health & Safety Code, which includes a statement that non profit credit counseling may be available and containing a summary of the patient's rights. The statements required by subdivision (a) of section 127430 shall also accompany any document indicating that the commencement of collection activities may occur.

7. Patients who have been denied financial assistance will be sent a written notification of denial. Following this notification, normal collection practices will commence. This includes additional letters and statements sent from Washington Hospital in addition to pre-collection letters sent by a non-credit reporting collection agency.
8. If a patient does not respond to the additional collection efforts being made, the account will be referred to an external collection agency. Final approval for accounts to be referred to a collection agency will be made by the Senior Director of Patient Financial Services. For those accounts exceeding \$50,000, the Chief Financial Officer will approve.
9. Washington Hospital, or its contracted collection agencies, will undertake reasonable collection efforts to collect amounts due from patients. These efforts will include assistance with application for possible government program coverage, evaluation for charity care, offers of no-interest payment plans, and offers of discounts for prompt payment. Neither Washington Hospital nor its contracted collection agencies will impose wage garnishments or liens on primary residences except as provided below. This requirement does not preclude Washington Hospital from pursuing reimbursement from third party liability settlements or other legally responsible parties.
10. Agencies that assist Washington Hospital and send a statement to the patient must sign a written agreement that it will adhere to Washington Hospital's standards and scope of practices. The agency must also agree to:
  - (a) Not 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 initial billing.
  - (b) Not use wage garnishments, except by order of the court upon noticed motion, supported by a declaration filed by the movant identifying the basis for which it believes that the patient has the ability to make payments on the judgment under the wage garnishment, which the court shall consider in light of the size of the judgment and additional information provided by the patient prior to, or at, the hearing concerning the patient's ability to pay, including information about probable future medical expenses based on the current condition of the patient and other obligations of the patient.
  - (c) Not place liens on primary residences.
  - (d) All legal actions such as liens or garnishments taken by a collection agency must be approved in writing by the Senior Director of Patient Financial Services or the Patient Accounting Manager.
  - (e) Not use information obtained from a patient pursuant to a request from that patient to determine eligibility for charity care under this policy for collection activities. This shall not prohibit the agency from using information obtained by Washington



Hospital, agency, or other third party independently of the eligibility determination process.

11. Washington Hospital shall reimburse the patient or patients any amount actually paid in excess of the amount due under this policy, including interest, at the rate set forth in section 685.010 of the Code of Civil Procedure, beginning on the date payment by the patient is received by Washington Hospital.

#### **H. Contact Information**

Questions about the implementation of this policy should be directed to the Senior Director of Patient Financial Services at (510) 791-3448. Questions about financial assistance and charity care eligibility should be directed to the Financial Assistance Coordinator at (510) 791-3448 and Patient Accounting Manager at (510) 791-3448.