

Office of Origin: Medical Center Administration and Chief Financial Officer

## I. PURPOSE

- A. UCSF Medical Center strives to provide quality patient care and high standards for the communities we serve. This policy demonstrates UCSF Medical Center's commitment to our mission and vision by helping to meet the needs of the low income, uninsured patients and the underinsured patients in our community. This policy is not intended to waive or alter any contractual provisions or rates negotiated by and between UCSF Medical Center 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.
- B. This policy is intended to comply with California Health & Safety Code section 127400 et seq. (AB 774), Hospital Fair Pricing Policies, effective January 1, 2007 and as amended, and Office of Inspector General, Department of Health and Human Services ("OIG") guidance regarding Financial Assistance to uninsured and underinsured patients, and IRS regulations. This policy provides guidelines for identifying patients who may qualify for Financial Assistance. This policy also establishes the financial screening criteria to determine which patients qualify for Financial Assistance. The financial screening criteria provided for in this policy are based primarily on the Federal Poverty Level (FPL) guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services. Uninsured patients who do not meet the criteria for Financial Assistance under this policy may receive an uninsured discount as set forth in Administrative Policy 3.04.06, Patient Financial Assistance and Discounts.

## II. REFERENCES

California Health & Safety Code § 127400 *et seq*

UCSF Medical Center Administrative Policies:

- [3.04.06 Patient Financial Assistance, Charity Care and Discounts \(Patient Version\)](#)
- [6.03.09 EMTALA Requirements for Emergency Medical Treatment](#)
- [6.03.01 Admission and Transfer-In Acceptance](#)

## III. DEFINITIONS

**Family Income:** The annual earnings of all members of the Patient Family from the prior twelve (12) months or prior tax year as shown by the recent pay stubs or income tax returns, less payments made for alimony and child support.

**Financial Assistance:** The discounts available to patients who UCSF Medical Center determines are eligible to be a Full Charity Care Patient or a High Medical Cost Charity Care Patient.

**Charity Care Patient:** A patient who:

1. Is a Self-Pay Patient; and
2. Has Family Income at or below 400% of the Federal Poverty Level (FPL).

**High Medical Cost Charity Care Patient:** A patient who:

1. Is not a Self-Pay Patient (i.e. the patient has a third party source of payment);
2. Has Family Income at or below 400% of the Federal Poverty Level (FPL); and
3. Has out-of-pocket medical expenses in the prior twelve (12) months (whether incurred at UCSF Medical Center or at other medical providers) that exceed 10% of Family Income.

**Medically Necessary Service:** A medical service or treatment that is necessary to treat or diagnose a medical condition, the omission of which could adversely affect the patient's condition, illness or injury, and is not an elective or cosmetic surgery or treatment.

**Patient Family:** For patients eighteen (18) years of age and older, the Patient Family includes the patient's spouse, domestic partner, and dependent children under twenty-one (21) years of age, whether living at home or not. For patients under eighteen (18) years of age, the Patient Family includes the patient's parent(s) or caretaker relative(s), and other children under twenty-one (21) years of age of the parent(s) or caretaker relative(s).

**Patient Responsibility:** A copayment, coinsurance, deductible, or other amount due from an insured patient under the insured patient's benefit plan. Patient Responsibility does not include amounts due from an insured patient for services that are not covered benefits under the insured patient's benefit plan.

**Self-Pay Patient:** A patient who has no third-party source of payment for health care services. Self-Pay Patients include without limitation: (i) patients who qualify for a government program but receive services that are not covered under the program; and (ii) patients whose benefits have exhausted prior to or during the provision of services.

#### IV. POLICY

- A. Patients of UCSF Medical Center shall be entitled to apply for Financial Assistance for all Medically Necessary Services. Patients are not entitled to Financial Assistance for (i) services that are not Medically Necessary Services; and (ii) physician services billed separately from UCSF Medical Center.
- B. This Financial Assistance Policy and the financial screening criteria will be consistently applied to all cases throughout UCSF Medical Center. If application of this policy conflicts with payer contracting or coverage requirements, consult with UCSF Medical Center legal counsel.
- C. This Financial Assistance Policy applies to hospital inpatient and outpatient departments, including hospital-based professional fees, but excluding separately-billed physician professional fees.
- D. Patients are hereby notified that emergency physicians, as defined in California Health and Safety Code Section 127450, who provide emergency medical services at UCSF Medical Center are also required by law to provide discounts to uninsured patients or patients with high medical costs who are at or below 350% of the federal poverty level. Current UCSF eligibility is at or below 400% of FPL.

