



|                |             |
|----------------|-------------|
| Origination:   | 1/1/2008    |
| Last Approved: | N/A         |
| Last Revised:  | 12/31/2019  |
| Policy Area:   | FN: Finance |
| Policy #S:     | FN 13.069   |

## Financial Support (Charitable Assistance) Program

### PURPOSE:

Fresno Surgical Hospital (FSH) is committed to providing high quality, comprehensive health care services to our patient community.

The hospital's **Financial Support (Charitable Assistance) Program** is available for uninsured and underinsured patients whose economic resources or financial status prevents them from meeting their financial obligations to Fresno Surgical Hospital.

### POLICY:

The Charitable Assistance Program applies to all patients regardless of age, gender, race, socio-economic or immigrant status, sexual orientation, or religious affiliation. Our Patient Accounting personnel will be happy to discuss our Charitable Assistance program with anyone expressing an inability to meet his or her financial obligation to the hospital.

Our program extends only to services provided/billed by the hospital. Services such as physician, anesthesia, physical therapy, pathology, laboratory, and other services not provided or billed by the hospital, are not covered by our program.

Eligibility for the Charitable Assistance Program will be considered for those individuals who provide documentation of pending or denied application for government sponsored programs (as applicable to the individual's financial means) including the California Health Benefit Exchange, Medicare, Medi-Cal, and/or Healthy Families.

Financial obligations not eligible for consideration for the Charitable Assistance Program include: co-pays, deductibles, indemnity balances, share of cost, and elective/non-urgent procedures, or services denied by available funding sources as not medically necessary.

Financial assistance provided by the hospital is not a substitute for personal responsibility. All patients are expected to contribute to the cost of their care based upon their individual ability to pay. Patients are required to make every reasonable effort in providing the hospital with documentation of income and health benefits coverage. If the patient fails to provide reasonable and necessary information, such as, but not limited to documentation of income (either most recent tax forms or pay check stubs) and health insurance coverage, Fresno Surgical Hospital may consider that failure in determining the patient's eligibility under this policy. Required documentation must be provided to the hospital within 150 days of the initial billing of services for which the financial assistance is requested.

### PROCEDURE:

#### Charitable Care

Charitable Care is defined as a full charitable deduction (100% discount) for all eligible amounts owed to Fresno Surgical Hospital.

1. Eligibility for charity care will be considered for those individuals who provide documentation of pending application or ineligibility for government sponsored programs (as appropriate to the individual's financial means) including the California Health Benefit Exchange, Medicare, Medi-Cal, and/or Healthy Families. Documentation of pending application or ineligibility is ordinarily obtained through application for coverage under a government sponsored program.
2. Eligibility for charity care will be considered for those individuals who are uninsured, pending application or ineligible for any government health care benefit program, 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.

3. A patient may qualify for charitable 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 may be approved. A request for charity care may be initiated via completion of a Financial Disclosure Statement by the patient, family member, physician, or health care representative. All charity care requests will be considered for eligibility upon receipt of all required supporting documentation.
4. Fresno Surgical Hospital recognizes that the financial status of patients may change over time. FSH personnel will actively assist families in securing eligibility for any program with the cooperation of patients and their guarantors.
5. The granting of charity care shall be based on an individualized determination of financial need and shall not take into account age, gender, race, socio-economic or immigrant status, sexual orientation, 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 medical bills, and employment status.
6. The Financial Disclosure Statement may be completed by telephone with the assistance of a Patient Accounting representative or by completing, signing and returning it to Fresno Surgical Hospital's Patient Accounting Department. Patient's eligibility for charity care may be determined at any time FSH is in receipt of the patient's financial information. The Financial Disclosure Statement shall remain valid for services rendered within a 180 day period. The financial assessment will include a review of the family's gross income, number of family members, employment status, and outstanding balances of the all medical bills presented. Copies of prior year tax return or the most recent one (1) month of pay stubs may be requested.
7. Financial obligations not eligible for consideration for charity care include: co-pays, deductibles, indemnity balances, share of cost and elective/non-urgent procedures, or services denied by available funding sources as not medically necessary. Upon request, special consideration may be made by the Chief Executive Officer (CEO) or Chief Financial Officer (CFO).
8. The CFO or designee will review all applications to determine eligibility for charity care based upon current monthly income and family size as provided on the Financial Disclosure Statement and supporting documentation. Reasonable efforts will be made to verify financial data. All financial information provided will be considered confidential and personnel will respect each circumstance with dignity.
9. FSH will provide a full charitable deduction for applicants whose qualifying income is at 200% or less of the unit value(s) established by the Department of Health and Human Services' (HHS) Poverty Guidelines.
10. The CFO or designee will use the following table to determine eligibility for all self-pay accounts excluding co-pays, deductibles, indemnity balances, share of cost, and/or elective/non-urgent procedures. This schedule will be maintained and updated annually by the CFO or designee.

