As of 5/27/2022

POLICY ON FINANCIAL ASSISTANCE FOR COLUSA MEDICAL CENTER (CHARITY CARE)

PURPOSE

The purpose of this policy is to establish guidelines for Financial Assistance (Charity Care) available at Colusa Medical Center and to outline the process for determining eligibility for Financial Assistance.

POLICY

It is policy to provide patients with understandable written information regarding Financial Assistance to provide income-based Financial Assistance (Charity Care) to qualified patients. Unless otherwise specified, this policy does not apply to physicians or other medical providers, including emergency room physicians, anesthesiologists, radiologists, hospitalists, pathologists, etc., whose services are not included in a hospital's bill. This policy does not create an obligation for the hospital to pay for such physicians' or other medical providers' services. In California, an emergency physician who provides emergency services in a hospital is required to provide discounts to uninsured patients or patients with high medical costs who are at or below 350 percent of the federal poverty level. Colusa Medical Center provides, without discrimination, examination, medical screening and care for emergency medical conditions (within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd)) to individuals regardless of their eligibility under the Policy on Financial Assistance for Colusa Medical Center (Charity Care), within the capabilities and capacity of the facility. Colusa Medical Center will not engage in any actions that discourage individuals from seeking treatment for emergency medical conditions.

SCOPE

This policy applies to Colusa Medical Center and all clinics that are associated with Colusa Medical Center.

DEFINITIONS

Complex/Specialized Services: means services that Colusa hospital determines are complex and specialized (e.g., transplants, experimental and investigational services) as well as certain elective services that are typically excluded from coverage under health plan coverage agreements (e.g., cosmetic procedures).
Federal Poverty Level (FPL): means the measure of income level published annually by the United States Department of Health and Human Services (HHS) and is used by hospitals for determining eligibility for Financial Assistance.
Financial Assistance: means to provide full charity care and high medical cost charity care.
Hospital Services: “means all services that a hospital is licensed to provide, including emergency and other medically necessary care (excluding Complex/Specialized Services).

Insured Patient: means a patient who has a third-party source of payment for a portion of their medical expenses, but excludes patients who are covered by Medi-Cal/Medicaid.
Patient Responsibility: means the amount that an Insured Patient is responsible to pay out-of-pocket after the patient's third-party coverage has determined the amount of the patient's benefits.
Primary Language of Hospital's Service Area: means a language used by the lesser of 1,000 people or 5% of the community served by the hospital based upon the most recent community health needs assessment performed by hospital.
Uninsured Patient: means a patient who has no third-party source of payment for any portion of their medical expenses, including without limitation, commercial or other insurance, government sponsored healthcare benefit programs, or third party liability, and includes a patient whose benefits under all potential sources of payment have been exhausted prior to an admission.

PROCEDURE

A. ELIGIBILITY

1. Eligibility Criteria: During the application process set forth in sections B and C below, hospitals shall apply the following eligibility criteria for Financial Assistance:

Financial Assistance Category	Patient Eligibility Criteria	Available Discount
FULL CHARITY CARE	Patient is an Uninsured Patient with a family income (as defined below) at or below 400% of the most recent FPL	Full write off of all charges for Hospital Services.
HIGH MEDICAL COST CHARITY CARE (for Insured Patients)	一. Patient is an Insured Patient with a family income (as defined below) at or below 400% of the most recent FPL; **and** 一. Medical expenses for themselves or their family (incurred at the hospital or paid to other providers in the past twelve (12) months exceed 10% of the patient's family income. 一.	A write off of the Patient Responsibility amount for Hospital Services.

2. Calculating Family Income: To determine a patient's eligibility for Financial Assistance, the hospital shall first calculate the patient's Family income, as follows:
a. Patient Family: The patient family shall be determined as follows:

i. Adult Patients: For patients over 18 years of age, the patient family includes their spouse, domestic partner, and dependent children less than 21 years of age, whether living at home or not.
ii. Minor Patients: For patients under 18 years of age, the patient family includes their parent{s}, caretaker relatives, and other children less than 21 years of age of the parent(s) or caretaker relatives.
b. Proof of Family Income: Patient shall only be required to provide recent pay stubs or tax returns as proof of income when submitting an application. Family Income is annual earnings of all members of the patient family from the prior 12 months or prior tax year as shown by the recent pay stubs or income tax returns, less payments made for alimony and child support. Income included in this calculation is every form of income, e.g., salaries and wages, retirement income, near cash government transfers like food stamps, and investment gains. Annual income may be determined by annualizing year-to-date family income. Colusa Medical Center may validate income by using external presumptive eligibility service providers, provided that such service only determines eligibility using only information permitted by this policy.
c. Calculating Family Income for Expired Patients: Expired patients, with no surviving spouse, may be deemed to have no income for purposes of calculation of family income. Documentation of income is not required for expired patients; however, documentation of estate assets may be required. The surviving spouse of an expired patient may apply for Financial Assistance
3. Calculating Family Income as a Percentage of FPL: After determining family income, hospital shall calculate the family income level in comparison to the FPL, expressed as a percentage of the FPL. For example, if the FPL for a family of three is $20,000, and a patient's family income is $60,000, the hospital shall calculate the patient's family income to be 300% of the FPL. Hospitals shall use this calculation during the application process to determine whether a patient meets the income criteria for Financial Assistance.
4. Special Circumstance – Benefits Exhausted During Inpatient Stay: When an Insured Patient's third-party coverage pays only a portion of the expected reimbursement for the patient's stay because the patient exhausted their benefits during the stay, the hospital should collect from the patient the balance of the expected reimbursement that would have been due from the third-party coverage if the benefits were not exhausted. A hospital shall not pursue from the patient any amount in excess of the amount that would have been due from the third-party coverage if the benefits were not exhausted, plus the patient's share of or co-insurance. A patient who exceeded their benefit cap during a stay is eligible to apply for Financial Assistance. If the patient is eligible for Financial Assistance, the hospital shall write off all charges for services that the hospital provided after the patient exceeded the benefit cap.
5. Medi-Cal/Medicaid Denied Patient Days and Non-covered Services: Medi-Cal/Medicaid patient are eligible for charity care write-offs related to denied charges and non-covered services. These Treatment Authorization Request (TAR) denial and any lack of payment for non-covered services provided to Medi-Cal/Medicaid patients are to be classified as charity, excluding share of cost identified in Section A.6b below.

6. **Financial Assistance Exclusions/Disqualification**: The following are circumstances in which Financial Assistance is not available under this policy:

a. **Uninsured Patient seeks Complex/Specialized Services**: Generally, Uninsured Patients who seek Complex/Specialized Services (e.g. transplants, experimental or investigational procedures), and seek to receive Financial Assistance for such services, must receive administrative approval from the individual responsible for finance at the Hospital (or designee) prior to the provision of such services in order to be eligible for Financial Assistance. Hospitals shall develop a process for patients to seek prior administrative approval for services that require such approval. Elective services that are normally exclusions from coverage under health plan coverage agreements (e.g., cosmetic procedures) are not eligible for Financial Assistance.
b. **Medi-Cal/Medicaid Patients with Share of Cost**: Medi-Cal/Medicaid patients who are responsible to pay share of cost are not eligible to apply for Financial Assistance to reduce the amount of share of cost owed. Hospitals shall seek to collect these amounts from the patients.
c. **Patient declines covered services**: An Insured Patient who elects to seek services that are not covered under the patient's benefit agreement (such as an HMO patient who seeks out-of-network services from Colusa Medical Center, or a patient refuses to transfer from Colusa Medical Center to an in-network facility) is not eligible for Financial Assistance
d. **Insured Patient does not cooperate with third-party payer:** An Insured Patient who is insured by a third-party payer that refuses to pay for services because the patient failed to provide information to the third-party payer necessary to determine the third-party payer's liability is not eligible for Financial Assistance.
e. **Payer pays patient directly:** If a patient receives payment for services directly from an indemnity, Medicare Supplement, or other payer, the patient is not eligible for Financial Assistance for the services.
f. **Information falsification**: Hospitals may refuse to award Financial Assistance to patients who falsify information regarding Family Income, household size or other information in their eligibility application.
g. **Third party recoveries**: If the patient receives a financial settlement or judgment from a third-party tortfeasor that caused the patient's injury, the patient must use the settlement or judgment amount to satisfy any patient account balances, and is not eligible for Financial Assistance.
h. **Professional (physician) Services:** Services of physicians such as anesthesiologists, radiologists, hospitalists, pathologists, etc. are not covered under this policy. Many physicians have charity care policies that allow patients to apply for free or discounted care. Patients should obtain information about a physician's charity care policy directly from their physician.

