County of San Diego Health and Human Services Agency (HHSA) San Diego County Psychiatric Hospital Policies and Procedures SDCPH General Administration			
Subject:	**CHARITY CARE AND DISCOUNT PAYMENT**	No:	**02-01-85**
Reference:	**Hospital Fair Pricing Act (Health and Safety Code - HSC § 127400 et seq.) and Title 22, California Code of Regulations § 96051 et. seq**		**Page 1 of 7**
FORM(S) REFERENCE:			
POLICY REFERENCE NUMBER: 02-01-86 Debt Collection			

PURPOSE:

This policy describes San Diego County Psychiatric Hospital's Financial Assistance policy, including Charity Care and Discount Payment. SDCPH provides free care to all patients and does not bill patients directly for inpatient or outpatient services. SDCPH may bill Medi-Cal for eligible services; however, patients are not required to apply for Medi-Cal or provide proof of financial need to access free care. If SDCPH were to bill patients, the hospital would provide financial assistance to patients and families when they are unable to pay all or part of their medical bill, based on the standards below. This policy describes how SDCPH would review a patient's financial resources to determine if financial assistance would be provided. The intent of this policy is to comply with applicable federal, state and local laws and regulations. SDCPH does not discriminate and is fair in reviewing and assessing eligibility for financial assistance for community members who may need financial help.

POLICY:

SDCPH is committed to providing financial assistance to patients who seek needed behavioral health services but have limited, or no means, to pay for that care. Financial assistance is comprised of Charity Care (free care) and Discount Payment. SDCPH provides free care to everyone. If SDCPH were to bill patients, patient's eligibility for financial assistance would be determined, and would be based on: (1) income, (2) type of service requested, and (3) the availability of other health coverage/insurance. This policy describes the eligibility criteria and the level of financial assistance that would be offered to patients meeting specified criteria, if patients were billed for services.

If SDCPH were to bill patients, patients would be expected to cooperate with the SDCPH procedures for obtaining financial assistance. Persons would need to help pay for the cost of their care based on their ability to pay.

Although SDCPH provides free care, all patients will be notified of the Financial Assistance Policy and how to access the Financial Assistance Application. If SDCPH were to bill patients, patients could request financial assistance by submitting an application with supporting

documentation, as applicable. SDCPH would apply the standards in this policy to decide on each application for financial assistance and would notify each applicant of its determination. Applicants dissatisfied with the determination could appeal the determination to SDCPH. The collection of any remaining patient financial responsibility shall be subject to the SDCPH Debt Collection Policy.

DEFINITIONS:

Any terms used in this policy that are not defined below shall reference the definition in California Health and Safety Code section 127400 and Title 22 of the California Code of Regulations section 96051.

A. **Amount Generally Billed (AGB)**: The amounts generally billed for emergency or other medically necessary care to individuals who have insurance covering such care in accordance with the 22 CFR section 1.501(r)-5.

B. **Application**: SDCPH's Financial Assistance Application.

C. **Charity Care**: Free care provided when the patient is not expected to pay the patient's payment obligation for items and services provided by SDCPH. Charity Care is provided to all patients, regardless of their financial need.

D. **Discount Payment**: Any charge for care that is reduced but not free.

E. **Essential Living Expenses**: Expenses like rent or house payment and maintenance, food, household supplies, laundry and cleaning, utilities and telephone, clothing, medical and dental payments, insurance, school or childcare, child or spousal support, transportation and auto expenses, including insurance, gas, repairs and installment payments, and other extraordinary expenses.

F. **Financial Assistance**: Charity Care or Discount Payment.

G. **Federal Income Tax Return**: The Internal Revenue Service (IRS) form(s) used to report taxable income. The IRS form must be a copy of the signed and dated forms sent to the IRS.

H. **Federal Poverty Level (FPL)**: The poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under its statutory authority. The existing guidelines can be found at https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines.

I. **Family**: Family is defined as:

- For persons 18 years of age and older, spouse, domestic partner, dependent children of any age, whether living at home or not, and parents if the patient is a dependent child who is not a minor.

