| Policy Title: Medical Financial Assistance | Policy Number: NATL.CB.307 |
|---|---|
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## 1.0 Policy Statement

Kaiser Foundation Hospitals (KFH) and Kaiser Foundation Health Plans (KFHP) are committed to providing programs that facilitate access to care for vulnerable populations. This commitment includes providing financial assistance to qualified low income uninsured and underinsured patients when the ability to pay for services is a barrier to accessing emergency and medically necessary care.

## 2.0 Purpose

This policy describes the requirements for qualifying for and receiving financial assistance for emergency and medically necessary services through the Medical Financial Assistance (MFA) program. The requirements are compliant with Section 501(r) of the United States Internal Revenue Code and applicable state regulations addressing eligible services, how to obtain access, program eligibility criteria, the structure of MFA awards, the basis for calculating award amounts, and the allowable actions in the event of nonpayment of medical bills.

## 3.0 Scope

This policy applies to employees who are employed by the following entities and their subsidiaries (collectively referred to as "KFH/HP"):

**3.1** Kaiser Foundation Hospitals,

**3.2** Kaiser Foundation Health Plan, Inc., and

**3.3** KFH/HP's subsidiaries.

**3.4** This policy applies to the Kaiser Foundation Hospitals listed in the attached ADDENDUM, *Section I, Kaiser Foundation Hospitals*, and incorporated herein by reference.

## 4.0 Definitions

Refer to Appendix A – Glossary of Policy Terms.

## 5.0 Provisions

KFH/HP maintains a means-tested MFA program to mitigate financial barriers to receiving emergency and medically necessary care for eligible patients regardless of a patient's age, disability, gender, race, religious affiliation, social or immigrant status, sexual orientation, national origin, and whether or not the patient has health coverage.

**5.1 Services that are Eligible and Not Eligible under the MFA Policy.** Unless otherwise noted in the attached ADDENDUM, *Section II, Additional Services Eligible and Not Eligible under the MFA Policy*.

**5.1.1 Eligible Services.** MFA may be applied to emergency and medically necessary health care services, pharmacy services and products, and medical supplies provided at KP facilities (e.g. hospitals, medical centers, and medical office buildings), at KFH/HP outpatient pharmacies, or by Kaiser Permanente (KP) providers. MFA may be applied to services and products as described below:

**5.1.1.1 Medically Necessary Services.** Care, treatment, or services ordered or provided by a KP provider that are needed for the prevention, evaluation, diagnosis or treatment of a medical condition and are not mainly for the convenience of the patient or medical care provider**.**

**5.1.1.2 Prescriptions and Pharmacy Supplies.** Prescriptions presented at a KFH/HP outpatient pharmacy and written by KP providers, non-KP Emergency Department providers, non-KP Urgent Care providers, and KP contracted providers**.**

**5.1.1.2.1 Generic Medications.** The preferred use of generic medications, whenever possible.

**5.1.1.2.2 Brand Medications.** Brand name medications when a KP provider prescribes the brand name medication and notes "Dispense as Written" (DAW), or there is no generic equivalent available.

**5.1.1.2.3 Medicare Beneficiaries.** Applied to Medicare beneficiaries for prescription drugs covered under Medicare Part D in the form of a pharmacy waiver**.**

**5.1.1.3 Additional Eligible Services Available.** Additional services that are eligible under the MFA policy are identified in the attached ADDENDUM, *Section II, Additional Services Eligible and Not Eligible under the MFA Policy*.

**5.1.2 Non-Eligible Services.** MFA may not be applied to:

**5.1.2.1 Services that are Not Considered Emergent or Medically Necessary as Determined by a KP Provider.** (1) Cosmetic surgery or services, (2) infertility treatments, (3) retail medical supplies, (4) surrogacy services, and (5) services related to third party liability, or workers' compensation cases.

