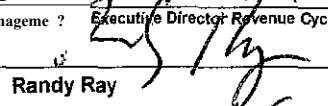
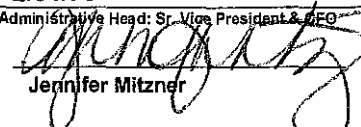
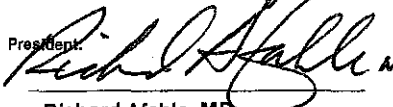


HOAG MEMORIAL HOSPITAL PRESBYTERIAN HOSPITAL POLICY		Number: 9.10 Page: Page 1 of 5 Effective Date: 09/01/11 Supersedes Date: 01/23/09 Original Date: 12/01/70
Signatures of Policy Reviewers (*as required)		
Management: Executive Director Revenue Cycle  Randy Ray Name	Management*: Type Title, Department Name	Administrative Head: Sr. Vice President & CFO  Jennifer Mitzner Chief of Staff*: Name
President:  Richard Afable, MD Name	Board of Directors*: Name	
Title/Subject: CHARITY CARE AND DISCOUNT POLICY		

1.0 PURPOSE:

- 1.1 A significant component of the mission of Hoag Memorial Hospital Presbyterian (Hoag) is to provide care for patients in times of need. Hoag is committed to assisting patients in need with demonstrated financial hardship and eligible low-incomes through a well-communicated and appropriately implemented discounted payment and charity care program. All patients will be treated fairly, with dignity, compassion, and respect.
- 1.2 Financial assistance policies must balance a patient's need for financial assistance with the hospital's broader fiscal stewardship.
- 1.3 Outside debt collection agencies and the hospital's internal collection practices will reflect the mission and vision of the hospital and will be consistent with Health and Safety Code Section 127425.
- 1.4 Financial assistance provided by Hoag is not a substitute for personal responsibility. It is the responsibility of the patient to actively participate in the financial assistance screening process and where applicable, contribute to the cost of their care based upon their individual ability to pay, consistent with Health and Safety Code Section 127405. Failure to participate in the screening process (e.g. failure to complete applications and/or provide the required supportive documents and materials) may result in an application denial.

2.0 POLICY:

- 2.1 Hoag provides financial assistance to patients who do not have insurance coverage and have family income levels of up to four times the Federal Poverty Level (FPL) Guidelines. Hoag also gives consideration to eligible patients with insurance if they incur high medical costs as defined by California law, and also have family incomes up to 400% of the FPL.
- 2.2 Business services staff will, as necessary, meet with all patients that have expressed a need for financial assistance to help them determine eligibility for program options. Qualifying patients may be referred to other potential payers such as MSI or Medi-Cal. Patients who may be eligible for such a potential payer programs must make a reasonable, good faith effort to apply for and comply with the rules and requirements of such programs. Failure to do so may result in Hoag's denial of the programs described in this Policy. Those not eligible for such State or other programs may be reviewed for financial assistance under Hoag's programs. Adjustments are made based upon the patient's eligibility level in the programs.

<p>HOAG MEMORIAL HOSPITAL PRESBYTERIAN</p> <p>HOSPITAL POLICY</p>	<p>Number: 9.10 [""Page 2 of</p> <p>Effective Date: 09/01/11</p>
<p>Title/Subject:</p> <p>CHARITY CARE AND DISCOUNT POLICY</p>	

