

 <p> <input type="checkbox"/> P O L I C Y/PROCEDURE <input type="checkbox"/> STANDARDIZED PROCEDURE <input type="checkbox"/> PLAN <input type="checkbox"/> GUIDELINE </p>	<p>CURRENT EFFECTIVE DATE February January 20092013</p>	<p>REVISED DATE March January 20112013</p>	<p>MANUAL: Center Policy</p>
			<p>TRACKING # CPM 7-11</p>
	<p>TITLE: FINANCIAL ASSISTANCE, DISCOUNT PAYMENT, AND BILLING AND COLLECTION</p>		
<p>PERFORMED BY: All RCHSD departments responsible, including Revenue Cycle, Patient Financial Services, Patient Access, and Financial Counselors.</p>			

<u>Specialty Review</u>		<u>Council Review</u>	ACCREDITATION/STANDARD
<input type="checkbox"/> Multidisciplinary <input type="checkbox"/> Nursing Council <input type="checkbox"/> RT Council <input type="checkbox"/> SW Council <input type="checkbox"/> Child Life <input type="checkbox"/> Human Resources <input type="checkbox"/> EOC/Safety	<input type="checkbox"/> Information Services <input type="checkbox"/> Infection Control <input type="checkbox"/> Interdisciplinary Practice <input type="checkbox"/> Pharmacy & Therapeutics <input type="checkbox"/> Forms <input type="checkbox"/> Med Staff <input type="checkbox"/> Specialty Review	<input type="checkbox"/> Clinical Ops <input type="checkbox"/> Med Staff Executive <input type="checkbox"/> Center Ops <input type="checkbox"/> Board	

1.0 PURPOSE:

This Policy and Procedure defines the eligibility criteria for the Rady Children’s Hospital – San Diego (RCHSD) Financial Assistance Program, which includes Rady Children’s Specialists of San Diego, A Medical Foundation (RCSSD) as a department of RCHSD, (collectively “RCHSD”), to provide the operational guidelines for the RCHSD Financial Assistance Program, and to outline the billing and collection process from uninsured patients or certain underinsured patients, including those who qualify for financial assistance under this Policy. This written Policy:

- Includes eligibility criteria for financial assistance, free and discounted (partial charity) care.
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy.
- Describes the method by which patients may apply for financial assistance.
- Describes how the hospital will widely publicize the policy within the community served by RCHSD.
- Limits the amounts that RCHSD will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amounts generally billed (and received) by RCHSD for Medi-Cal patients.
- Describes billing and collection procedures.
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In order to manage its resources responsibly, to allow RCHSD to provide the appropriate level of assistance to the greatest number of persons in need, and to comply with the provisions enacted in the Patient Protection and Affordable Care Act (PPACA), the Rady Children's Hospital and Health Center (RCHHC) Board of Trustees and RCHSD Board of Directors establishes the following guidelines for the provision of patient charity care.

2.0 POLICY

Rady Children's Hospital – San Diego is committed to providing financial assistance to patients who have medically necessary healthcare needs and are low-income, uninsured, underinsured, and ineligible for a government program and are otherwise unable to pay for care based on their individual family financial situations. Consistent with our mission, RCHSD strives to ensure that the financial capacity of families whose children need healthcare services does not prevent them from seeking or receiving care. In the case of emergencies, there will be no delay in providing required screening or stabilization services in order to inquire about an individual's payment method or insurance.

All patients, including low income, uninsured, and underinsured patients, will be treated fairly and with respect before, during and after the delivery of healthcare, regardless of their ability to pay. All patients and patient families/representatives shall be treated with dignity and patient information shall be maintained as confidential in accordance with RCHSD policies and State and Federal laws. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, ethnicity, socio-economic status, sexual orientation or religious affiliation. Information on the availability of financial assistance will be readily available and accessible to patient families or representatives, and RCHSD will be responsive to the patient's/guarantor's needs. Upon patient/guarantor request, RCHSD will provide a copy of this Policy and Procedure.

The Financial Assistance Program at RCHSD is available to provide discounted or free care to eligible patients for medically necessary inpatient, emergency or outpatient services based upon the guarantor's income as defined by the Federal Poverty Level Guidelines (FPL). Medically necessary care is determined by a member of the RCHSD Medical Staff or through utilization of Emergency Care Center services.

RCHSD personnel will work with patients/guarantors to determine eligibility for governmental program assistance. State or County eligibility workers knowledgeable in Medi-Cal, Healthy Families, or California Children Services (CCS) programs will be made available to assist in determining eligibility and in completing the application process.