B. APPLICATION PROCESS

1. Each hospital shall make all reasonable efforts to obtain from the patient or their representative information about whether private or public health insurance may fully or partially cover the charges for care rendered by the hospital to a patient. A patient who indicates at any time the financial inability to pay a bill for Hospital Services shall be evaluated for Financial Assistance. In order to qualify as an Uninsured

Patient, the patient or the patient's guarantor must verify that they are not aware of any right to insurance or government program benefits that would cover or discount the bill. All patients should be encouraged to investigate their potential eligibility for government program assistance if they have not already done so.

2. Patients may requests assistance with completing the application for financial assistance in person at Colusa Medical Center, over the phone at (530) 619-0800, through the mail or via the Colusa Medical Center website www.colusamedcenter.org.

3. Patients who wish to apply for Financial Assistance shall use the standardized application form, the application for financial assistance (see **Attachment A)**.

4. Patients should mail applications for Financial Assistance to Colusa Medical Center 199 E. Webster St. Colusa, CA 95932 Attn: Charity Care Application.

5. Patients should complete the application for Financial Assistance as soon as possible after receiving Hospital Services. Failure to complete and return the application within two hundred and forty 240 days of the date the hospital first sent a post-discharge bill to the patient may result in the denial of Financial Assistance.

C. FINANCIAL ASSISTANCE DETERMINATION

1.The hospital will consider each applicant's application for Financial Assistance and grant Financial Assistance when the patient meets the eligibility criteria set forth in section A.1 and has received (or will receive) Hospital Service(s) (see **Attachment B**).

2. Patients also may apply for governmental program assistance, which may be prudent if the particular patient requires ongoing services.

a. The hospital should assist patients in determining if they are eligible for any governmental or other assistance, or if a patient is eligible to enroll with plans in the California Health Benefit Exchange (i.e. Covered California).

b. If a patient applies, or has a pending application, for another health coverage program at the same time that they apply for Financial Assistance, the application for coverage under another health coverage program shall not preclude the patient's eligibility for Financial Assistance.

3. Once a full charity care or high medical cost charity care determination has been made, a notification form (see **Attachment C**) will be sent to each applicant advising them of the hospital's decision.

4. Patients are presumed to be eligible for Financial Assistance for a period of one (1) year after the hospital issues the notification form to the patient. After one (1) year, patients must re-apply for Financial Assistance.

5. If the Financial Assistance determination creates a credit balance in favor of a patient, the refund of the credit balance shall include interest on the amount of the overpayment from the date of the patient's payment at the statutory rate (10% per annum) pursuant to Health and Safety Code section 127440, provided that hospitals are not required to refund a credit balance that is, together with interest, less than five dollars ($5).

D. DISPUTES

A patient may seek review of any decision by the hospital to deny Financial Assistance by notifying the individual responsible for finance at the hospital or designee, of the basis of the dispute and the desired relief within thirty (30) days of the patient receiving notice of the circumstances giving rise to the dispute. Patients may submit the dispute orally or in writing.

The individual responsible for finance at the hospital or designee shall review the patient's dispute as soon as possible and inform the patient of any decision in writing.

E. AVAILABILITY OF FINANCIAL ASSISTANCE INFORMATION

1. Languages: This policy shall be available in the Primary Language(s) of Hospital's Service Area. In addition, all notices/communications provided in this section shall be available in Primary Language(s) of Hospital's Service Area and in a manner consistent with all applicable federal and state laws and regulations.