- 2.3 Any patient seeking financial assistance (or the patient's legal representative) shall provide and disclose all information concerning health benefits coverage, financial status, and any other information that is necessary to make a determination regarding the patient's status relative to Hoag's charity care policy, discounted payment policy, or eligibility for government-sponsored programs. Failure to provide true, correct and complete information for this purpose may render a patient ineligible under this Policy. Confidentiality of information and the dignity of the individual will be maintained for all that apply for charitable services.
- 2.4 Charity and discounted care guidelines will be reviewed and adjusted annually according to the Federal Poverty Level Guidelines established by the Department of Health and Human Services (see FPL Table below).
- 2.5 Hoag will define the standards and scope of practices to be used by its outside (non-hospital) collection agencies, and will maintain written agreements from such agencies that they will adhere to such standards and scope of practices.
- 2.6 Hoag or outside agencies operating on behalf of the hospital shall not, in dealing with patients eligible for discounted or charity care use wage garnishments or foreclosure of liens on primary residences as a means of collecting unpaid hospital bills, except as provided by Health and Safety Code sections 127425(f)(2)(A) and (B). This requirement does not preclude Hoag from pursuing reimbursement from third party liability settlement or tortfeasors or other legally responsible parties.
- 2.7 Patients who have an application pending for either government-sponsored coverage or for Hoag's own charity care and financial assistance, will not knowingly be referred to a collection agency prior to 180 days from the date of discharge or date of service.
- 2.8 At the time of billing, Hoag will provide to all low-income uninsured patients the same information concerning services and charges provided to all other patients who receive care at the hospital.
- 2.9 Patients who have been denied charity care or other discounts may appeal the denial, in writing, within 10 days of receiving the denial. The appeal should include supporting documentation and evidence as to why the appeal is being made and should be sent to the address below:

Hoag Memorial Hospital Presbyterian
One Hoag Drive, P.O. Box 6100
Newport Beach, CA 92658-6100
Attention: Executive Director Business Services

The patient's appeal will be considered and a response with the decision will be mailed to the patient within 10 days of receiving the appeal. All decisions of the Executive Director will be considered final and additional appeals will not be permitted

3.0 DEFINITIONS OF CHARITY CARE SERVICES AND DISCOUNTED PAYMENT SERVICES:

- 3.1 Charity Care will be provided for the following:
 - 3.1.1 Patients may request that they be screened for possible financial assistance. If such screening establishes that family income is at or below

<p>HOAG MEMORIAL HOSPITAL PRESBYTERIAN</p> <p>HOSPITAL POLICY</p>	<p>Number: 9.10 /Page 3 of</p> <p>Effective Date: 09/01/11</p>
<p>Title/Subject:</p> <p>CHARITY CARE AND DISCOUNT POLICY</p>	

200% of the FPL, the patient is eligible for a 100% write-off of their liability for services.

3.2 Charity Care Excludes:

3.2.1 Elective services are generally not eligible for consideration under the Charity Care program.

3.2.1.1 Certain specialty services are excluded under this Policy. Following are a few excluded examples: CDU, cosmetic and gastric bypass services.

3.3 Discounted Care or partial charity care will be provided for the following:

3.3.1 Patients may request that they be screened for possible financial assistance. If such screening establishes that family income is at or below

400% of the FPL, the patient is eligible for reduced rates as described based on the sliding income scale as shown in Section 5.0.

3.4 Presumptive Charity: Payment Assistance Rank Ordering (PARO) Score

PARO is a patient account scoring mechanism, which uses patient demographic data to estimate the financial status of patients by accessing specific publicly available databases. PARO provides estimates of a patient's likely socio-economic status, as well as, the patient's household income and size. The PARO rule set shall be applied to those unresponsive consumers who may have likely qualified if they applied at the time of service. These rules are calibrated to reflect the charity care policy of Hoag and replicate the traditional policy for extending charity care. In the absence of additional information provided by the patient, PARO provides the best estimate and approach for extending presumptive charity care to these patients. Hoag recognizes that a portion of their patient population may not engage in the traditional charity care application process and PARO provides an equitable and just method for extending benefits to this population. PARO may also be engaged during the revenue cycle process to confirm patient information or as a method to direct patients to other advantageous sources of charity based assistance. Additionally, PARO may be used to validate financial and demographic information provided by the patient during the Payment Assistance eligibility process and complete the application where such information may be missing.

3.5

Emergency physicians means a physician and surgeon licensed pursuant to Chapter 2, Section 2080- of the Business and Professions Code \Who is credentialed by a hospital and either employed or contracted by the hospital to provide medical services in the emergency department of the hospital, except that an "emergency physician" shall not include a physician specialist who is called into the emergency department of a hospital or who is on staff or has privileges at the hospital outside of the emergency department. Emergency room physicians who provide emergency medical services to patients at Hoag are required by California law to provide discounts to uninsured patients or patients with high medical costs who are at or below 350% of the federal poverty level. Hoag's emergency room physicians will utilize Hoag's Charity Care and Discount Policy approval results to support their compliance with AB 1503.

