



POLICY & PROCEDURE#: <u>PFS.01.01</u> SECTION: <u>01</u> DATE OF ORIGIN: <u>06/20,12/21</u> REVISED: <u>03/2022</u>
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**CHINESE HOSPITAL
FINANCIAL ASSISTANCE PROGRAM POLICY**

I. POLICY:

To manage its resources responsibly and to allow Chinese Hospital to provide assistance to persons in need, Chinese Hospital establishes this policy regarding the billing of patients for services provided by Chinese Hospital. It is also the policy of Chinese Hospital to provide emergency and other medically necessary care to all patients regardless of ability to pay. Chinese Hospital is not required to provide non-emergency health care; however, if Chinese Hospital chooses to accept patients for non-emergency care, those patients may be eligible for financial assistance.

It is the responsibility of Chinese Hospital’s Director of Patient Financial Services, with approval from Chinese Hospital’s Chief Financial Officer, to develop procedures to implement this Policy.

II. PURPOSE:

The purpose of this policy is to establish Chinese Hospital’s guidelines regarding Discounted Care and Charity Care, as defined herein.

III. DEFINITIONS:

Application Period

The later of: (i) 360 days from the patient’s discharge from the hospital or the date of the patient’s Eligible Service, or (ii) 240 days from the date of the initial post-discharge bill for the Eligible Service. For patients determined to be eligible for Financial Assistance on the basis of a Presumptive Eligibility Determination, Chinese Hospital shall give the patient an additional, reasonable period of time to apply for more generous assistance.

Charity Care

Charity Care is full Financial Assistance to qualifying patients that relieves the patient and his or her guarantor of their entire financial obligation to pay for Eligible Services. Charity Care does not reduce the amount, if any, that a third party may be required to pay for Eligible Services provided to the patient.

Discounted Care

Discounted Care is partial Financial Assistance to qualifying patients to relieve the patient and his or her guarantor of a portion of their financial obligation to pay for Eligible Services (as defined below). Discounted care does not reduce the amount, if any, that a third party may be required to pay for Eligible Services provided to the patient.

Confidential Financial Statement

The Confidential Financial Statement shall be the application for Financial Assistance and should be completed within the Application Period. The Confidential Financial Statement allows for the collection of information to determine eligibility for Financial Assistance.

Eligible Patients

Patients who are eligible for financial assistance those who are both

- (1) Self-Pay Patient (as defined below) or a Patient with High Medical Costs (as defined below); and
- (2) A patient who has a Patient Family Income that does not exceed 400 percent of the federal poverty level.

Eligible Services

Financial assistance pursuant to this policy is only available for services provided under Chinese Hospital's general acute care hospital license.

This includes:

- Emergency medical services provided in an emergency room setting
- Non-elective services provided in response to life-threatening or health-threatening circumstances

The following services are excluded as ineligible for the application of Financial Assistance under this policy, except as required by law:

- Purchases from Chinese Hospital's retail operations, such as gift shops & cafeteria;
- Physician Services that are not billed by Chinese Hospital.

Emergency Medical Services

Emergency Medical Services means medical screening, examination, and evaluation by a physician and surgeon, or, to the extent permitted by applicable law, by other appropriate licensed persons under the supervision of a physician and surgeon, to determine if an emergency medical condition exists and, if it does, the care, treatment, and surgery, if within the scope of that person's license, necessary to relieve or eliminate the emergency medical condition, within the capability of the facility.

Emergency Medical Condition

An Emergency Medical Condition is a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

- Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;
- Serious impairment to bodily functions, or
- Serious dysfunction of any bodily organ or part;

An Emergency Medical Condition is also when a pregnant woman is having contractions, and

- There is inadequate time to effect a safe transfer to another hospital before delivery, or
- That transfer may pose a threat to the health or safety of the woman or the unborn child.

An emergency medical condition includes an emergency psychiatric condition.

Federal Poverty Level

The FPL is defined by the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code. Current FPL guidelines can be referenced at <http://aspe.hhs.gov/poverty-guidelines>. Chinese Hospital will always use the most currently published FPL information available but are NOT required to go back and change a charity determination when a new FPL is issued. FPLs are effective when received by Chinese Hospital and are not service date driven. Patient Financial Services will provide new FPL data to each facility as soon as it is received.