**5.1.2.2 Prescriptions and Pharmacy Supplies.** Prescriptions and supplies not considered emergent or medically necessary include, but are not limited to, (1) over-the-counter drugs or supplies and (2) specifically excluded drugs (e.g., fertility, cosmetic, sexual dysfunction).

**5.1.2.3 Prescriptions for Medicare Part D Enrollees Eligible for or Enrolled in Low Income Subsidy (LIS) Program.** The remaining cost share for prescription drugs for Medicare Advantage Part D enrollees who are either eligible for or enrolled in the LIS program, in accordance with Centers for Medicare & Medicaid Services (CMS) guidelines**.**

**5.1.2.4 Services Provided Outside of KP Facilities.** The MFA policy applies only to services provided at KP facilities, by KP providers. Even upon referral from a KP provider, all other services are ineligible for MFA. Services provided at non-KP medical offices, urgent care facilities and emergency departments, as well as home health, hospice, recuperative care, and custodial care services, are excluded.

**5.1.2.5 Health Plan Premiums.** The MFA program does not help patients pay the expenses associated with health insurance premiums.

**5.1.2.6 Additional Non-Eligible Services.** Additional services that are not eligible under the MFA policy are identified in the attached ADDENDUM, *Section II, Additional Services Eligible and Not Eligible under the MFA Policy*.

**5.2 Providers.** MFA is applied only to eligible services delivered by medical care providers to whom the MFA policy applies, as noted in the attached ADDENDUM, *Section III, Providers Subject To and Not Subject to the MFA Policy*.

**5.3 Program Information Sources and How to Apply for MFA.** Additional information about the MFA program and how to apply is summarized in the attached ADDENDUM, *Section IV, Program Information and Applying for MFA.*

**5.3.1 Program Information.** Copies of the MFA policy, application forms, instructions, and plain language summaries (i.e., policy summaries or program brochures) are available to the general public, without charge, from KFH/HP's website, by email, in person, or by US postal mail.

**5.3.2 Applying for MFA.** A patient can apply for the MFA program, during or following the care received from KFH/HP, in several ways including in person, by telephone, or by paper application.

**5.3.2.1 Screening Patients for Public and Private Program Eligibility.** KFH/HP provides financial counseling to patients applying for the MFA program to identify potential public and private health coverage programs that may help with health care access needs. A patient who is presumed eligible for any public or private health coverage programs is required to apply for those programs.

**5.4 Information Needed to Apply for MFA.** Complete personal, financial, and other information is required to verify a patient's financial status to determine eligibility for the MFA program, as well as for public and private health coverage programs. MFA may be denied due to incomplete information. Information can be provided in writing, in person, or over the telephone.

**5.4.1 Verifying Financial Status.** A patient's financial status is verified each time he or she applies for assistance. If a patient's financial status can be verified using external data sources, he or she may not be required to provide financial documentation.

**5.4.2 Providing Financial and Other Information.** If a patient's financial status cannot be verified using external data sources or the patient applies by mail, he or she may submit the information described in the MFA program application to verify his or her financial status.

**5.4.2.1 Complete Information.** MFA program eligibility is determined once all requested personal, financial, and other information is received.

**5.4.2.2 Incomplete Information.** A patient is notified in person, by mail, or by telephone if required information received is incomplete. The patient may submit the missing information within 30 days from the date the notice was mailed, the in-person conversation took place, or the telephone conversation occurred.

**5.4.2.3 Requested Information Not Available.** A patient who does not have the requested information described in the program application may contact KFH/HP to discuss other available evidence that may demonstrate eligibility.