| Family Size | Maximum Monthly Income | Family Size | Maximum Monthly Income |
|-------------|------------------------|-------------|------------------------|
| 1           | \$2,082                | 5           | \$5,028                |
| 2           | \$2,818                | 6           | \$5,765                |
| 3           | \$3,555                | 7           | \$6,502                |
| 4           | \$4,292                | 8           | \$7,238                |

\*Schedule based upon 2019 poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)

\*\*For family units with more than 8 members, add an additional \$737 per month per family member

11. Any patient account recommended for charity care allowance, after meeting the guidelines set forth in this policy, requires the following approval signature:

|                       |                         |
|-----------------------|-------------------------|
| ◦ \$0 - \$24,999      | Chief Financial Officer |
| ◦ \$25,000 or greater | Chief Executive Officer |

12. Written notification of determination of eligibility or ineligibility for charity care will be forwarded to the applicant by the CFO or designee within 30 days of receipt of the Financial Disclosure Statement and requested supporting documentation.
13. Fresno Surgical Hospital recognizes that there may be unusual or extenuating circumstances or disputes which may warrant

special consideration. In such cases, a description of the unusual circumstances or dispute (written or verbal) should be forwarded to the attention of the CFO. Upon receipt, the CFO will review the request and will approve, deny, or make recommendation toward approval based upon the limits established in procedure #11.

## Discount Payment Options

In addition to charitable care, Fresno Surgical Hospital has established three additional discount payment options based upon the financial eligibility of the individuals requesting assistance. Patients who qualify for multiple discounts under this policy will be granted the single discount amount resulting in the largest discount to the patient. Discount payment options include: low-income discount, high medical cost discount and prompt pay discounts.

1. Eligibility for discount payment options will be considered for those individuals who provide documentation of pending application and/or ineligibility for government-sponsored programs including the California Health Benefit Exchange, Medicare, Medi-Cal, and/or Healthy Families. Documentation of pending application or ineligibility is ordinarily obtained through application for coverage under a government-sponsored program.
2. Eligibility for discount payment options will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, 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.
3. A patient may qualify for discount payment options 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, discount payment options may be provided. A request for discount payment options may be initiated via completion of a Financial Disclosure Statement by the patient, family member, physician, or health care representative. All discount payment requests will be considered for eligibility upon receipt of all prescribed supporting documentation.
4. Fresno Surgical Hospital recognizes that the financial status of patients may change over time. FSH personnel will actively assist families in securing eligibility for any program with the cooperation of patients and their guarantors.
5. The granting of discount payments shall be based on an individualized determination of financial need and shall not take into account age, gender, race, socio-economic or immigrant status, sexual orientation, 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 medical bills, and employment status.
6. The Financial Disclosure Statement may be completed by telephone with the assistance of a Patient Accounting representative or by completing, signing and returning it to Fresno Surgical Hospital's Patient Accounting Department. Patient's eligibility for discount payment options may be determined at any time Fresno Surgical Hospital is in receipt of the patient's financial information. The Financial Disclosure Statement shall remain valid for services rendered within a 180 day period. The financial assessment will include a review of the family's gross income, number of family members, employment status and scope and extent of a patient's medical bills. Copies of prior year tax return or the most recent one (1) month of pay stubs may be requested. Patients wishing to qualify for high cost medical discount will be required to supply copies of prior year tax return or the most recent one (1) month of pay stubs and proof of payment of out-of-pocket medical expenses within the last twelve (12) months. Medical expenses due to Fresno Surgical Hospital will be considered within the total out-of-pocket expenses.
7. The CFO or designee will review all applications to determine eligibility for discount payment options based upon current monthly income, family size and/or extent of patient's medical bills as provided on the Financial Disclosure Statement and supporting documentation. Reasonable efforts will be made to verify financial data. All financial information provided will be considered confidential and personnel will respect each circumstance with dignity.
8. Discount Payment Options:
  - a. Low Income Discount:
    - Fresno Surgical Hospital will provide a partial discount for those patients with current monthly income between 201% and 350% (low income patients) of the unit value(s) established by the Department of Health and Human Services' (HHS) Poverty Guidelines.
    - The CFO or designee will use the following table to determine eligibility for all self-pay accounts excluding co-pays, deductibles, indemnity balances, share of cost, and elective/non-urgent procedures or services. This schedule will be maintained and updated annually by the CFO or designee.