Financial Assistance Policy

The Financial Assistance Policy (“Policy”) is the policy that Chinese Hospital has established for the provision of Charity Care and Discounted Care for Eligible Patients (defined above), which are referred to collectively in this and other policies as “Financial Assistance.”

Income

Modified Adjusted Gross Income (MAGI), as defined by the IRS.

Patient’s Family

- (1) A Patient’s Family includes the patient and: For persons 18 years of age and older, a spouse, domestic partner, as defined in Section 297 of the Family Code, and dependent children under 21 years of age, whether living at home or not.
- (2) For persons under 18 years of age, a parent, caretaker relatives, and other children under 21 years of age who are children of the parent or caretaker relative.

Patient Family Income

The income earned by the Patient’s Family.

Patient with High Medical Costs

A patient whose current Patient Family Income (defined above) does not exceed 400 percent of the Federal Poverty Level, and who also meets one of the following two criteria:

- (1) Annual out-of-pocket costs incurred by the patient at Chinese Hospital exceed the lesser of 10% of current Patient Family Income (defined above) or the Patient Family Income in the prior 12 months prior to the date on which the service was provided at Chinese Hospital; or
- (2) Annual out-of-pocket medical expenses exceed 10% of the Patient Family Income, if the patient provides documentation of the patient’s medical expenses paid by the patient or the Patient’s Family in the prior 12 months.

Pending Appeals

A Pending Appeal is any of the following:

1. A grievance against a contracting health care service plan or against an insurer consistent with state law and regulations.
2. An independent medical review consistent with state law and regulations.
3. A fair hearing for a review of a Medi-Cal claim consistent with state law and regulations.
4. An appeal regarding Medicare coverage consistent with federal law and regulations.

Self-Pay Patient

A Self-Pay Patient is a patient who does not have third-party coverage from a health insurer, health care service plan, government-sponsored healthcare program (e.g., Medicare or Medicaid/Medi-Cal), and whose injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance or third party payer as determined and documented by the hospital.

IV. PRINCIPALLY AFFECTED DEPARTMENTS:

This Policy is only applicable for departments serving Chinese Hospital functions on Chinese Hospital's general acute care hospital license.

V. FINANCIAL ASSISTANCE POLICY FOR DISCOUNTED CARE AND CHARITY CARE

A. Patient Eligibility and Application Process for Financial Assistance

1. Eligibility

To be eligible for Financial Assistance for Eligible Services, a patient (a) must be a Self-Pay Patient or Patient with High Medical Costs and (b) not have Patient Family Income in excess of 400% of the Federal Poverty Level. Professional fees that are not billed by Chinese Hospital will not be covered under this Financial Assistance Policy, except as may be provided for under other policies or contracts.

An Eligible Patient is eligible for Charity Care if he/she/they is a Self-Pay Patient and have a Patient Family Income that is 200% or less of the Federal Poverty Level. Any other Eligible Patient shall be eligible for Discounted Care, as described herein.

2. Emergency Physician Fair Pricing Policy

Any contracted emergency department physician or surgeon who provides emergency medical services at Chinese Hospital is also required by law to provide discounts to uninsured patients or Patients with High Medical Costs who are at or below 400 percent of the federal poverty level. Patients who receive a bill from a contracted emergency department physician or surgeon should contact that physician's office and request financial assistance. This statement shall not be construed to impose any additional responsibilities upon Chinese Hospital. The list of providers can found at <https://www.chinesehospital-sf.org/fap-providers-list>. Patients may also receive a paper copy of the provider list upon request.

However, Chinese Hospital shall provide, without discrimination, care for emergency medical conditions to patients regardless of their eligibility under this Policy.

3. Application Process

Except in those instances where Chinese Hospital exercises its discretion to utilize a Presumptive Eligibility Determination (as described below), in order to qualify for Financial Assistance, a patient must fill out a Confidential Financial Statement within the Application Period. Pending the completion of Confidential Financial Statement, the patient must be treated as a pending Eligible Patient in accordance with Chinese Hospital's policies. The appropriate financial class shall be recorded to reflect this status.