The Financial Assistance Program described by this Policy is generally not available for elective procedures; however, in certain cases, an exception may be made following the process outlined below. RCHSD, in its sole discretion, may provide financial assistance in the following circumstances: (1) United States citizens who seek elective procedures or non-emergent specialized services; and (2) non-emergent medically necessary services or elective procedures to international patients. A provision of financial assistance for elective or specialized services for both United States citizens and international patients shall be established annually, and requests must be pre-approved by the Chief Operating Officer (COO) and Chief Medical Officer (CMO) or the COO and Chief Nurse Executive/Vice

President of Patient Services.

Information about RCHSD's Financial Assistance Program shall be made available through posted notices in the Emergency Care Center, urgent care locations, registration areas, clinics, other outpatient settings, and on the RCHSD website. In addition, written notice shall be provided to potentially eligible patients during the registration process or as soon as possible thereafter and during the billing process. This information shall be provided in English and Spanish, and will be translated for patients/guarantors who speak other languages.

Any member of RCHSD staff or Medical Staff may refer patients/guarantors to the RCHSD Financial Assistance Program. Any family member or representative of a patient may request financial assistance. RCHSD will determine or review eligibility for financial assistance any time information on the patient's/guarantor's eligibility becomes available.

Financial assistance is not considered to be a substitute for personal responsibility, and patient families or representatives are expected to cooperate by providing complete and accurate information in order to determine eligibility for the RCHSD Financial Assistance Program. Based on individual ability, patient/guarantor may be required to contribute to the cost of their child's care. Individuals who are eligible to apply for government programs as well as individuals with the capacity to purchase health insurance will be encouraged to do so as a means of assuring access to healthcare services.

In its billing and collection activity, RCHSD shall treat patients and patient families or representatives with fairness, dignity and respect. RCHSD shall not utilize wage garnishments, liens on a patient's primary residence, or body attachments in its collection activities. RCHSD shall utilize only those outside or third party collection agencies that agree to comply with applicable state and federal laws and with RCHSD policies, and RCHSD debt collection standards and practices.

In the implementation of this Policy and Procedure, RCHSD shall comply with all applicable federal, state and local laws, rules and regulations that may apply to activities conducted pursuant to this Policy and Procedure.

3.0 FINANCIAL ASSISTANCE PROGRAM PROCEDURE

1. Identification

The identification of patients eligible for Financial Assistance is achieved through determination of financial status of an individual patient/guarantor by the RCHSD Financial Counseling department. Such determination should be made at or before the time of admission to RCHSD, or as soon as possible thereafter. In some cases, such as emergency admissions, it may not be possible to establish eligibility for Financial Assistance until after the patient is discharged. In these instances, or instances where events occur during or after a patient's stay which change the patient's/guarantor's financial status, the patient's/guarantor's eligibility for Financial Assistance shall in no way be affected by the timing of the determination that the patient/guarantor meets the eligibility criteria.

2. Third-party coverage

- A. RCHSD shall make all reasonable efforts to obtain from the patient/guarantor information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered by RCHSD, including, but not limited to:
1. Private health insurance.
 2. Medi-Cal, Healthy Families, California Childrens' Services or other state-funded benefit programs designed to provide health coverage.
 3. Medicare.
 4. Other coverage, including workers' compensation, automobile insurance or other insurance.
- B. If a patient/guarantor does not indicate coverage by a third-party payor, or requests Financial Assistance that may include a discounted price or charity care, then RCHSD shall provide an application for Medi-Cal, Healthy Families or other governmental program to the patient/guarantor (to the extent available to RCHSD). This government sponsored benefit program application shall be provided prior to discharge if the patient has been admitted or to patients receiving emergency or outpatient care.

3. Responsibility for determining eligibility

The responsibility for determining a patient's/guarantor's eligibility for Financial Assistance at, or before, the time of the admission, or during the inpatient stay, or after discharge to the hospital shall be with the Financial Counseling department. This will require that the patient/guarantor complete the Financial Assistance Application, along with the necessary copies of documentation, to determine the annual family income of the patient/guarantor.

4. Method by which patients may apply for charity care – Application

RCHSD will request that each patient/guarantor applying for Financial Assistance complete a Financial Assistance Application, including a Statement of Financial Condition. The Assistance Application allows for the collection of needed information to determine eligibility for Financial Assistance. Financial assistance may be granted at anytime eligibility is determined. The RCHSD Financial Counseling department may assist with completing the Financial Assistance Application.

A. Calculation of Immediate Family Members - RCHSD will request that patients/guarantors verify the number of people in the patient's household.

