

**TITLE: CHARITY CARE POLICY**

**POLICY:**

Chinese Hospital will provide charity care to individuals who are uninsured or under-insured (see Discount Payment Policy), and are otherwise unable to pay for medically necessary care. The provision of charity care is based on the individual's financial situation. If the individual's income is less than 350% of the Federal Poverty Level (FPL), charity care will be provided. The FPL is reviewed and updated on an annual basis (see attached Federal Poverty Level Guidelines). Chinese Hospital ensures that the individual who needs medical care will not be denied care due to their financial situation.

Charity care is not considered to be a substitute for personal responsibility, however individuals are expected to cooperate with Chinese Hospital's procedures for applying and obtaining charity care.

Individuals without the means to pay for medical services shall be asked to complete Chinese Hospital's Application for Charity Care. Hospital personnel will assist individuals with completing the application. The hospital will simultaneously advise the patient to apply for the Medi-Cal Program and provide the individual with an application. Patients who refuse, or otherwise do not complete the form shall be assumed as having rejected charity care and will be handled according to normal and existing hospital billing and collection policy.

The granting of charity care is based on the individual's financial situation and shall not take into account age, gender, race, socio-economic or immigrant status, sexual orientation or religious affiliation.

**SIGNAGE:**

Charity care notices shall be posted in English and Chinese in the Emergency Room and the Admitting and Registration areas.

**PROCEDURE:**

1. During the inpatient admission, outpatient registration and the pre-admission registration processes individuals will be provided a copy of our Charity Care Notification. After receiving a bill for services a patient can also request a copy of our Charity Care Notification and a copy of the Application For Charity Care.
2. Individuals will be eligible for charity care based on their income level (not on their assets). When the individual's income level is less than 350% of the FPL adjusted for family size (dependents) charity care will be provided. The individual's income level will need to be supported by copies of their most recent Federal Income Tax return and, or a copy of a recent pay stub. If the patient makes a reasonable effort

to obtain documentation, but is unable to through no fault of the patient, the hospital will attempt to make a determination without such documentation. After review of the individual's income level we will determine whether the individual qualifies for charity care. Hospital financial counselors or billing account representatives will assist the individual in completing the application for charity care. The individual, or individual's representative signature is required.

3. Occasionally, an individual may have financial limitations, but may not qualify for charity care due to available insurance coverage. In these situations, the individual may qualify for a discount under the Hospital's Discount Payment Policy, which will limit the individual's financial responsibility to an amount not to exceed what the Medicare Program would have paid for the same medical service. Extended payment plans will also be considered based on the individual's financial situation. The individual's situation must be documented and supported by either a Federal Income Tax Return or a recent pay stub.

### ***SPECIAL CIRCUMSTANCES:***

#### ***Homeless Patients:***

Emergency room patients without a payment source may be classified as charity if they do not have a job, mailing address, residence or insurance. In many instances, these patients are homeless and do not have resources to cover the cost of their care.

#### ***Collection Agency:***

If after assigning a patient to a collection agency, either the agency or the hospital determines the patient meets the charity care eligibility criteria, their account may be considered charity care even if they were originally classified as a bad debt. Collection agency accounts meeting charity care criteria should be returned to the hospital billing office and reviewed for charity care eligibility.

#### ***Deceased Patients:***

Deceased patients without estate or third party coverage will be eligible for charity care.

If the patient does qualify for Charity Care, the file, application and income verification will be referred to the Manager of Patient Financial Services for written approval along with the transaction to write off the total charges on the account to Charity Care. The Account will then be logged on the Charity Care log.

All application forms shall be placed in the patient folders and will be filed alphabetically in a designated area of the Business Office. Each year an audit assessment will be done on all Charity Care.

**TITLE: DISCOUNT PAYMENT POLICY**

**POLICY:**

Chinese Hospital will provide payment discounts to individuals who are uninsured or under-insured, and are otherwise unable to pay for medically necessary care. Payment discounts are based on the individual's financial situation. If the individual's income is less than 350% of the Federal Poverty Level (FPL), a payment discount will be determined based on what the Medicare Program would have paid for the same medical care. In the situation where the individual's third-party insurance coverage paid an amount greater than what the Medicare Program would have paid there will be no patient liability. The FPL is reviewed and updated on an annual basis (see attached Federal Poverty Level Guidelines). Chinese Hospital ensures that the individual who needs medical care will not be denied care due to their financial situation.

Discount payments are not considered to be a substitute for personal responsibility, however individuals are expected to cooperate with Chinese Hospital's procedures for applying and obtaining a discounted payment.

Individuals without third-party insurance shall be asked to complete Chinese Hospital's Application for a Discounted Payment. Hospital personnel will assist individuals with completing the application. Patients who refuse, or otherwise do not complete the form shall be assumed as having rejected a discounted payment and will be handled according to normal and existing hospital billing and collection policy. Individuals without third-party insurance will be provided an application for Medi-Cal's Healthy Families Program.

The granting of a discounted payment is based on the individual's financial situation and shall not take into account age, gender, race, socio-economic or immigrant status, sexual orientation or religious affiliation.

**SIGNAGE:**

Discount Payment notices shall be posted in English and Chinese in the Emergency Room, Admitting and Outpatient Registration areas.

**PROCEDURE:**

1. During the inpatient admission, outpatient registration and the pre-admission registration processes individuals will be provided a copy of our Discount Payment Notification. After receiving a bill for services a patient can also request a copy of our Discount Payment Notification and a copy of the Application For Discount Payment.
2. Individuals will be eligible for a discount payment based on their income level (not on their assets). When the individual's income level is less than 350% of the FPL adjusted for family size (dependents) the discount payment policy will be applicable. The individual's income level should be supported by copies of their most recent

Federal Income Tax return and, or a copy of a recent pay stub. If the patient makes a reasonable effort to obtain the documentation, but is unable to through no fault of the patient, the hospital will attempt to make a determination without such documentation. Hospital financial counselors or billing account representatives will assist the individual in completing the application for discount payment. The individual, or individual's representative signature is required.

3. Extended payment plans will also be considered based on the individual's financial situation. The individual's financial situation must be documented and supported by either a Federal Income Tax Return or a recent pay stub. The hospital will negotiate in good faith with the patient an extended payment plan.

### ***SPECIAL CIRCUMSTANCES:***

#### ***Collection Agency:***

If after assigning a patient to a collection agency, either the agency or the hospital determines the patient meets the discount payment eligibility criteria, their account may be considered for discount payment even if it was originally classified as a bad debt. Collection agency accounts meeting discount payment criteria will be returned to the hospital billing office and verified for discount payment eligibility.

#### ***Deceased Patients:***

Deceased patients without estate or third-party insurance coverage will be eligible for discount payment.

If the patient does qualify for discount payment, the file, application and income verification will be referred to the Manager of Patient Financial Services for written approval along with the transaction to take a discount on the Account. The discount payment will be charged to a separate Discount Payment account in the Hospital's general ledger.

All application forms shall be placed in the patient folders and will be filed alphabetically in a designated area of the Business Office. Each year an audit assessment will be done on all Patient Discounts.