A patient, or patient's legal representative, who requests discounted care, charity care, or other assistance in meeting their financial obligation to Chinese Hospital shall make every reasonable effort to provide Chinese Hospital with (a) documentation of income and (b), if applicable, documentation of health benefits coverage.

Screening for Financial Assistance will occur only after all other potential financial resources have been exhausted. The screening process will optimally occur at the time of service but may occur anytime during the collection process including post assignment to an outside collection agency.

A patient or patient's guarantor may apply for Financial Assistance at any time during the Application Period. If the Confidential Financial Statement is filed after the Application Period is over, Chinese Hospital may deny Financial Assistance. However, Chinese Hospital will consider the reasons that the Confidential Financial Statement was not filed during the Application Period and may process the Financial Assistance request if it determines that the patient acted reasonably even though the Confidential Financial Statement was not timely filed.

4. Proof of Income (POI):

To determine eligibility for Financial Assistance, patients will be required to verify the Patient Family Income set forth in the Confidential Financial Statement. Missing documentation may delay the processing of the application and could result in a denial for assistance.

- a) For purposes of determining eligibility for Discounted Care, documentation of income shall be limit to two most recent paystubs or recent income tax returns.
- b) For purposes of determining eligibility for Charity Care, documentation of income may include IRS Form W-2, SSA-1099, or other appropriate indicators of income. Alternatively, patients may submit documentation showing the patient's current participation in a public benefits programs including Social Security, Workers' Compensation, Unemployment Insurance Benefits, Medicaid, County Indigent Health, TANF, Food Stamps, WIC, or other similar indigence related programs.

5. Documentation of Health Benefits Coverage

Chinese Hospital must determine if any party other than the patient would be legally responsible for the patient's medical bill. Therefore, Chinese Hospital shall make all reasonable efforts to obtain from the patient or the patient's representative information about whether private or public health insurance or sponsorship may fully or partially cover the charges for care rendered by the hospital to a patient, including, but not limited to, any of the following:

- a) Private health insurance, including coverage offered through the California Health Benefit Exchange;
- b) Medicare; and/or
- c) The Medi-Cal program, the California Children's Services program, or other state-funded programs designed to provide health coverage.

If a hospital bills a patient **who has not provided proof of coverage** by a third party at the time the care is provided or upon discharge, as a part of that billing, the hospital shall provide the patient with **a clear and conspicuous notice** as described in the Notice Policy for Financial Assistance.

6. Presumptive Eligibility Determination

Chinese Hospital reserves the discretion to utilize a Presumptive Eligibility Determination process to provide Charity Care or Discounted Care for patients who are unable to complete the Confidential Financial Statement or provide financial information or documentation, based on an objective, good faith determination of financial need, taking into account the individual patient's circumstances, the local cost of living, a patient's income, a patient's family size, and/or the scope and extent of a patient's medical bills, based on reasonable methods to determine financial need.

In making a Presumptive Eligibility Determination, Chinese Hospital shall take into account any extenuating circumstances that would affect the good faith determination of the patient's eligibility for Financial Assistance in the following ways:

- Chinese Hospital may use reasonable methods for determining financial need, including, for example, documented patient interviews or questionnaires.
- Chinese Hospital may also determine a patient's eligibility for Financial Assistance based upon information other than that provided by the patient, such as qualification in other welfare-based programs (including eligibility for Out of State Medicaid), homeless status, or based upon a prior Financial Assistance eligibility determination.
- Chinese Hospital may also rely on information included in publicly available databases and information provided by third-party vendors who utilize publicly available databases to make a good faith determination of whether a patient is entitled to Financial Assistance.

This screening process is designed to emulate Chinese Hospital's Confidential Financial Statement, and the information returned through the screening process will constitute adequate documentation when additional information is not available from the patient. The process shall provide an estimate of the Patient Family Income and household size and analyzes other factors related to the patient's financial need. Chinese Hospital shall include, in the patient's file, documentation of the method by which Presumptive Eligibility Determination was determined in addition to all backup information to substantiate the determination. In all cases, attempts to obtain the appropriate income verification must be made and documented.