1. Adults – RCHSD will count the total number of adults residing in the home.
2. Minors – For persons under the age of 18. In calculating the number of people in a minor patient's household, RCHSD will include the patient, and other dependents of the patient's parents or caregivers (or calculate as other dependents of the patient's mother and other dependents of the patient's father; similarly for other dependents of stepparents residing in the home), and any other dependent

family members residing in the home.

B. Calculation of Income

1. Annual family income before taxes, less payments made for alimony and child support.
2. Proof of income may be determined by annualizing the year-to-date family income, giving consideration for current earning rates.

C. Patient's/Guarantor's Responsibility

1. All hospital patients/guarantors bear certain responsibilities including:
 - a. Providing accurate and complete information in a timely manner so that RCHSD can process the request for Financial Assistance;
 - b. Responsiveness – provide timely follow-up for additional documents or information RCHSD requires for the Financial Assistance application process;
 - c. Full disclosure of the required information; and
 - d. Satisfaction of any patient/guarantor payment obligation.

5. Income Verification

RCHSD shall request that the patient/guarantor verify the Income and provide the documentation requested as set forth in the Financial Assistance Application. NOTE: Tax Returns and W-2's should be collected for year prior to date of admission.

A. Documentation Verifying Income – Income may be verified through any of the following mechanisms:

1. Tax returns (preferred income verification document)
2. Recent pay stubs/paycheck remittance
3. IRS form W-2
4. Wage and Earnings Statement
5. Social Security income
6. Workers' Compensation or unemployment compensation determination letters
7. Qualification within the preceding six months for governmental assistance program (including food stamps, Medi-Cal, and AFDC)

In the event that the patient/guarantor is unable to provide recent pay stubs, RCHSD shall, with the patient's/guarantor's authorization, obtain telephone verification by the patient's/guarantor's employer of the patient's/guarantor's income or accept other documentation of the patient's/guarantor's income.

RCHSD shall not include retirement or deferred-compensation plans qualified under the Internal Revenue Code, or nonqualified deferred-compensation plans.

B. Personal bankruptcies may affect a patient's/guarantor's ability to pay all or part of the bill for healthcare services. To help avoid going into bankruptcy, RCHSD will work with the patient/guarantor on flexible payment plans.

- C. The requested documents to verify income should be made available to RCHSD within 14 calendar days. If documentation is not received within the 14 days, an additional seven-day grace period shall be provided. Patient/guarantor may submit copies of the required documents with the Financial Assistance Application.
- D. Documentation Unavailable – When a patient/guarantor is unable to provide the requested documentation to verify income, RCHSD will require that a satisfactory explanation of the reason the patient/guarantor is unable to provide the requested documentation be noted on the Financial Assistance Assessment Form. In cases where the patient/guarantor is unable to provide documentation verifying income, RCHSD may at its sole discretion verify the patient/guarantor income in either one of the following two ways:
 - 1. By having the patient/guarantor sign the Assistance Application attesting to the veracity of the income information provided and a written explanation as to why they are unable to obtain and/or provide documents; or
 - 2. Through the written attestation of RCHSD personnel completing the Assistance Application that the patient/guarantor verbally verified RCHSD’s calculation of income.

The application should then be submitted to the Inpatient Admissions/Financial Counseling Supervisor or Patient Access Director for review to determine eligibility.

- E. Eligibility Cannot be Determined – If and when RCHSD personnel cannot clearly determine eligibility, RCHSD personnel will use best judgment and submit a memorandum (such memorandum should be the first sheet in the documentation packet) listing reasons for judgment along with any available documentation to the Inpatient Admissions/Financial Counseling Supervisor and/or Patient Access Director. The Inpatient Admissions/Financial Counseling Supervisor and/or Patient Access Director will then review the memorandum and documentation, and make a determination.
 - 1. If the Inpatient Admissions/Financial Counseling Supervisor or Patient Access Director agrees to approve eligibility, he or she will sign the Eligibility Determination Worksheet and continue with the normal approval process.
 - 2. If the Inpatient Admissions/Financial Counseling Supervisor or Patient Access Director recommends denying financial assistance based on the information provided and the difficulty in determining eligibility, he or she will notate the application with the decision and return all documentation to the Financial Counseling department for denial processing.
- F. Classification Pending Income Verification – During the income verification process, while RCHSD is collecting the information necessary to determine a family’s income, the patient may be treated as a self-pay patient in accordance with RCHSD policies.

6. Information Falsification

Falsification of information may result in denial of the Financial Assistance Application. If, after a patient is granted Financial Assistance and RCHSD finds material provision(s)

of the Assistance Application to be untrue, the Financial Assistance may be withdrawn.