**5.4.2.4 No Financial Information Available.** A patient is required to provide basic financial information (e.g. income, if any, and source) and attest to its validity when (1) his or her financial status cannot be verified using external data sources, (2) requested financial information is not available and (3) no other evidence exists that may demonstrate eligibility. Basic financial information and attestation is required from the patient when he or she:

**5.4.2.4.1** Is homeless, or

**5.4.2.4.2** Has no income, does not receive a formal pay stub from his or her employer (excluding those who are self-employed), receives monetary gifts, or was not required to file a federal or state income tax return in the previous tax year, or

**5.4.2.4.3** Has been affected by a well-known national or regional event that has been qualified as a disaster by the state or federal government, or by a personal event that caused loss of, or inability to inhabit, his or her residence leaving the individual without health care, insurance, or financial documentation.

**5.4.3 Prequalified Patients.** A patient is presumed to meet the program eligibility criteria and is not required to provide personal, financial and other information to verify financial status when he or she:

**5.4.3.1** Is enrolled in a Community MFA (CMFA) program to which patients have been referred and prequalified through (1) federal, state or local government, (2) a partnering community-based organization, or (3) at a KFH/HP sponsored community health event, or

**5.4.3.2** Is enrolled in a KP Community Benefit program designed to support access to care for low-income patients and prequalified by designated KFH/HP personnel, or

**5.4.3.3** Is enrolled in a credible means-tested health coverage program (e.g., Medicare Low Income Subsidy Program), or

**5.4.3.4** Was granted a prior MFA award within the last 30 days.

**5.4.4 Patient Cooperation.** A patient is required to make a reasonable effort to provide all requested information. If all requested information is not provided, the circumstances are considered and may be taken into account when determining eligibility.

**5.5 Presumptive Eligibility Determination.** A patient who has not applied may be identified as eligible for the MFA program if his or her financial status can be validated through the use of external data sources. If determined to be eligible, he or she may automatically be assigned an MFA award and sent a notification letter with an option to decline medical financial assistance. A patient may be identified without applying when he or she:

**5.5.1** Is uninsured and (1) has a scheduled appointment for eligible services at a KP facility, (2) has not indicated that he or she has health coverage, and (3) is presumed not eligible for Medicaid.

**5.5.2** Has received care at a KP facility and there are indications of financial hardship (e.g., past due or outstanding balances).

**5.6 Program Eligibility Criteria.** As summarized in the attached ADDENDUM, *Section V, Eligibility Criteria*, a patient applying for MFA may qualify for financial assistance based on means-tested, or high medical expense criteria.

**5.6.1 Means-Testing Criteria.** A patient is evaluated to determine if he or she meets means-testing eligibility criteria.

**5.6.1.1 Eligibility Based on Income Level.** A patient of a household income less than or equal to KFH/HP's means testing criteria as a percentage of the Federal Poverty Guidelines (FPG) is eligible for financial assistance.

**5.6.1.2 Household Income.** Income requirements apply to the family members of the household. A family is a group of two or more persons related by birth, marriage, or adoption who live together. Family members can include spouses, qualified domestic partners, children, caretaker relatives, and the children of caretaker relatives that reside in the household.

**5.6.2 High Medical Expense Criteria**. A patient is evaluated to determine whether he or she meets high medical expense eligibility criteria.

**5.6.2.1 Eligibility Based on High Medical Expenses.** A patient of any household income level with incurred out-of-pocket medical and pharmacy expenses for eligible services over a 12 month period greater than or equal to KFH/HP's high medical expense criteria as a percentage of annual household income is eligible for financial assistance.

**5.6.2.1.1 KFH/HP Out-of-Pocket Expenses.** Medical and pharmacy expenses incurred at KP facilities include copayments, deposits, coinsurance, and deductibles related to eligible services.

**5.6.2.1.2 Non-KFH/HP Out-of-Pocket Expenses.** Medical, pharmacy, and dental expenses provided at non-KP facilities, related to eligible services, and incurred by the patient (excluding any discounts or write offs) are included. The patient is required to provide documentation of the medical expenses for the services received from non-KP facilities**.**

**5.6.2.1.3 Health Plan Premiums.** Out-of-pocket expenses do not include the cost associated with health insurance (i.e., premiums).