#### V. PROCEDURE

- A. Eligibility Criteria
  1. Patients are eligible for Financial Assistance when they submit a completed application for Financial Assistance and demonstrate through the application process that they meet one of the following eligibility criteria:

TABLE 1:

Category of Financial Assistance	Eligibility	Discount
Full Charity Care Discount	<ol style="list-style-type: none"> <li>1. Self-Pay Patient; and</li> <li>2. Family Income at or below 400% of the Federal Poverty Level (FPL)</li> </ol>	<b>100%</b> write off of amount due from patient
High Medical Cost Charity Care Discount	<ol style="list-style-type: none"> <li>1. Not a Self-Pay Patient (i.e. patient has third party coverage);</li> <li>2. Family Income at or below 400% of the Federal Poverty Level (FPL); and</li> <li>3. Out-of-pocket medical expenses in prior twelve (12) months (whether incurred at UCSF Medical Center or other medical providers) exceeds 10% of Family Income.</li> </ol>	<b>100%</b> write off of Patient Responsibility

B. Financial Assistance Application

1. The Financial Assistance application is available by visiting [https://www.ucsfhealth.org/billing\\_and\\_records/](https://www.ucsfhealth.org/billing_and_records/) or by calling Patient Financial Services at 1-866-433-4035.
2. All patients will be offered an opportunity to complete a Financial Assistance Application. The form is available in English and in the other primary languages of UCSF Medical Center's service area.
3. A patient should make best efforts to submit a completed application form within 240 days (i.e. eight (8) months) of the day UCSF Medical Center sends the first bill for services to the patient. UCSF Medical Center may extend the time to submit the application for good cause.
4. Financial Assistance screening and means testing will be performed by Financial Counselors in the Admitting Department, and/or by Patient Financial Services. It is the patient's responsibility to cooperate with the information gathering process. Patients may provide information in writing or orally.
5. Information submitted by a patient on a Financial Assistance Application shall not be used in any way during the collection process.

C. Identification of Patients Potentially Eligible for Financial Assistance. (Responsibility: Admitting/Registration, Emergency Department, Outpatient Settings, Ancillary Registration Areas, Clinics, Patient Financial Services)

1. Every effort will be made to screen all patients identified to be Self-Pay Patients or in potential need of Financial Assistance. Screened patients' financial information will be monitored as appropriate. Screened patients will be provided assistance in assessing patient eligibility for Medi-Cal 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 Financial Assistance at the time of service or as near to the time of service as possible. Patient-specific information will be provided to the county and state in accordance with county and state guidelines for eligibility determinations.
  3. If a patient does not indicate coverage by a third-party payer, or requests a discounted price or Financial Assistance, the patient should be provided with a financial counseling resource and information on assistance provided to apply for the Medi-Cal program.
  4. Patients with third party coverage who have high medical costs will be screened by a Financial Counselor in the Admitting Department or by Patient Financial Services to determine whether they qualify as a High Medical Cost Charity Care Patient. Upon such patient request for Financial Assistance, the patient will be informed of the criteria to qualify as a High Medical Cost Charity Care Patient and the need to provide receipts if claiming services rendered at other providers in the past twelve (12) months.
- D. Procedures for Review of Financial Assistance Application (Responsibility: Admitting/Registration and Patient Financial Services)
1. UCSF Medical Center Patient Financial Services shall publish policies and train staff regarding the availability of the Financial Assistance described in this policy and the process for reviewing applications for Financial Assistance.
  2. The criteria for Financial Assistance will be consistently applied throughout UCSF Medical Center in making a determination on each patient's application.
  3. Family Income will be verified with either the most recent filed federal tax return or recent paycheck stubs.
  4. For the purpose of determining if a patient meets the requirements for the High Medical Cost Charity Care Discount, the Patient is required to provide proof of payment of medical costs. Proof of payment may be verified.
  5. Patients will be notified in writing if UCSF Medical Center determines that the patient is eligible for Financial Assistance. The notification shall be in English or on the patient's language when the language is one of the primary languages of UCSF Medical Center's service area.
  6. Patients must submit a new Financial Assistance Application each time the patient is admitted. A grant of Financial Assistance is valid for the current admission plus any other outstanding patient liability due to UCSF Medical Center at the time of determination. The grant of Financial Assistance is valid for outpatient services for six (6) calendar months starting with the month of eligibility determination, and applies to any other patient financial liability due to UCSF Medical Center at the time of determination.
  7. Patients granted the High Medical Cost Charity Care Discount will be approved on a one-time basis. A grant of Financial Assistance is valid for the current admission plus any other outstanding patient liability due to UCSF Medical Center at the time of determination. The patient may apply again with additional information to demonstrate high medical cost.
  8. A patient will not be eligible for Financial Assistance if the patient/responsible party provides false information about financial eligibility.