7. Request for additional information

If adequate documents are not provided, RCHSD will contact the patient's family to request additional information/documentation. If the patient's family does not comply with the request within 14 calendar days from the date of the request, an additional seven-day grace period will be provided. After such time, if RCHSD does not receive information/documentation from the patient/guarantor, such non-compliance will be considered an automatic denial for Financial Assistance. A note will be input into the hospital computer system and any and all paperwork that was completed will be filed according to the date of the denial note. No further actions will be taken by RCHSD personnel. If requested documentation is later obtained, all filed documentation will be reviewed and the patient/guarantor will be reconsidered for Financial Assistance.

8. Non-emergent Financial Assistance

RCHSD will allocate a certain amount each year to provide Financial Assistance for non-emergent elective or specialized procedures to United States citizens, and Financial Assistance for non-emergent, medically necessary care or elective procedures to international persons that request Financial Assistance.

9. International Patients

The RCHSD Financial Assistance program does not apply to international patients. International patients seeking non-emergent care or elective services will continue to follow standard operating procedures for providing full payment up-front according to the RCHSD Self-pay policy. If international patients need financial assistance for such services, they may apply to RCHSD for consideration.

If international patients apply and are approved for Financial Assistance as well as require follow-up care related to their healthcare service (via Emergency Care Center, related inpatient or day surgery, or inpatient admission), then the after or follow-up care must be obtained within the following stated timeframes:

A. Emergency Services	0 to 7 days from date of outpatient visit
B. Surgery	0 to 10 days from date of operation
C. Inpatient	0 to 30 days from date of discharge

Follow-up healthcare services not obtained within the stated timeframes will not be eligible for Financial Assistance.

If an international patient elects to continue their follow-up care at RCHSD where there is clearly an ability to obtain such follow-up care in their home country, RCHSD will determine how to apply the annual non-emergent charity care provision so that this pool of funds are available for patients in the community that RCHSD serves. Follow-up care may be offered at rates that RCHSD would receive from Medi-Cal for such services.

10. Automatic Classification as eligible for Financial Assistance

The following is a list of types of accounts where Financial Assistance is considered to be automatic and documentation of income or Financial Assistance application is not

needed:

- A. Medi-Cal accounts – Exhausted Days/Benefits
- B. Medi-Cal spend down accounts
- C. Medi-Cal or Medicare Dental denials
- D. Medicare Replacement accounts with Medi-Cal as secondary, where Medicare Replacement plan left patient’s family with responsibility

11. Determination of Financial Eligibility and Level of Financial Assistance

Criteria to receive Financial Assistance for medically necessary care is based on the income threshold criteria dictated by the Federal Poverty Guidelines set at the time the patient completes the application process.

A. There are three categories of financial eligibility – Financially Qualified Self-Pay; High Medical Cost; or Private Self-Pay.

- 1. Financially Qualified Self-Pay: Defined as no third-party insurance or other coverage and family income does not exceed 450 percent of the Federal Poverty Level. The level of assistance (which could include free care or discounted payment) will depend upon family income.
- 2. Patients with High Medical Costs: Patients/guarantors with third-party insurance or other coverage and whose family income does not exceed 350 percent of the Federal Poverty Level, if that patient/guarantor does not receive a discounted rate from the hospital as a result of his or her third-party coverage. High medical costs means any of the following:
 - i. Patient/guarantor has out-of-pocket medical expenses within the prior 12 months that exceed 10 percent of family income (medical expenses include both incurred at RCHSD and outside of RCHSD); or
 - ii. Patient/guarantor has annual out-of-pocket costs incurred at RCHSD that exceed 10 percent of the patient’s/guarantor’s family income in the prior 12 months.

Eligible high medical cost patients/guarantors may receive a discount to their bill.

- 3. Private Self-Pay patients: Defined as patients/guarantors who do not have third-party insurance or other coverage and whose family income exceeds 450 percent of the Federal Poverty Level. Eligible private self-pay patients shall be provided a prompt pay discount. Patients/guarantors must either make payment, or make payment arrangements, or be in process with eligibility applications for government-sponsored insurance programs or with the RCHSD Financial Assistance program within thirty days, or the patient/guarantor will be responsible for all charges. For self-pay patients not eligible for the RCHSD Financial Assistance Program, all families must sign a payment commitment and pay 50 percent of the charges prior to service.