J. **Family Income**: The combined income of the patient seeking financial assistance and his/her/their family as determined under this Policy. Income as used here shall include any sources used to calculate the adjusted gross income, as set forth on line 11 of Form 1040, U.S. Individual Income Tax Return.

K. **High Medical Costs**: Out of pocket costs and expenses for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays or Medi-Cal cost sharing.

L. **Medically Necessary Care**: A service is "medically necessary" or a "medical necessity" when it is performed in the hospital unless the hospital provides an attestation signed by the referring provider that the hospital services at issue were not medically necessary.

PROCEDURES:

A. Applying for Financial Assistance

1. **Access to Financial Assistance Policy and Application**

   Although an application is not required to receive free care, if the hospital were to bill patients, SDCPH would make information about its Financial Assistance Policy and Application available through numerous means in compliance with applicable state and federal laws and regulations. Information about this policy is available on the hospital's website home page and on any website where the patient would be able to pay a bill or access information about the patient's account, posted in hospital areas that are accessible to the public, on each billing statement, and by plain language summaries provided to all patients. Hospital personnel shall direct patients, guardians, or family members who request financial assistance or information about financial assistance, or who the hospital personnel believe may be eligible for financial assistance to either Social Work Supervisor or Principal Administrative Analyst of Administrative Services Unit to receive a paper copy of this Policy and an application form.

   An explanation of SDCPH's Financial Assistance Policy and the related application form are available at:
   https://www.sandiegocounty.gov/content/sdc/hhsa/programs/bhs/SDCPH/hospital_fair_billing_program.html

2. **Other Forms of Health Coverage**

SDCPH shall assist all patients or the patient's representative with information about applying for Medi-Cal, public health insurance or sponsorship that may fully or partially cover the charges for care rendered by a hospital to the patient, if they are interested. These efforts will include helping the patient find insurance options, including, but not limited to, any of the following:

- Private health insurance, including coverage offered through the California Health Benefit Exchange.
- Medicare
- The Medicaid program, or other state-funded programs designed to provide health coverage.

If a patient applied or has a pending application for another health coverage program while the patient applies for financial assistance, neither application will stop eligibility for the other program. However, neither Medicare, Medicaid or Medi-Cal application or proof of denial is required to be eligible for financial assistance at SDCPH.
Although SDCPH provides free care, if the hospital were to bill patients, SDCPH would expect patients to cooperate with SDCPH to find other sources of payment, or coverage, from public and/or private payment programs. Financial assistance would not relieve the patient or guarantor's responsibility to ensure payment for health care services. The patient or guarantor would be responsible for meeting the conditions of coverage of their insurance or health plan if they have third-party insurance or health plan.

3. **Application Process**

An application is not required to receive SDCPH's free care, however, if the hospital were to bill patients, an application would be required for financial assistance under this policy. A patient or guarantor would need to submit a true, accurate, and complete confidential Financial Assistance Application by mail or in person.
If an application were required, the Financial Assistance Application would be completed in writing or orally (or a combination of both), either of which would be completed by or with the assistance of SDCPH staff. The Financial Assistance Application would need to be accompanied with the following documentation:

- For purposes of determining eligibility for Discount Payment, documentation of income shall be limited to:
  - Federal Income Tax Return (Form 1040) for patient and spouse or domestic partner from the year the patient was first billed or 12 months prior to when the patient was first billed
  - Recent pay stubs from within the 6 months before or after the patient is first billed (or in preservice when the Application is submitted)

- For Charity Care, along with a Federal Income Tax Return and pay stubs, SDCPH may request:
  - Documentation of patient's monetary assets, such as bank statements (excluding statements on retirement or deferred compensation plan)
  - Waivers from the patient or the patient's family authorizing SDCPH to obtain account information from financial or commercial institutions

A patient, or patient's legal representative, who requested Discount Payment or Charity Care, shall make every reasonable effort to provide SDCPH with documentation of income and health benefits coverage. These documents provided for the application would only be used in reaching a determination of financial assistance and would not be used for collection activities.

An individual would be considered to have submitted a complete Financial Assistance Application if he or she provided information and documentation sufficient for the hospital facility to determine whether the individual is eligible for financial assistance. An application would be incomplete if the applicant provided some, but insufficient, information and documentation to determine eligibility for financial assistance.