For these patients, the financial counselor may process the account for a Financial Assistance, and the account will remain in the pending financial class until Chinese Hospital processes a Financial Assistance write-off adjustment.

Chinese Hospital shall additionally notify the patient regarding the basis for the Presumptive Eligibility Determination and the way he, she, or they may apply for more generous assistance (if any) available under the Policy.

7. Determination

The determination of Financial Assistance will be made at admission or while the patient is in-house; however, this determination could also be made after discharge or whenever the patient declares an inability to pay.

Once a Financial Assistance determination has been made, the outcome must be communicated to the patient. That communication should be accomplished by sending the patient Exhibit A in the patient's language (e.g. English or Chinese). Chinese Hospital shall notify the patient in writing of the determination and the basis for the determination. If an Eligible Patient qualifies for Charity Care, Chinese Hospital provide them with a written notification that nothing more is owed. If an Eligible Patient qualifies for Discounted Care, Chinese Hospital shall provide them with a billing statement indicating the amount owed as an Eligible Patient, how that amount was determined, and how the patient can obtain information regarding the AGB for the care.

When a patient submits an incomplete application, Chinese Hospital shall notify the individual about how to complete the application and give the patient a reasonable opportunity to do so.

8. Duration of Financial Assistance Approval

Approved Financial Assistance are considered valid for all existing accounts and shall apply to any existing or future accounts for an additional 90 days after approval. Patients will have to reapply for Financial Assistance after 90 days for any accounts where Financial Assistance was not previously approved.

9. Changed Circumstances.

If at any time information relevant to the eligibility of the patient changes, the patient may update the documentation related to income and provide to Chinese Hospital with the updated information. It is the patient's responsibility to notify Chinese Hospital of the updated information.

Chinese Hospital will consider the patient's changed circumstances in determining eligibility for Financial Assistance. Chinese Hospital may reverse previously applied discounts if it learns of information which it believes supports a conclusion that information previously provided was inaccurate.

10. Appeals

In the event of a dispute regarding eligibility for Financial Assistance, patients have the right to appeal the decision. Patients must provide written appeals outlining the reasons they believe the determination was incorrect. The Hospital Chief Financial Officer of Chinese Hospital is responsible for reviewing all appeals and making a final determination. This authority may be delegated by the Hospital Chief Financial Officer. The final determination must be communicated to the patient in writing.

B. Amount of Financial Assistance

1. Amounts Generally Billed

Chinese Hospital shall limit amounts charged for emergency or other medically necessary care provided to Eligible Patients to not more than the amounts generally billed ("AGB"). The AGB (i.e. maximum charge) for a patient is determined by multiplying the AGB percentage by the hospital's gross charges for the Eligible Services provided to the Eligible Patient.

Calculation of AGB Percentage: Chinese Hospital shall calculate its AGB percentages no less frequently than annually by dividing the sum of certain claims for emergency and other medically necessary care by the sum of the associated gross charges for those claims. For calculating AGB percentages, Chinese Hospital shall use actual past claims paid to Chinese Hospital by either Medicare fee-for-service alone or Medicare fee-for-service together with all private health insurers paying claims to Chinese Hospital (including, in each case, any associated portions of these claims paid by Medicare beneficiaries or insured individuals). Chinese Hospital determined a 30% AGB based on past claims allowed under Medicare and private insurance.

For the purpose of Medicare cost reporting, Financial Assistance shall be counted as charity allowances, and all charges related to services subject to Financial Assistance shall be recorded at the full amount charged to all patients.

2. Discounted Care

Chinese Hospital shall limit expected payment for services it provides to an Eligible Patient to the amount of payment Chinese Hospital would expect, in good faith, to receive for providing services from Medicare or Medi-Cal, whichever is greater.

If Chinese Hospital provides a service for which there is no established payment by Medicare or Medi-Cal, Chinese Hospital shall establish an appropriate discounted payment.