| Family Size | Income Greater than or equal to 201% | Income Less than or equal to 350% |
|-------------|--------------------------------------|-----------------------------------|
| 1           | \$2,083                              | \$3,643                           |
| 2           | \$2,819                              | \$4,932                           |
| 3           | \$3,556                              | \$6,221                           |
| 4           | \$4,293                              | \$7,510                           |
| 5           | \$5,029                              | \$8,800                           |
| 6           | \$5,766                              | \$10,089                          |
| 7           | \$6,503                              | \$11,378                          |
| 8           | \$7,239                              | \$12,667                          |

\*Schedule based upon 2019 poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)

\*\*For family units with more than 8 members, add an additional \$740 to \$1,289 per month per family member for the 201% to 350% range

- Financial obligations not eligible for consideration are co-pays, deductibles, indemnity balances, or share of cost. Elective/non-urgent procedures or services denied by available funding sources as not medically necessary are not eligible for low-income discount payments. Upon request, special consideration may be made by the Chief Financial Officer or Chief Executive Officer.
- Eligible patients' obligation will be reduced to no more than the applicable Medicare rates in effect at the date of service. Where Medicare rates cannot be determined, eligible patients will receive a 60% discount from charges.
- Patients receiving a partial discount may be eligible for interest-free patient payment plans as described below.

b. High Medical Cost Discount:

- Fresno Surgical Hospital will provide a partial discount to those patients whose income for the last twelve (12) months does not exceed 350 percent of the of the unit value(s) established by the Department of Health and Human Services' (HHS) Poverty Guidelines (federal poverty level), and their annual out-of-pocket medical expenses paid by the patient or patient's family member for the prior twelve (12) months exceed ten (10) percent of the family's annual income.
- The CFO or designee will use the following table in addition to review of paid out-of-pocket medical expenses to determine eligibility for the high medical cost discount. This schedule will be maintained and updated annually by the CFO or designee.

| Family Size | Income less than or equal to 350% | Family Size | Income Less than or equal to 350% |
|-------------|-----------------------------------|-------------|-----------------------------------|
| 1           | \$3,643                           | 5           | \$8,800                           |
| 2           | \$4,932                           | 6           | \$10,089                          |
| 3           | \$6,221                           | 7           | \$11,378                          |
| 4           | \$7,510                           | 8           | \$12,667                          |

\*Schedule based upon 2019 poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)

\*\*For family units with more than 8 members, add an additional \$1,289 per month per family member

- Elective/non-urgent procedures or services denied by available funding sources as not medically necessary are not eligible for high medical cost discounts. Upon request, special consideration may be made by the Chief Financial Officer or Chief Executive Officer.
- Eligible patients' obligation will be reduced to no more than the applicable Medicare rates in effect at the date of service. Where Medicare rates cannot be determined, eligible patients will receive a 60% discount from charges.
- Patients receiving a partial discount may be eligible for interest-free patient payment plans as described below.

c. Prompt Pay Discount:

- Fresno Surgical Hospital will extend a 25% prompt pay discount to those self-pay patients who wish to pay their

entire outstanding balance prior to or on the day of service.

- Insured patients with non-covered services which are deemed medically necessary and wish to pay their outstanding balance immediately will be eligible for a 25% discount upon request. FSH's Patient Accounting Department cannot readily identify self-pay balances after insurance payments as co-pays/deductibles versus non-covered services for insured patients. The patient or guarantor must request the 25% discount and make payment in full within 30 days of receipt of insurance payment for these non-covered services.
  - Financial obligations not eligible for consideration for prompt pay discounts are co-pays, deductibles, indemnity balances, or share of cost.
  - Patients requesting patient payment plans will not be eligible for prompt pay discounts.
9. Any patient account recommended for discount payment options, after meeting the guidelines set forth in this policy, requires the following approval signature:
    - \$0 - \$24,999 Chief Financial Officer
    - \$25,000 or greater Chief Executive Officer
  10. Written notification of determination of eligibility or ineligibility for discount payment options will be forwarded to the applicant by the CFO or designee within 30 days of receipt of the Financial Disclosure Statement and requested supporting documentation.
  11. Fresno Surgical Hospital recognizes that there may be unusual or extenuating circumstances or disputes which may warrant special consideration. In such cases, a description of the unusual circumstances or dispute (written or verbal) should be forwarded to the attention of the CFO. Upon receipt, the CFO will review the request and will approve, deny, or make recommendation toward approval based upon the limits established in procedure #9.