B. Eligibility for free care

1. Uninsured patients/guarantors whose household income, as determined in accordance with the Assistance Application, is less than or equal to 250 percent of the poverty guidelines, will receive care free of charge, except uninsured patients/guarantors at or below 250 percent of the FPL must pay a co-payment according to the co-payment schedule:

Hospital or Physician Service	Hospital Service Co-payment	Physician Service Co-payment
Clinic visit	\$10.00/visit	\$10.00/visit
Emergency Care Center	\$25.00/visit	\$10.00/visit
Urgent Care Center	\$25.00/visit	None
Inpatient admission	\$100.00/admission	\$50.00/admission
Emergency Care Center resulting in an inpatient admission	\$100.00/admission	\$50.00/admission

Other than the instant co-payment, (which may be waived for deceased patients), RCHSD’s collection policy is not to bill these patients/guarantors for any amount.

C. Eligibility for discounted payment

1. An uninsured patient/guarantor who does not qualify for free care under this policy because the patient’s/guarantor’s household income exceeds 250 percent of the Federal Poverty Guidelines may be eligible to receive discounts in accordance with financial need as determined by the FPL as follows:
 - a. For patients/guarantors with household income between 251 percent and 350 percent of the Federal Poverty Level that receive services at RCHSD or services from an RCSSD Emergency Room physician and other RCSSD providers, provide a discount, whereby the expected reimbursement would be equivalent to Medi-Cal reimbursement rates, including government subsidy allocation.
 - b. For patients/guarantors with household income between 351 percent and 450 percent of the FPL, provide a discount that provides a discount of 50 percent off of charges.
 - c. For patients/guarantors with household income greater than 450 percent of the FPL, patients will be provided a discounted prompt pay Private Pay Fee Schedule, which provides an approximate 25 percent discount off of charges.
2. RCHSD Maximum Payment
 - a. For patients who are determined to be financially qualified self-pay or financially qualified with high medical costs, payment for services rendered

shall not exceed the amount RCHSD receives from Medi-Cal.

3. Extended payment plans

- a. At the option of the patient/guarantor, the patient/guarantor may choose an interest free extended payment plan to allow payment of the discounted price over time. RCHSD and the patient/guarantor will negotiate the terms of such a payment plan and will confirm such terms in writing. In negotiating the payment terms, RCHSD will consider relevant factors, such as size of payment obligation, patient resources and expenses, and any other relevant factors brought to RCHSD's attention.

- D. For financially qualified patients with high medical costs, discounts shall be determined via the catastrophic eligibility under the provisions of this Policy.

12. Catastrophic Eligibility – RCHSD will provide catastrophic eligibility Financial Assistance when patient/guarantor liability exceeds a substantial portion of the patient's/guarantor's income, including high medical cost patients as defined in 3.11.A2. To qualify for Catastrophic Eligibility, the patient/guarantor must meet the expense qualification as follows:

Expense qualification:

- A. Upper limit liability ceiling: For patient's/guarantor's with household income between 251 percent and 350 percent of the FPL, the patient's/guarantor's liability must exceed 20 percent of their household income, which will be determined by completing the Upper Limit Patient Liability Worksheet. Please refer to section 3.12.C below.
- B. Upper limit liability ceiling: For patient's/guarantor's with household income greater than 350 percent of the FPL, the patient's/guarantor's liability must exceed 30 percent of their household income, which will be determined by completing the Upper Limit Patient Liability Worksheet. Please refer to section 3.12.C. below.
- C. To determine expense qualification for catastrophic eligibility using the Upper Limit Patient Liability Worksheet:
 1. RCHSD will multiply the household income, as determined by following the Financial Assistance Eligibility Determination Worksheet (see section 3.14.A.), by either 20 percent for incomes between 251 percent to 350 percent of the FPL or by 30 percent for incomes greater than 350 percent of the FPL.
 2. RCHSD will determine the patient's/guarantor's medical expense liability.
 3. RCHSD will compare the appropriate Upper Limit Liability ceiling of the patient's/guarantor's household income to the total amount of the patient's/guarantor's medical expense liability. If the total of the medical expense liability is greater than the upper limit liability ceiling of the patient's/guarantor's household income, then the patient/guarantor meets the Catastrophic Eligibility qualification. RCHSD will subtract the upper limit liability ceiling of the patient's/guarantor's income from the medical expense liability to determine the amount by which the medical expenses exceed the available household income; this amount is then eligible for a charity care write-off.