**5.7 Denials and Appeals**

**5.7.1 Denials.** A patient who applies for the MFA program and does not meet the eligibility criteria is informed either in writing or verbally that his or her request for MFA is denied.

**5.7.2 How to Appeal an MFA Denial.** A patient who believes that his or her application or information was not properly considered may appeal the decision. Instructions for completing the appeal process are included in the MFA denial letter. Appeals are reviewed by the designated KFH/HP staff.

**5.8 Award Structure.** MFA awards commence from the date of approval, or the date services were provided or the date medications were dispensed. MFA awards are applied to past due or outstanding balances only.

**5.8.1 Basis of Award.** The expenses paid by an MFA award are determined based on whether or not the patient has health care coverage.

**5.8.1.1 MFA Eligible Patient without Health Care Coverage (Uninsured).** An eligible uninsured patient receives a 100% discount on all eligible services.

**5.8.1.2 MFA Eligible Patient with Health Care Coverage (Insured).** An eligible insured patient receives 100% discount on that portion of a bill for all eligible services (1) for which he or she is personally responsible and (2) which is not paid by his or her insurance carrier. The patient is required to provide documentation, such as an Explanation of Benefits (EOB), to determine the portion of the bill not covered by insurance.

**5.8.1.2.1 Payments Received from Insurance Carrier.** An eligible insured patient is required to sign over to KFH/HP any payments for services provided by KFH/HP which the patient receives from his or her insurance carrier**.**

**5.8.1.3 Reimbursements from Settlements.** KFH/HP pursues reimbursement from third party liability settlements, payers, or other legally responsible parties, as applicable.

**5.8.2 Award Duration.** As summarized in the attached ADDENDUM, *Section VI, Award Duration,* the duration of an MFA award for an eligible patient is determined in various ways, including:

**5.8.2.1 Specific Period of Time.**

**5.8.2.2 Course of Treatment or Episode of Care.** For a particular course of treatment and/or episode of care as determined by a KP provider.

**5.8.2.3 Patients Who Are Potentially Eligible for Public and Private Health Coverage Programs**. An interim MFA award may be granted to assist a patient while he or she applies for public and private health coverage programs.

**5.8.2.4 One-Time Pharmacy Award.** Prior to applying to the MFA program, a patient is eligible for a one-time pharmacy award if he or she (1) does not have an MFA award, (2) fills a prescription written by a KP provider at a KFH/HP pharmacy, and (3) expresses an inability to pay for the prescription. The one-time award includes a reasonable supply of medication as determined medically appropriate by a KP provider.

**5.8.2.5 Request for Award Extension.** A patient may request extension of an MFA award as long as he or she continues to meet the MFA eligibility requirements. Extension requests are evaluated on a case-by-case basis.

**5.8.3 Award Revoked, Rescinded, or Amended**. KFH/HP may revoke, rescind, or amend an MFA award, in certain situations, at its discretion. Situations include:

**5.8.3.1 Fraud, Theft, or Financial Changes.** A case of fraud, misrepresentation, theft, changes in a patient's financial situation, or other circumstance which undermines the integrity of the MFA program.

**5.8.3.2 Eligible for Public and Private Health Coverage Programs.** A patient screened for public and private health coverage programs is presumed to be eligible but does not cooperate with the application process for those programs.

**5.8.3.3 Other Payment Sources Identified.** Health coverage or other payment sources identified after a patient receives an MFA award causes the charges for eligible services to be re-billed retroactively. If this occurs, the patient is not billed for that portion of a bill (1) for which he or she is personally responsible and (2) which is not paid by his or her health coverage or other payment source.

**5.9 Limitation on Charges.** Charging MFA eligible patients the full dollar amounts (i.e., gross charges) for eligible hospital services rendered at a Kaiser Foundation Hospital is prohibited. A patient who has received eligible hospital services at a Kaiser Foundation Hospital and is qualified for the MFA program, but has not received an MFA award or has declined an MFA award, is not charged more than the amounts generally billed (AGB) for those services.