Discounted Care will be granted based upon the following income levels. Chinese Hospital MAY provide greater discounts (lower patient liabilities) to the patient than those established below if approved by the Hospital Chief Financial Officer and documented in Chinese Hospital’s procedure manual. Chinese Hospital will NOT provide lower discounts (higher liabilities) to qualified patients.

For Emergency Services (including emergency admissions and other medically necessary care):

<u>Income Level:</u>	<u>Patient Liability:</u>
<u>Self-Pay Patients with Patient Family Income</u>	
>200% to 300% of the Federal Poverty Level	50% of Medicare Allowed Amount
>300% to 400% of the Federal Poverty Level	75% of Medicare Allowed Amount
<u>Patients with High Medical Costs and with Patient Family Income:</u>	
400% or Less of the Federal Poverty Level	The amount that would be allowed by Medicare for the same service LESS the amount paid by the patient’s insurer. If the insurer paid the Medicare allowed amount or greater, patient liability is zero.

All Remaining Services Provided by Chinese Hospital (non-emergency related):

<u>Income Level:</u>	<u>Patient Liability:</u>
<u>Self-Pay Patients with Patient Family Income:</u>	
>200% to 400% of the Federal Poverty Level	50% of Medicare Allowed Amount
<u>Patients with High Medical Costs and with Patient Family Income:</u>	
400% or Less of the Federal Poverty Level	The amount that would be allowed by Medicare for the same service LESS the amount paid by the patient's insurer. If the insurer paid the Medicare allowed amount or greater, patient liability is zero.

3. No Independent Dispute Resolution Requirement

Eligible Patients shall not be required to undergo an independent dispute resolution process to determine an appropriate discounted payment amount.

4. Charity Care

Chinese Hospital shall not seek any payment for any Eligible Services it provides to a Self-Pay Patient at or below 200 percent of the Federal Poverty Level or to a patient otherwise eligible for Charity Care.

5. Medi-Cal Denials and Restricted Medi-Cal Coverage

Medicaid beneficiaries are not responsible for any forms of patient financial liability, and all charges related to Eligible Services not covered, including all denials, by Medicaid (including Medi-Cal and other out-of-state Medicaid programs) are treated as charity care.

Some Medi-Cal plans offer coverage for a limited or restricted list of services. If a patient is a Medi-Cal patient, any charges for days or services not covered should be written off as charity care (e.g., patients that may only have pregnancy or emergency benefits, but receive other hospital care). This does not include any Share of Cost (SOC) amounts, as SOC's are determined by the state to be an amount that the patient must pay before the patient is eligible for Medi-Cal. In addition, any charges for days or services written off (excluding billing timeliness, medical records, missing invoices, or eligibility issues) as a result of a Medi-Cal denial (such as TAR denial) are charity care.

Examples of charity care to Medicaid and Medi-Cal beneficiaries may include, but are not limited to:

- Medi-Cal-pending accounts
- Medi-Cal or other indigent care program denials
- Charges related to days exceeding a length-of-stay limit
- Out-of-state Medicaid claims with "no payment"
- Line item denials

The total amount of the charges not covered must be written to Financial Assistance including the Medi-Cal contractual amount and the expected payment amount. There should be nothing remaining on the accounts to Medi-Cal for the non-covered charges.

VI. REFERENCES

42 U.S.C § 1395dd(e)

Internal Revenue Code (IRC) Section 501(c)(3) and Section 501(c)(4)

Government Code §7290 et seq.

Health & Safety Code §§ 127400 et. seq.

Health & Safety Code §1339.585.