13. Time Requirements for Determination

- A. While it is desirable to determine the amount of Financial Assistance for which a patient/guarantor is eligible as close to the time of service as possible, there is no rigid limit on the time when the determination is made. In some cases, eligibility is readily apparent and a determination can be made before, on or soon after the date of service. In other cases, it can take investigation to determine eligibility, particularly when the patient/guarantor has limited ability or willingness to provide needed information.
- B. Every effort should be made to determine a patient's/guarantor's eligibility for Financial Assistance. In some cases, a patient/guarantor eligible for Financial Assistance may not have been identified prior to initiating external collection action. Accordingly, collection agencies contracted to work with RCHSD shall be made aware of the policy on "Financial Assistance, Discount Payment, and Billing and Collection". This will allow the agency to report amounts that they have determined to be uncollectable due to the inability to pay in accordance with the RCHSD's Financial Assistance eligibility guidelines.

14. Approval Procedures

RCHSD personnel will complete a Financial Assistance Eligibility Determination Worksheet and attach to the patient's/guarantor's Financial Assistance Application, along with the copies of required documents, and then forward to the Inpatient Admissions/Financial Counseling Supervisor or Patient Access Director for review and approval.

- A. The Financial Assistance Eligibility Determination Worksheet with the application for Financial Assistance allows for the documentation of the administrative review and approval process utilized by RCHSD to grant financial assistance. The Director of Patient Access or Director of Patient Financial Services must approve any revision to the Financial Assistance Eligibility Determination Worksheet.
 - 1. For patient/guarantor accounts meeting the Financial Assistance eligibility criteria, the Application for Financial Assistance may be approved for medically necessary healthcare services.
 - 2. Financial Counselors shall route requests for non-emergent medically necessary care through the COO and CMO for review.
 - 3. If the application is approved and the patient needs to return for care, the approval is extended for six months for all medically necessary healthcare services on balances that can be considered for Financial Assistance.
 - 4. For uninsured patients who are US citizens seeking non-emergent medically necessary care, the request shall be reviewed by the COO and CMO. For uninsured patients who are US citizens seeking non-emergent elective procedures or uninsured international patients in search of non-emergent medically necessary or non-emergent elective procedures, the request must be approved by the COO and CMO. The COO and CMO (or the Chief Nurse Executive/Vice President of

Patient Services when the CMO is unavailable) is authorized to approve non-emergent elective charity care for US citizens, and non-emergent medically necessary and elective charity care for international patients.

Non-emergent

	Emergent and medically necessary	Medically necessary	Elective
U.S. citizens that are residing in the United States	No limit ✓ Follow standard signature approval process	No limit ✓ Requires review of COO and CMO	✓ Requires approval of COO and CMO
International patients	No limit ✓ Follow standard signature approval process	✓ Requires approval of COO and CMO	✓ Requires approval of COO and CMO

B. Any patient/guarantor account recommended for partial or total Financial Assistance, after meeting the guidelines set forth in this Policy for medically necessary healthcare services, require the following signature approval process:

- | | |
|-------------------------|--|
| Up to \$10,000 | Financial Counselor or Biller/Follow Up Collector |
| Up to \$25,000/15,000 | Supervisor of PFS |
| Up to \$50,000/25,000 | Manager of Inpatient Admissions/Financial Counseling |
| Up to \$100,000/50,000 | Director of Patient Access or Director of PFS |
| Up to \$250,000/100,000 | Senior Director of Revenue Cycle |
| Up to \$500,000 | Chief Financial Officer |
| \$500,000 or above | Chief Financial Officer and Chief Operating Officer |

Each level requires the review, approval and signature of the person authorized to approve at that level prior to an application for a larger

medical expense liability moving forward for approval by the additional designated authorized signers.

- C. The accounts will be filed according to the date the Financial Assistance adjustment was entered onto the account.

15. Governmental Assistance

- A. In determining whether each individual qualifies for Financial Assistance, other county or governmental assistance programs should also be considered. Many applicants are not aware that they may be eligible for assistance such as Medi-Cal, the Healthy Families Program, Victims of Crime, or California Childrens' Services.
- B. RCHSD shall assist families in determining if they are eligible for any governmental or other assistance. Also, eligibility workers knowledgeable in Medi-Cal and CCS may be available on-site to help the patient's family with the application process.
- C. Persons eligible for programs such as Medi-Cal but whose eligibility status is not established for the period during which the medical services were rendered, may be granted Financial Assistance for those services. RCHSD may make the granting of Financial Assistance contingent upon applying for governmental program assistance.

- 16. Ineligibility for Financial Assistance – If RCHSD determines that the patient/guarantor is not eligible for Financial Assistance under this policy, it shall notify the patient/guarantor of this denial in writing. The Financial Counseling department shall coordinate the processing and mailing of these communications.