**5.9.1 Amounts Generally Billed.** The amounts generally billed (AGB) for emergency or other medically necessary care to individuals who have insurance covering such care are determined for KP facilities as described in the attached ADDENDUM, *Section VII, Basis for Calculating Amounts Generally Billed (AGB)*.

**5.10 Collection Actions.**

**5.10.1 Reasonable Notification Efforts.** KFH/HP or a collection agency acting on its behalf makes reasonable efforts to notify patients with past due or outstanding balances about the MFA program. Reasonable notification efforts include:

**5.10.1.1** Providing one written notice within 120 days of first post-discharge statement informing account holder that MFA is available for those who qualify.

**5.10.1.2** Providing written notice with the list of extraordinary collection actions (ECAs) that KFH/HP or a collection agency intends to initiate for payment of balance, and the deadline for such actions, which is no earlier than 30 days from written notice.

**5.10.1.3** Providing a plain language summary of the MFA policy with the first hospital patient statement.

**5.10.1.4** Attempting to notify the account holder verbally about the MFA policy and how to obtain assistance through the MFA application process.

**5.10.2 Extraordinary Collection Actions Suspended.** KFH/HP does not conduct or permit collection agencies to conduct on its behalf, extraordinary collection actions (ECAs) against a patient if he or she:

**5.10.2.1** Has an active MFA award, or

**5.10.2.2** Has initiated an MFA application after ECAs have begun. ECAs are suspended until a final eligibility determination is made.

**5.10.3 Allowable Extraordinary Collection Actions.**

**5.10.3.1 Final Determination of Reasonable Efforts.** Prior to initiating any ECAs, the regional Revenue Cycle Patient Financial Services Leader ensures the following:

**5.10.3.1.1** Completion of reasonable efforts to notify the patient of the MFA program, and

**5.10.3.1.2** The patient has been provided at least 240 days from the first billing statement to apply for MFA.

**5.10.3.2 Reporting to Consumer Credit Agencies or Credit Bureaus.** KFH/HP or a collection agency acting on its behalf may report adverse information to consumer credit reporting agencies or credit bureaus.

**5.10.3.3 Judicial or Civil Actions.** Prior to pursuing any judicial or civil actions, KFH/HP validates the patient's financial status through the use of external data sources to determine if he or she is eligible for the MFA program.

**5.10.3.3.1 Eligible for MFA.** No additional actions are pursued against patients that are eligible for the MFA program. Accounts that qualify for MFA are cancelled and returned on a retrospective basis.

**5.10.3.3.2 Not Eligible for MFA.** In very limited cases, the following actions may be conducted with prior approval from the regional Chief Financial Officer or Controller:

**5.10.3.3.2.1** Garnishment of wages

**5.10.3.3.2.2** Lawsuits/civil actions. Legal action is not pursued against an individual who is unemployed and without other significant income.

**5.10.3.3.2.3** Liens on residences.

**5.10.4 Prohibited Extraordinary Collection Actions.** KFH/HP does not perform, allow, or allow collection agencies to perform, the following actions under any circumstance:

**5.10.4.1** Defer, deny, or require payment, due to an account holder's nonpayment of a previous balance, before providing emergency or medically necessary care.