Confidential Financial Statement (Financial Assistance Application)

Patient Name:	Date of Service:
Patient Number:	

Responsible Party

Name	Marital Status	Social Security Number
Street Address, City, State, Zip	How long at this address	Home Phone
Employer Name and Address		Business Phone
Position/Title	Monthly Income - Gross	Monthly Income – Net
Length of current employment		

SECTION A - For patients above 18 years or older only

Spouse or Domestic Partner (for patients above 18 years or older)

Name	Social Security Number	
Employer Name and Address		Business Phone
Position/Title	Monthly Income – Gross \$	Monthly Income – Net \$
Length of current employment		

Dependents under 21 years of age

Name and Date of Birth of all Dependents in household	Total Number of Dependents

SECTION B - For patients below 18 years

Parent or Caretaker Relative (for patients under 18 years)

Name		Social Security Number
Employer Name and Address		Business Phone
Position/Title	Monthly Income – Gross \$	Monthly Income – Net \$
Length of current employment		

Additional Parent or Caretaker Relative (for patients under 18 years)

Name		Social Security Number
Employer Name and Address		Business Phone
Position/Title	Monthly Income – Gross \$	Monthly Income – Net \$
Length of current employment		

Other children under 21 years of age of the parent or caretaker relative.

Name and Date of Birth of all Children in household	Total Number of Children
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SECTION C: For ALL Patients

Patient Family Income per Month

Employment Income	\$	Workers' Compensation	\$
Unemployment Benefits	\$	Child Support/Alimony	\$
Social Security	\$	Rental Income	\$
Disability	\$	Other	\$

Patient Family Expenses per Month

Mortgage / Rent Payment	\$	Own Home? (Yes / No):	
Mortgage Balance	\$		
Food	\$	Medical / Dental	\$
Utilities	\$	Doctor – Name	\$
Electric	\$	Doctor – Name	\$
Gas	\$	Doctor – Name	\$
Water / Sewer	\$	Credit Cards	\$
Trash	\$	Visa Limit	\$
Phone	\$	MasterCard Limit	\$
Cable	\$	Discover Limit	\$
Auto Payments	\$	Other Limit	\$
Auto Expenses	\$	Installment Loans	\$
Insurance	\$	Child Support / Alimony	\$
Auto Premium	\$	Miscellaneous expenses	\$
Life Insurance	\$		
Health Insurance	\$		
OFFICE USE ONLY		To my knowledge the information provided above is true. I authorize a Credit Bureau Report to be secured by the Hospital or its agent to verify my financial standing.	
Gross Income	_____		
Net Income	_____		
Total Expenses	_____		
Total Net Income/(Loss)	_____		
		_____ PATIENT/GUARANTOR SIGNATURE / DATE	

Verification of Income for Discount Care and Charity Care

- (a) For purposes of determining eligibility for **Discounted Care**, documentation of income shall be limited to two most recent paystubs or recent income tax returns.
- (b) For purposes of determining eligibility for **Charity Care**, documentation of income may include IRS Form W-2, SSA-1099, or other appropriate indicators of income. Alternatively, patients may submit documentation showing the patient's current participation in a public benefits programs including Social Security, Workers' Compensation, Unemployment Insurance Benefits, Medicaid, County Indigent Health, TANF, Food Stamps, WIC, or other similar indigence related programs.

Exhibit A



CHINESE HOSPITAL

845 JACKSON STREET, SAN FRANCISCO, CA 94133

Date

Patient/Guarantor Name
Patient/Guarantor Address

RE: Account Number:
Patient Name:
Dates of Service:
Account Balance:

- Your account has been reviewed for possible Financial Assistance. After review of all your submitted financial documentation, it has been determined you do meet eligibility guidelines for Charity Care on this account. You do not have any additional payment due.
- Your account has been reviewed for possible Financial Assistance. After review of all your submitted financial documentation, it has been determined you meet eligibility guidelines for Discounted Care on this account. (*Account Balance*) is the remaining portion, which is your responsibility to pay.
- Your account has been reviewed for possible Financial Assistance. After review of all your submitted financial documentation, it has been determined you do not meet eligibility guidelines for Financial Assistance on this account.
- We sent multiple requests for additional information to you in order to complete the review of your Financial Assistance application. Due to no response to our requests, your Financial Assistance application is denied.

If you believe this decision is an error, you have the right to submit an appeal. Your appeal must be made in writing, addressed to the Patient Financial Services Director and mailed to the address on this letter.

If you have any questions, please feel free to contact us at (415) 677-2314 or (415) 677-2308 during normal business hours.

Patient Financial Services Department
Chinese Hospital
(415) 982-2400