## Patient Payment Plans

Upon request, Fresno Surgical Hospital will negotiate an interest-free, patient payment plan within the following guidelines:

1. Patients who qualify for either the Low Income or High Cost Medical discount programs, will be eligible to negotiate a "reasonable payment plan" as defined in California SB 1276 Health care; fair billing policies.
2. Patients who do not qualify for either of these two programs are encouraged to pay their balance in the most expeditious manner possible with a minimum monthly payment based upon the outstanding balance due from the patient.
3. Patients with balances less than or equal to \$1,000 must be paid in full within one (1) year of establishment of the payment plan. Exceptions to these criteria must be approved by the Chief Financial Officer or Chief Executive Officer.
4. Requests for contractual terms exceeding one (1) year must be approved by the Chief Financial Officer or Chief Executive Officer.
5. Patients requesting patient payment plans will not be eligible for prompt pay discounts.

## Collection Guidelines

1. Patient guarantors must complete a Financial Disclosure Statement, be in process with an eligibility application for a government sponsored insurance program or set up a payment plan within 120 days of final bill or the account will be assigned to a third party billing or collection agency at full billed charges. Interest may be charged at the legal rate upon any remaining unpaid balance.
2. Fresno Surgical Hospital will assign any financial obligation to a debt collection agency after 150 days from final bill date where the patient has failed to comply with an established payment plan or non-payment on an account where the patient guarantor is not in process with an eligibility application for a government-sponsored insurance program. Interest may be charged at the legal rate upon any unpaid remaining balance including but not limited to a defaulted inoperative interest free discount payment plan.
3. Patients with pending appeal for coverage of services will not be forwarded to a third party billing agency or collection agency until a final determination of that appeal is made. If the appeal is unfavorable and the patient is responsible for the outstanding obligation, the patient will be afforded the opportunity to qualify for charity care or discount payment arrangements as prescribed above.
4. In the course of debt collection involving any patient qualified under the hospital's charity care or discount payment policies, a Collection Agency or other assignee that is not a subsidiary or affiliate of the Hospital shall not, use as a means of collecting;

- a. Garnishment of wages, except by order of the court upon noticed motion and judgment. Pursuant to HSC 127425(f)(2)(A).
  - b. Notice or conduct a sale of the patient's primary residence during the life of the patient or his or her spouse, or while a child of the patient is a minor. Pursuant to HSC 127425(f)(2)(B).
5. Nothing in this policy is meant to address lawsuits or legal remedies against non-qualified Hospital Patients. This provision will not preclude Fresno Surgical Hospital or its agent/assignee from pursuing reimbursement from third party liability settlements for patients whose injury is a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital.
  6. In the event that a patient requires interpretation services, Fresno Surgical Hospital complies with the California Codes Health and Safety Section 1259. *Please refer to policy RI 02.011 for procedures to be followed to receive interpretation assistance.*
  7. Should Fresno Surgical Hospital decide to contract with a third party billing agency or collection agency, written agreements will ensure full compliance with this policy and all guidelines provided in California Assembly Bill 1503 amended by Assembly Bill 774, California Senate Bill 1276, and all applicable Federal and State laws including:
    - a. Upon notification by the hospital, the agency will return all accounts to Fresno Surgical Hospital that are applying for a government assistance program, or may qualify under the Fresno Surgical Hospital Financial Support (Charitable Assistance) program.
    - b. Prior to commencing collection activities against a patient, the patient will be provided with a written notice that nonprofit credit counseling services may be available in the area and a plain language summary of the patient's rights pursuant to the Rosenthal Fair Debt Collection Practices Act and the Federal Fair Debt Collection Practices Act.
    - c. Agency shall not report adverse information to a consumer credit reporting agency or commence civil action against the patient for non-payment at any time prior to 150 days after final bill.
    - d. The collection agency or other assignee will not pursue legal action without the approval of the Chief Financial Officer or Chief Executive Officer.
    - e. Patient communications will be provided in English and in languages other than English that may be deemed appropriate to the patient.
  8. All documentation will be maintained by Patient Accounting in accordance with regulatory guidelines.
  9. This policy does not apply to professional services provided to Fresno Surgical Hospital patients by physicians or other medical providers including but not limited to Radiology, Anesthesiology, Pathology, or Hospitalist services.

## References:

- Assembly Bill 1503 amended by AB774, effective January 1, 2011
- Senate Bill 1276, effective January 1, 2015
- California Codes Health and Safety Section 1259
- Fresno Surgical Hospital Policy RI 02.011

## Associated Policies:

RI 02.011 Use of Interpreters

## Attachments:

[Application for Financial Assistance.doc](#)

### Approval Signatures

| Approver                                      | Date       |
|---|------------|
| Managers Board of                             | pending    |
| Committee Medical Executive                   | 1/17/2020  |
| Committee Document Management                 | 1/16/2020  |
| Bruce Cecil: Chief Financial Officer          | 12/31/2019 |
| Yvonne Aguilar: Manager of Patient Accounting | 12/31/2019 |