**5.10.4.2** Sell an account holder's debt to a third party.

**5.10.4.3** Foreclosure on property or seizure of accounts.

**5.10.4.4** Request warrants for arrest.

**5.10.4.5** Request writs of body attachment.

## 6.0 References / Appendices

**6.1** Appendix A – Glossary of Policy Terms

**6.2** Laws, Regulations, and Resources

**6.2.1** Patient Protection and Affordable Care Act, Public Law 111-148 (124 Stat. 119 (2010))

**6.2.2** Federal Register and the Annual Federal Poverty Guidelines

**6.2.3** Internal Revenue Service Publication, 2014 Instructions for Schedule H (Form 990)

**6.2.4** Internal Revenue Service Notice 2010-39

**6.2.5** Internal Revenue Service Code, 26 CFR Parts 1, 53, and 602, RIN 1545-BK57; RIN 1545-BL30; RIN 1545-BL58 – Additional Requirements for Charitable Hospitals

**6.2.6** California Hospital Association – Hospital Financial Assistance Policies & Community Benefit Laws, 2015 Edition

**6.2.7** Catholic Health Association of the United States – A Guide for Planning & Reporting Community Benefit, 2012 Edition

**6.3** Provider Lists

**6.3.1** Provider lists are available at the KFH/HP websites for:

**6.3.1.1** Kaiser Permanente of Hawaii

**6.3.1.2** Kaiser Permanente of Northwest

**6.3.1.3** Kaiser Permanente of Northern California

**6.3.1.4** Kaiser Permanente of Southern California

## Appendix A

## Glossary of Policy Terms

**Charity Care** is medical or health services, products, or medication provided at reduced or no cost to patients who do not have the ability to pay and/or are not covered by health care insurance.

**Community MFA (CMFA)** refers to planned charity care programs that collaborate with community based and safety net organizations to provide charity care services to low income uninsured and underinsured patients at KP facilities.

**Durable Medical Equipment (DME)** includes, but is not limited to, standard canes, crutches, nebulizers, intended benefitted supplies, over the door traction units for use in the home, wheelchairs, walkers, hospital beds, and oxygen for use in the home as specified by DME criteria. DME does not include orthotics, prosthetics (e.g., dynamic splints/orthoses, and artificial larynx and supplies) and over-the-counter supplies and soft goods (e.g., urological supplies and wound supplies).

**Eligible Patient** is an individual who meets the eligibility criteria described in this policy, whether he or she is (1) uninsured; (2) receives coverage through a public program (e.g., Medicare, Medicaid, or subsidized health care coverage purchased through a health information exchange); (3) is insured by a health plan other than KFHP; or (4) is insured by KFHP.

**External Data Sources** are third-party vendors, credit reporting agencies, etc., that provide financial status information used by KP to validate or confirm a patient's financial status when assessing eligibility for the MFA program.

**Federal Poverty Guidelines (FPG)** establishes the levels of annual income for poverty as determined by the United States Department of Health and Human Services and are updated annually in the Federal Register.

**Financial Counseling** is the process used to assist patients to explore the various financing and health coverage options available to pay for services rendered in KP facilities. Patients who may seek financial counseling include, but are not limited to, self-pay, uninsured, underinsured, and those who have expressed an inability to pay the full patient liability.

**Homeless** describes the status of a person who resides in one of the places or is in a situation described below:

- In places not meant for human habitation, such as cars, parks, sidewalks, abandoned buildings (on the street); or
- In an emergency shelter; or
- In transitional or supportive housing for homeless persons who originally came from the streets or emergency shelters.
- In any of the above places but is spending a short time (up to 30 consecutive days) in a hospital or other institution.

- Is being evicted within a week from a private dwelling unit or is fleeing a domestic violence situation with no subsequent residence identified and the person lacks the resources and support networks needed to obtain housing.
- Is being discharged within a week from an institution, such as a mental health or substance abuse treatment facility in which the person has been a resident for more than 30 consecutive days and no subsequent residence has been identified and the person lacks the financial resources and social support networks needed to obtain housing.

**KP** includes Kaiser Foundation Hospitals, Kaiser Foundation Health Plans, Permanente Medical Groups, and their respective subsidiaries, except Kaiser Permanente Insurance Company (KPIC).

**KP Facilities** include any physical premises, including the interior and exterior of a building, owned or leased by KP in the conduct of KP business functions, including patient care delivery (e.g., a building, or a KP floor, unit, or other interior or exterior area of a non-KP building).