9. UCSF Medical Center may consider a patient/responsible party's failure to make every reasonable effort to apply for and receive government-sponsored insurance benefits for which they may be eligible grounds for denial of Financial Assistance. If benefits are denied, UCSF Medical Center must receive a copy of the denial.
  10. Patients who are homeless or expire while admitted to a UC Medical Center and have no source of funding or responsible party or estate may be eligible for Financial Assistance even if a Financial Assistance application has not been completed. All such cases must be reviewed by the Patient Access Director or the Patient Financial Services Director or their designee(s) on a case-by-case basis.
  11. A patient may appeal the hospital's decision regarding a Financial Assistance application by notifying the person designated by the UCSF Medical Center Chief Financial Officer of the basis for the appeal and the requested relief. Appeals must be submitted within thirty (30) days of the hospital's decision on the Financial Assistance application. The person designated by the UCSF Medical Center Chief Financial Officer shall review the appeal and provide a response to the patient in writing.
- E. Calculation of Discount
1. Patients determined to be eligible for Financial Assistance will receive the discounts set forth in Table 1 above.
  2. This policy permits non-routine waiver (i.e. the High Medical Cost Charity Care Discount) of patients' out-of-pocket medical costs based on an individual determination of financial need, which patients show through the application process for Financial Assistance. This policy does not permit the routine waiver of deductibles, co-payments and/or co-insurance imposed by insurance companies for patients who have not demonstrated eligibility for the High Medical Cost Charity Care Discount.
- F. Publication of Financial Assistance Policy: UCSF Medical Center publicizes the availability of Financial Assistance as follows:
1. Website
    - a. The Financial Assistance Policy, the Financial Assistance Application, and a Plain Language Summary of the Financial Assistance Policy shall be placed in a conspicuous location on the UCSF Medical Center website.
  2. Paper Copies
    - a. Copies of the Financial Assistance Policy, the Financial Assistance Application, and a Plain Language Summary of the Financial Assistance Policy shall be available upon request and without charge, both by mail and in public locations, including in the primary waiting room area and the emergency room waiting area.
  3. Public Displays
    - a. UCSF Medical Center conspicuously posts information about the availability of Financial Assistance in public areas around the facility, including the Admitting Department, Emergency Room and other outpatient hospital settings. All postings shall be in in English and in the other primary languages of UCSF Medical Center's service area (as described above).
  4. Notification to Community

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- a. UCSF Medical Center will notify key community partners about the availability of the Financial Assistance provided for in this Financial Assistance Policy.
5. During Admission and Discharge Process
    - a. Patient shall be able to receive a Plain Language Summary of the Financial Assistance Policy during the admission and discharge processes.
  6. Billing Statements
    - a. All billing statements to patients shall include a Plain Language Summary of the Financial Assistance Policy. Billing statements must also include the telephone number of Patient Financial Services, information about the application process for financial assistance, and the website address where patients can obtain or view copies of the Financial Assistance Policy and the Financial Assistance Application.
- G. Patient Billing and Collection Practices (Responsibility: Patient Financial Services)
1. Patients who have not provided proof of coverage by a third party at or before care is provided will receive with the statement of charges for services rendered at the hospital a request to provide the hospital with health insurance or 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 Medi-Cal or Financial Assistance under this policy.
  2. Patients can request information about Financial Assistance verbally or in writing. Upon such request, the hospital will give patient the requested information in person or mail the information to the patient/guarantor's address. Written correspondence to the patient shall be in the primary languages of UCSF Medical Center's service area (as described above).
  3. If a patient is attempting to qualify for eligibility under the Financial Assistance Policy, and is attempting in good faith to settle the outstanding bill, the hospital shall not send the unpaid bill to any collection agency or other assignee unless that entity has agreed to comply with this policy.
  4. Patients are required to report to UCSF Medical Center any change in their financial information promptly.
  5. Prior to commencing collection activities against a patient, the hospital and any collection agency working on behalf of the hospital will provide a notice containing a statement that non-profit credit counseling may be available, as well as the following statement:

*“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](http://www.ftc.gov).”*
  6. Payment Plans

- a. Patients can be offered an extended payment plan. Extended payment plans will be interest-free.
  - b. Standard payment plan length will be twelve (12) months or less, depending on the outstanding balance. Longer payment plans can be provided on an exception basis, with sufficient management approval. If hospital and patient are unable to agree on the terms of a payment plan, the default payment plan shall be a monthly payment of not more than ten percent (10%) of the patient's Family Income after excluding essential living expenses. "Essential living expenses" means any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.
  - c. A payment plan may be declared inoperative after the patient's failure to make all consecutive payments due during a ninety (90)-day period. Before declaring a payment plan no longer operative, the hospital, collection agency, or assignee shall make a reasonable attempt to contact the patient by telephone and to give notice in writing that the extended payment plan may become inoperative, and of the opportunity to renegotiate the extended payment plan. Prior to the payment plan being declared inoperative, the hospital, collection agency, or assignee shall attempt to renegotiate the terms of the defaulted extended payment plan, if requested by the patient. For the purposes of this section, the notice and telephone call to the patient may be made to the last known telephone number and address of the patient.
7. UCSF Medical Center, 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 Financial Assistance, offers of no-interest payment plans, and offers of discounts for prompt payment. UCSF Medical Center shall not employ wage garnishments or place liens on primary residences. This requirement does not preclude the UCSF Medical Center from pursuing reimbursement from third party liability settlements or other legally responsible parties.
  8. Each collection agency must sign a written agreement that it will adhere to the hospital's standards and scope of practices. The collection 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.
    - b. Not use wage garnishments.
    - c. Not place liens on primary residences.
    - d. Adhere to all requirements as identified in Health & Safety Code Section 127400 et seq.
    - e. Not engage in any activity that is considered an Extraordinary Collection Activity under IRS Code section 501(r).
  9. In the event that a patient is overcharged, the hospital shall reimburse the patient the overcharged amount with 10% interest per annum calculated from the date the patient

made the overpayment.

H. Reporting Procedures (Responsibility: Patient Financial Services)

1. The Financial Assistance Policy and attachments shall be provided to the Office of Statewide Health Planning and Development (OSHPD) at least biennially on January 1, or with significant revision. If no significant revision has been made by UCSF Medical Center since the policies and financial information form was previously provided, OSPHD will be notified that there has been no significant revision.

**VI. RESPONSIBILITY**

Questions about the implementation of this policy should be directed to the Assistant Director of the Self-Pay Billing Office/Patient Financial Services. Questions about Financial Assistance eligibility should be directed to the Self-Pay Billing Office.

**VII. HISTORY OF POLICY**

Prepared by Patient Financial Services Directors/Admitting Directors

Reviewed December 2007 by Robin Hanson, Manager of Patient Financial Services, and Lucia Kwan, Director of Patient Financial Services

Reviewed March 2009 by Lucia Kwan, Ann Sparkman, Legal Affairs, Susan Penney, Risk Management, Cindi Drew, Ambulatory Services and Paul Axelrod, Medical Center Administration

Approved April 2009 by Mark Laret, Chief Executive Officer

Reviewed February 2013 by Lucia Kwan, Patient Financial Services Director and Bryan Chamberlin, Executive Director of Revenue Cycle (Interim)

Reviewed and Approved March 2013 by Barrie Strickland, CFO on behalf of Policy Steering Committee

Reviewed July 2014 by Lucia Kwan, Patient Financial Services Director and Michael Sciarabba, Admissions and Registration Director (no changes); Approved on behalf of Policy Steering Committee

Reviewed August 2015 by Lucia Kwan, Revenue Cycle Director and Robin Hanson, Customer Service Manager

Revised July 2016 by Lucia Kwan, Revenue Cycle Director and Joseph Zheng, Credit and Collections Manager (Interim).

Reviewed and Approved August 2016 by Policy Steering Committee

Revised April 2019 by Laura Vance, Director Patient Access, Lucia Kwan, Director of Patient Financial Services and Joseph Zheng, Assistant Director, Self-Pay Billing Office

Reviewed and Approved June 2016 by Policy Steering Committee

**VIII. APPENDIX**

Not applicable.

*This guideline is intended for use by UCSF Medical Center staff and personnel and no representations or*



## Patient Financial Assistance and Charity Care

**POLICY 3.04.07**  
Finance & Business Operations  
Patient Financial Assistance  
Issued: 10/2004  
Last Approval: 06/2019

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