4. **Notification of Financial Assistance Determination**

Although a Financial Assistance Determination is not required to receive free care at SDCPH, if it were required, SDCPH would review a Financial Assistance Application and would make a determination based on the eligibility requirements stated below, the facility would notify the individual in writing by mail of this eligibility determination (including, if applicable, the assistance for which the individual is eligible) and the basis for this determination.

5. **Effect of Financial Assistance Determination**

Although Financial Assistance Determination is not required to receive free care at SDCPH, if it were required and the patient was found to be eligible for financial assistance, whether Charity Care or Discount Payment, SDCPH would provide the individual with a billing statement that states the amount the individual owed for the care, how that amount was determined, and how the individual could get information regarding the financial assistance offered for the care.

If found eligible for Discount Payment, the patient would enter an extended payment plan to allow payment over time. SDCPH and the patient would negotiate the terms of the payment plan and take into consideration the patient's family income and essential living expenses. If SDCPH and the patient could not agree on the payment plan, SDCPH would create a payment plan where monthly payments would not be more

than 10 percent of a patient's family income for a month, excluding deductions for essential living expenses.

If appropriate, SDCPH would refund the individual any amount over $5.00 he or she had paid for the care that exceeds the amount he or she was determined to be personally responsible for paying after financial assistance had been applied plus interest. SDCPH would make any refunds under this section within 30 days of the determination of eligibility for financial assistance. Any interest owed by SDCPH to the patient 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 SDCPH.
The financial assistance approval and any adjustment to the amount owed would be applied to all eligible patient account balances, including those received before the application approval date. For bills received after the financial assistance was approved, a new Financial Assistance Application would need to be filled out if the patient is seeking financial assistance for those bills.

6. **Appeal of Financial Assistance Determination**
Although SDCPH provides free care, if the hospital were to bill patients, patients could submit a written request for reconsideration to SDCPH. Such an appeal should demonstrate that the individual either:

- Believes their Financial Assistance Application was not approved according to this policy; or
- Disagrees with the way the policy was applied to their case.

Appeal must be submitted within 30 days of the date of the decision letter. The Financial Officer or his or her designee will be the final level of appeal.

7. **How to Ask for Help**
A patient may request assistance with understanding the medical bill or in applying for financial assistance by calling Administrative Services Unit (ASU) 619-692-8342. ASU is open Monday through Friday from 8:00 am to 4:30 pm, except holidays.
Additionally, there are free consumer advocacy organizations that will help the patient understand the billing and payment process. The patient may call the Health Consumer Alliance at 888-804-3536 or go to healthconsumer.org for more information.

B. **Eligibility**
SDCPH provides free care to all patients. If the hospital were to bill patients, the level of financial assistance, such as Charity Care (no charge to the patient) or Discount Payment (a discount to the patient) would be based on several factors: family income, the patient's

insurance plan and the type of services the patient received. Different discount policies would apply based on the Family Income level and insurance status of the patient.

SDCPH authorizes financial assistance as set forth in this Policy. SDCPH's discounted amounts under this Policy are less than SDCPH's Amount Generally Billed. SDCPH will limit charges to a patient eligible for financial assistance to the amount of payment the hospital would expect, in good faith, to receive for providing services from Medicare or Medi-Cal, whichever is greater.

Non-covered and denied services and related services provided to Medicaid-eligible beneficiaries are considered a form of Charity Care. Examples of this include but are not limited to services provided to Medicaid beneficiaries with restricted Medicaid, Medicaid spending accounts, Medicaid of other indigent care program denials, charges related to days exceeding length-of-stay limits, Medicaid claims (including out-of-state Medicaid claims) with "no payments," and any service provided to a Medicaid-eligible patient with no coverage and no payment.

Table 1: Patient Financial Assistance Eligibility

Emergency Medical Care and Medically Necessary Care	
Household Income	**Patient Responsibility**
200% or less of the Federal Poverty Level (FPL)	Zero (full charity)
200% to 400% of the FPL	Zero (full charity)
>400% of the FPL	Zero (full charity)

C. **Miscellaneous**

Requests and all information collected related to an application for financial assistance are subject to applicable privacy law.