17. Notices

- A. RCHSD shall provide written information about the availability of the RCHSD Financial Assistance Program, which shall include information about eligibility, to uninsured, underinsured or self-pay patients. These notices will be published in English and Spanish, and translated for patients/guarantors who speak other languages. Written notice shall include, at a minimum, the following:
 - 1. If a patient meets certain income requirements, the patient may be eligible for a government-sponsored program or the RCHSD Financial Assistance Program.
 - 2. Identification of a hospital phone number with hours of availability shall be delineated so that patients may call to obtain further information about financial assistance.
 - 3. RCHSD website address that provides such notice.
- B. Locations
 - 1. Written notice shall be handed to potentially eligible patients/guarantors in the inpatient, outpatient and Emergency Care Center areas and shall be explained, so that the patient/guarantor is informed about the availability of government sponsored programs and the RCHSD Financial Assistance Program. RCHSD

shall have the patient/guarantor sign the detachable acknowledgement form and scan the patient's or guarantor's signature into the patient's medical record via ChartMaxx.

2. Posted notice shall be conspicuously and clearly posted in locations that are visible to the public, including, but not limited to:

- i. Emergency Care Center;
- ii. Billing office;
- iii. Registration – Patient Access; and
- iv. Other outpatient settings.

C. Written correspondence to the patient/guarantor shall be in English or Spanish.

18. Document Retention Procedures – RCHSD will maintain documentation sufficient to identify each patient/guarantor who qualifies for Financial Assistance, the patient family's income, the method used to verify the patient family's income, the amount owed by the patient/guarantor, and the person who approved or denied granting Financial Assistance. All documentation will be scanned into ChartMaxx to provide an electronic copy for the patient medical record as well as forwarded and filed within the RCHSD Business Office for audit purposes. Financial Assistance applications and all documentation will be retained within RCHSD's Business Office for one calendar year. After which, the documents will be boxed and marked as "Charity Documents" with appropriate dates, and then forwarded to long-term storage (Iron Mountain), where the records will be retained for an additional six years before shredding.
19. Reservation of Rights – It is the policy of RCHSD to reserve the right to approve, limit or deny Financial Assistance at the sole discretion of RCHSD.
20. Application of Policy – The Financial Assistance policy does not apply to those services outside of RCHSD. This policy does not create an obligation to pay for any charges or services not included in the RCHSD bill at the time of service. This policy may not apply to professional services rendered by physicians or other medical providers at RCHSD, including, but not limited to, anesthesiologists, radiologists, certain surgeons and medical specialists.

4.0 REIMBURSEMENT FOR EMERGENCY SERVICES TO UNDOCUMENTED IMMIGRANTS

1. Undocumented Immigrants

If a patient is an undocumented immigrant who is unable to pay for services, RCHSD will assist the family to determine if they are eligible for governmental assistance. A Medi-Cal eligibility worker will be available to assist the patient/guarantor with the application process. If the patient is not eligible for Medi-Cal or other forms of assistance, then RCHSD shall explore recouping part of the costs of providing care through Section 1011 of the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA).

A. Section 1011 of the MMA is a potential funding source to compensate providers for

providing healthcare services for emergency and related inpatient and other healthcare services provided (EMTALA) for undocumented immigrants who are defined as:

- ❑ Undocumented aliens;
- ❑ Aliens in the country exclusively to receive medical care; and
- ❑ Mexican citizens in the country for less than 72 hours under specified conditions.

B. If the patient/guarantor is not eligible for Medi-Cal or other forms of governmental assistance, then RCHSD will follow all applicable rules and regulations to submit claims to the Centers for Medicare and Medicaid Services (CMS) under Section 1011 of the MMA.

5.0 BILLING AND COLLECTION PROCEDURE FOR FINANCIALLY ELIGIBLE PATIENTS

1. Billing Notices

A. When sending a bill to patients/guarantors potentially eligible for a government program or the RCHSD Financial Assistance Program, RCHSD will include the following:

1. Statement of charges for hospital services;
2. Request for information regarding insurance coverage;
3. Statement that indicates that if the patient/guarantor lacks, or has inadequate insurance coverage, and meets certain income requirements, the patient/guarantor may be eligible for a government program (e.g., Medi-Cal, Healthy Families) or for the RCHSD Financial Assistance Program;
4. Statement indicating how to obtain applications for Medi-Cal and Healthy Families programs and how to obtain applications from RCHSD; and
5. The telephone number of the appropriate department to obtain further information on financial assistance and how to apply for such assistance.

2. In the event of an overpayment by a patient/guarantor, RCHSD shall abide by the reimbursement terms and conditions set forth in Section 127440 of the California Health and Safety Code. RCHSD shall utilize reasonable efforts in processing overpayments and repaying the patient/guarantor as soon as possible.