**Means-Tested** is the method by which external data sources or information provided by the patient are used to determine eligibility for a public coverage program or MFA based on whether the individual's income is greater than a specified percentage of the Federal Poverty Guidelines.

**Medical Financial Assistance (MFA)** provides monetary awards to pay medical costs to eligible patients who are unable to pay for all or part of medically necessary services, and who have exhausted public and private payer sources. Individuals are required to meet program criteria for assistance to pay some or all of the cost of care.

**Medical Supplies** refer to non-reusable medical materials such as splints, slings, wound dressings, and bandages that are applied by a licensed health care provider while providing a medically necessary service, and excluding those materials purchased or obtained by a patient from another source.

**Pharmacy Waiver** provides financial assistance to low-income KP Senior Advantage Medicare Part D members who are unable to afford their cost share for outpatient prescription drugs covered under Medicare Part D.

**Safety Net** refers to a system of nonprofit organizations and/or government agencies that provide direct medical care services to the uninsured in a community setting such as a public hospital, community clinic, church, homeless shelter, mobile health unit, school, etc.

**Underinsured** is an individual who, despite having health care coverage, finds that the obligation to pay insurance premiums, copayments, coinsurance, and deductibles is such a significant financial burden that he or she delays or does not receive necessary health care services due to the out-of-pocket costs.

**Uninsured** is an individual who does not have health care insurance or federal- or state-sponsored financial assistance to help pay for the health care services.

**Vulnerable Populations** include demographic groups whose health and well-being are considered to be more at-risk than the general population due to socioeconomic status, illness, ethnicity, age, or other disabling factors.

**Writ(s) of Body Attachment** is a process initiated by a court directing the authorities to bring a person found to be in civil contempt before the court, similar to an arrest warrant.

**ADDENDUM: Kaiser Permanente Northern California**

**I. Kaiser Foundation Hospitals.** This policy applies to the following Kaiser Foundation Hospitals in the Northern California Region:

| | | |
|---|---|---|
| KFH Antioch | KFH Richmond | KFH San Rafael |
| KFH Fremont | KFH Roseville | KFH Santa Rosa |
| KFH Fresno | KFH Redwood City | KFH South Sacramento |
| KFH San Leandro | KFH Sacramento | KFH South San Francisco |
| KFH Manteca | KFH Santa Clara | KFH Vacaville |
| KFH Modesto | KFH San Francisco | KFH Vallejo |
| KFH Oakland | KFH San Jose | KFH Walnut Creek |

Note: Kaiser Foundation Hospitals comply with the Hospital Fair Pricing Policies, California Health & Safety Code §127400.

**II. Additional Services Eligible and Not Eligible Under the MFA Policy.**

a. **Additional Eligible Services Available on an Exception Basis.** In certain situations, MFA may be applied to services from non-KP facilities and durable medical equipment (DME) that are prescribed or ordered by KP providers for a patient who meets high medical expense criteria (Refer to Section 5.6.2 above, High Medical Expense Criteria.)**.**

i. **Skilled Nursing Services.** Provided by a contracted KP facility to a patient with a prescribed medical need, as determined by a KP provider to facilitate hospital discharge.

ii. **DME.** Ordered by a KP provider through the KFH/HP DME Department in accordance with the DME guidelines and supplied by a contracted vendor to a patient who meets the medical necessity criteria.

iii. **Transportation for Homeless Patients.** Available to a homeless patient for emergent and non-emergent situations.

b. **Additional Non-Eligible Services**

i. **Expenses Associated with Medi-Cal Share of Cost (SoC).** SoC is considered an integral part of the Medi-Cal program designed to provide health care benefits to assist Medi-Cal beneficiaries who are at the higher end of the income threshold. MFA cannot be applied to those charges for services that fall under SoC.

ii. Fee-for-service podiatry

iii. Health education and fee-for-service classes

iv. Hearing aids

v. Optical supplies

**III. Providers Subject To and Not Subject to the MFA Policy.** The list of providers in Kaiser Foundation Hospitals that are and are not subject to the MFA policy is available to the general public, without charge, on the KFH/HP MFA website at www.kp.org/mfa/ncal.