4.0 CHARITY CARE AND DISCOUNTED CARE (PARTIAL CHARITY) ELIGIBILITY REQUIREMENTS:

<p style="text-align: center;">HOAG MEMORIAL HOSPITAL PRESBYTERIAN</p>	<p>Number: 9.10</p>
	<p>Effective Date: 09/01/11</p>
<p>Title/Subject: CHARITY CARE AND DISCOUNT POLICY</p>	

- 4.1 The following factors will be considered when determining the amount of discount/write-off provided.
 - 4.1.1 All patients are eligible to apply for financial assistance under the Charity Care and Discount Policy and will be eligible for the reduced rates provided therein if determined eligible for such reduced rates (see Table below).
- 4.2 Evidence of eligibility will be requested and must be provided. Patients should be screened for charity or discounted (partial charity) care prior to admission, at time of admission, or within 180 days of discharge.
- 4.3 Additional considerations will be made such as:
 - 4.3.1 family size,
 - 4.3.2 family income,
 - 4.3.3 amount of hospital and other health care bills during the past year, and
 - 4.3.4 assets as permitted under state law.
- 4.4 All payment resources must first be explored and applied including but not limited to third party payers, Medicare, Medi-Cal, Cal-Optima, MSI, and Victims of Crime.
 - 4.4.1 If a patient is eligible for Medi-Cal, any charges for Days of Service Not Covered by the patient's coverage may be written off to charity without a completed financial statement.
 - 4.4.2 Patients unable to pay the total billing for specialty services not covered by their insurance may be considered for charity or discounted care (partial charity) for a portion of the cost if eligible as described above.
 - 4.4.3 Patients unwilling to disclose any financial information during eligibility screening or Medicare/Medi-Cal screening will not be processed under the charity care and discount policy.
 - 4.4.4 The Executive Director of Revenue Cycle may make discretionary decisions for partial charity or 100% approval write-offs of the liability amounts including extenuating circumstances specific to a patient or family need.

HOAG MEMORIAL HOSPITAL PRESBYTERIAN HOSPITAL POLICY

Title/Subject:
CHARITY CARE AND DISCOUNT POLICY

Number:
9.10 | Page 5 of 5
Effective Date:
09/01/11

5.0 CHARITY CARE DISCOUNT TABLE:

2011 HHS Poverty Guidelines					
Up to 400% FPL = Discount to 125% of Medicare DRG Rate					
Up to 350% FPL = Discount to Medicare DRG Rate					
Up to 200% FPL = 100% Charity Write Off					
Size of Family	Gross Yearly 100% of FPL	Gross Yearly 200% of FPL	Gross Yearly 300% of FPL	Gross Yearly 350% of FPL	Gross Yearly 400% of FPL
1	\$10,890	\$21,780	\$32,670	\$38,115	\$43,560
2	\$14,710	\$29,420	\$44,130	\$51,485	\$58,840
3	\$18,530	\$37,060	\$55,690	\$64,855	\$74,120
4	\$22,350	\$44,700			\$89,400
5	\$26,170	\$52,340			\$104,680
6	\$29,990	\$59,980			\$119,960
7	\$33,810	\$67,620			\$135,240
8	\$37,630	\$75,260	\$112,890	\$131,705	\$150,520
For Each Add'l Person Add \$3,820					
* Patients who qualify for Charity services but are >200% FPL will be given a 60% discount for Outpatient Services					

Reference: Type any applicable JCAHO standards, regulatory references and/or other policies

Multidisciplinary Review:

Avio:ow ;mdlor inouUor.this coRcv_ was Given _by the fo!!O!Ying: Type Department/Committee n::: me; Approval Date:
o;p -rt - UCo-m ittee Name,' Approv81-Date;etc- - - -

Policy Originator: Revenue Cycle Operations

Filename: 9.10, Charity Care and Self Pay Discount Payment Policy