3. Interest Free, Extended Payment Plans

If eligible, patients/guarantors shall be offered interest-free extended payment plans by RCHSD to assist the patient families in settling past due outstanding hospital bills.

4. Collection Activities by RCHSD

A. In determining the debt that RCHSD seeks to recover, RCHSD will consider only the income and certain monetary assets of the patient/guarantor eligible for the RCHSD Financial Assistance Program. In making this determination, RCHSD will not consider retirement or deferred compensation plans (either qualified or non-qualified

- under the Internal Revenue Code), the first \$10,000 or the remaining 50 percent of the patient/guarantor's monetary assets.
- B. RCHSD shall not use wage garnishments, body attachments or liens on primary residences of patients as a means of collecting unpaid patient bills.
5. Collection Actions by Outside Agencies
- A. RCHSD shall not send patient/guarantor account(s) to an outside (or third party) collection agency (California Business Bureau, Inc., or CMRE Financial Services, Inc.) for the purposes of commencing a civil action for nonpayment or take any action that would result in an adverse consumer credit report prior to 150 days. That time may be extended if the patient/guarantor is appealing a coverage decision and patient/guarantor makes a reasonable effort to communicate with RCHSD Patient Financial Services regarding the progress of the appeal.
- B. The Director of the Revenue Cycle shall be authorized to review and approve any accounts referred to collection and shall establish procedures to refer accounts to outside collection agencies.
- C. RCHSD shall not send an account to a collection agency if the patient has a pending application for the RCHSD Financial Assistance Program or government program or is attempting in good faith to settle an outstanding bill by negotiating a reasonable payment plan or by making regular partial payments of a reasonable amount. A "pending application" is defined as an application that has been fully completed and includes copies of the required documentation by the patient/guarantor, submitted to the relevant public agency in the case of government programs and to RCHSD in the case of the RCHSD Financial Assistance Program.
- D. Prior to commencing collection action by an outside agency, RCHSD (or its designee) shall send the patient/guarantor a written notice summarizing his/her rights under State and Federal debt collection law and a statement regarding the availability of nonprofit credit counseling services.
6. Outside Collection Activities Follow RCHSD Collection Policies
- A. RCHSD shall utilize only those outside collection agencies that have agreed in writing to comply with those collection standards and practices outlined in this Policy and Procedure. In addition, RCHSD may further define the standards and scope of practice to be used by such collection agencies, and shall obtain written agreements from such agencies that they will adhere to such standards and scope of practice.
- B. RCHSD shall utilize only those outside collection agencies that also have agreed as follows:
1. To comply with applicable state and federal debt collection practices law, including but not limited to hospital collection practices set forth in California Health and Safety Code Section 127425;
 2. To not use a wage garnishment, except by court order, following the procedure set out under state law, including California Health and Safety Code Section 127425(f)(2)(A); and
 3. To not establish a lien on the patient's primary residence except as permitted under state law, including California Health and Safety Code Section

6.0 RESERVATION OF RIGHTS AGAINST THIRD PARTIES

Nothing in this Policy shall preclude RCHSD from pursuing reimbursement from third party payers, third party liability settlements or tortfeasors or other legally responsible third parties.

7.0 DISPUTE RESOLUTION PROCESS

1. Any dispute regarding eligibility, determination of financial assistance, or billing or collection should be directed to the Patient Financial Services (PFS) Customer Service Department.
2. The PFS Customer Service Department shall obtain all information regarding the dispute and forward to the Team Leader. If the Team Leader determines that an application for Financial Assistance should be reviewed, s/he should forward the new information to the Director of Patient Access, or designee, for reprocessing.
3. If the Team Leader concurs with the initial determination, the dispute will be forwarded to the Director of Patient Financial Services for review.
4. The Director of Patient Financial Services shall review and respond in writing to the patient family or representative regarding the results of his/her review.
5. Any appeal by the patient family or representative from the determination by the Director of Patient Financial Services will be directed to the Chief Financial Officer whose determination will be final.

8.0 ACCESS TO POLICY AND RELATED DOCUMENTS

1. This Policy and English and Spanish application forms are available on the RCHSD Intranet.
2. Copies of the written notices provided to patients, summary of the RCHSD Financial Assistance Program policy and procedure, and application forms in English and in Spanish are available on the RCHSD website.
3. Upon request to RCHSD Financial Counselors or the PFS Customer Service Department, patient families or representatives may obtain a complete copy of this Policy and Procedure.