**IV. Program Information and Applying for MFA.** MFA program information, including copies of the MFA policy, application forms, instructions, and plain language summaries (i.e., program brochures), is available to the general public, without charge, in electronic format or hard copy. A patient can apply for the MFA program, during or following the care received from KFH/HP, in several ways including in person, by telephone, or by paper application. (Refer to Sections 5.3 and 5.4 above.)

a. **Download Program Information from the KFH/HP Website.** Electronic copies of program information are available on the MFA website at www.kp.org/mfa/ncal.

b. **Request Program Information Electronically.** Electronic copies of program information are available by email upon request.

c. **Obtain Program Information or Apply In Person.** Program information is available at Admitting, Emergency Room, and Patient Financial Advisors Departments in the Kaiser Foundation Hospitals listed in Section I, *Kaiser Foundation Hospitals*.

d. **Request Program Information or Apply by Telephone.** Counselors are available by telephone to provide information, determine MFA eligibility, and assist a patient to apply for MFA. Counselors can be reached at:

Telephone Number(s): 1-866-399-7696

e. **Request Program Information or Apply by Mail.** A patient can request program information and apply for MFA by submitting a complete MFA program application by mail. Information requests and applications can be mailed to:

Kaiser Permanente
Attention: Medical Financial Assistance Unit
P.O. Box 30006
Walnut Creek, California 94598

f. **Personally Deliver Completed Application.** Completed applications can be delivered in person to the Admitting or Patient Financial Advisors Departments in each Kaiser Foundation Hospital.

**V. Eligibility Criteria.** A patient's household income and medical expenses are considered when determining MFA eligibility. (Refer to Sections 5.6.1. and 5.6.2 above.)

a. Means Testing Criteria: Up to 350% of the Federal Poverty Guidelines

b. High Medical Expense Criteria: 10% or more of annual household income

c. KFHP members who have a deductible must meet high medical expense criteria in order to be eligible for the program

**VI. Award Duration.** MFA awards commence from the date of approval, or the date services were provided, or the date medications were dispensed. An MFA award is in effect for a limited period of time. (Refer to Sections 5.8.2 above.)

a. Maximum duration based on specific time period:

   i. Standard award for eligible services: Up to 365 days

   ii. Presumptive eligibility award for uninsured patients: 30 days

   iii. Skilled Nursing Care: Up to 30 days

   iv. Durable Medical Equipment: Up to 6 months

b. Maximum duration for course of treatment / episode of care: Up to 365 days

c. Maximum duration for patients who are potentially eligible for public and private health coverage programs: Up to 30 days

d. Maximum duration for one-time pharmacy award: 30 days

e. In cases where a patient has applied, and been approved for MFA, and where the patient has already made payments for those services approved under the application, the hospital reimburses the patient 100% of the amount (excluding pre-payments and payment plans) actually paid in excess of the amount due, including interest. If a patient has an outstanding balance from a time period outside the MFA award period, the patient's payment is applied against the outstanding balance prior to issuing any applicable refund

   i. Interest shall accrue 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 the hospital. The current rate is 10%.

   ii. For patients who have been approved under the Uninsured Discount provision, the hospital can expect to be paid no more than the greater amount expected under Medi-Cal, Medicare, or any other government programs.

**VII. Basis for Calculating Amounts Generally Billed (AGB).** KFH/HP determines AGB for any emergency or other medically necessary care using the look back method by multiplying the gross charges for the care by the AGB rate. Information regarding the AGB rate and calculation is available on the KFH/HP MFA website at www.kp.org/mfa/ncal.