2. Information Provided to Patients During the Provision of Hospital Services:

a. **Preadmission or Registration**: During preadmission or registration (or as soon thereafter as practicable) hospitals shall provide all patients with a copy of **Attachment D**, which includes a plain language summary of the Financial Assistance policy and also contains information regarding their right to request an estimate of their financial responsibility for services. Hospitals shall identify the department that patients can visit to receive information about, and assistance with applying for, Financial Assistance.

b. Financial Assistance Counselors: Patients who may be Uninsured Patients shall be assigned financial counselors, who shall visit with the patients in person at the hospital. Financial counselors shall give such patients a Financial Assistance application, as well as contact information for hospital personnel who can provide additional information about this Financial Assistance policy, and assist with the application process.

c. Emergency Services: In the case of emergency services, hospitals shall provide all patients a plain language summary of the Financial Assistance policy as soon as practicable after stabilization of the patient's emergency medical condition or upon discharge.

d. Applications Provided at Discharge: At the time of discharge, hospitals shall provide all patients with a copy of **Attachment D**, which includes a plain language summary of the Financial Assistance policy and all Uninsured Patients with applications for Medi-Cal/Medicaid and California Children's Services or any other potentially applicable government program.

3. Information Provided to Patients at Other Times:

a. Billing Statements: Hospitals shall bill patients in accordance with the Policy on Billing and Collections. A phone number for patients to call with questions about Financial Assistance, and the website address where patients can obtain additional information about Financial Assistance including the Financial Assistance Policy, a plain language summary of the policy, and the application for Financial Assistance. A summary of your legal rights is included on the patient's final billing statement.

b. Contact Information: Patients may call (530) 619-0800 to obtain additional information about Financial Assistance and assistance with the application process.

c. Upon Request: Hospitals shall provide patients with paper copies of the Financial Assistance Policy, the application for Financial Assistance, and the plain language summary of the Financial Assistance Policy upon request and without charge.

4. Publicity of Financial Assistance Information

a. Public Posting: Hospitals shall post copies of the Financial Assistance Policy, the application for Financial Assistance, and the plain language summary of the Financial Assistance Policy in a prominent location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including, but not limited to the waiting rooms, billing offices, and

hospital outpatient service settings. These public notices shall include information about the right to request an estimate of financial responsibility for services.
b. Website: The Financial Assistance Policy, application for Financial Assistance, and plain language summary shall be available in a prominent place on the Colusa Medical Centers www.colusamedcenter.org. Persons seeking information about Financial Assistance shall not be required to create an account or provide any personal information before receiving information about Financial Assistance.
c. Mail: Patients may request a copy of the Financial Assistance Policy, application for Financial Assistance and plain language summary be sent by mail, at no cost to the Patient.
e. Community Awareness: Colusa Medical Center will work with aligned organizations, physicians, community clinics and other health care providers to notify members of the community (especially those who are most likely to require Financial Assistance) about the availability of Financial Assistance.

F. MISCELLANEOUS

1. Recordkeeping: Records relating to Financial Assistance must be readily accessible. Hospitals must maintain information regarding the number of Uninsured Patients who have received services from the hospital, the number of Financial Assistance applications completed, the number approved, the estimated dollar value of the benefits provided, the number of applications denied, and the reasons for denial. In addition, notes relating to a patient's approval or denial for Financial Assistance should be entered into the patient's account.
2. Payment Plans: Patients may be eligible for a payment plan. Payment plan shall be offered and negotiated per the Policy on Billing and Collections.
3. Billing and Collections: Hospitals may employ reasonable collection efforts to obtain payment from Patients. Information obtained during the application process for Financial Assistance may not be used in the collection process, either by the hospital or by any collection agency engaged by the hospital. General collection activities may include issuing patient statements, phone calls, and referral of statements have been sent to the patient or guarantor. Revenue cycle departments must develop procedures to ensure that patient questions and complaints about bills are researched and corrected where appropriate, with timely follow up with the patient. Hospital or collection agencies will not engage in any extraordinary collection actions
4. Amounts Generally Billed: In accordance with Internal Revenue Code Section1. 501(r)-5, Colusa Medical Center adopts the prospective Medicare method for amounts generally billed; however, patients who are eligible for Financial Assistance are not financially responsible for more than the amounts generally billed because eligible patients do not pay any amount.

ATTACHMENTS

Attachment A- Application for Financial Assistance

Attachment B-Financial Assistance Calculation Worksheet

Attachment C-Notification Form Colusa Medical Center Eligibility Determination for Charity Care

Attachment D-Important Billing Information for Patients, Plain Language

Attachment E-Notice of Rights