



Manual: Administrative Owner: Chief Financial Officer	Financial Assistance Program Charity Care/Free Care and Discount Care	<b>Policy # BUS-02-102</b>
Origination Date: 12/01/2024 Last Revised: 12/19/2024 Last Reviewed: 12/19/2024 Submitted By: Director of Patient Financial Services	<b>APPROVAL</b>  Medical Executive Committee  Governing Board	<b>Page 1 of 12</b>

## 1. Purpose

This policy describes College Medical Center-Long Beach (CMCLB) Assistance Program. Charity Care is defined as Free Care and Discount Care is defined as any charge for care that is reduced but not Free. CMCLB provides Financial Assistance to patients and families based on the standards below. This policy describes how CMCLB reviews a patient's financial resources to determine if Financial Assistance can be provided. The intent of this policy is to comply with applicable federal, state, and local laws and regulations. CMCLB does not discriminate and is fair in reviewing and assessing eligibility for Financial Assistance for community members who may need financial relief.

## 2. Overview

CMCLB is committed to providing Financial Assistance to patients of the hospital district who seek needed healthcare services but have limited, or no means, to pay for their care. Financial Assistance is comprised of Charity Care/ Free Care, and Discounted Care. CMCLB determines eligibility for Financial Assistance based on: (1) Income, (2) type of services requested, and (3) the availability of other health coverage/insurance. This policy describes the eligibility criteria and the level of Financial Assistance that will be offered to patients meeting specified criteria.

Charity Care/ Free Care, and Discounted Care are not substitutes for personal responsibility. Patients are expected to cooperate with the CMCLB procedures for obtaining Financial Assistance. Persons must help pay for the cost of their care based on their ability to pay. All patients will be notified of the Financial Assistance and how to access the Financial Assistance Application. Patients may request Financial Assistance applying with supporting documentation, as applicable. CMCLB will apply the standards in this policy to decide on each application for



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Financial Assistance and shall notify each applicant of its determination. Applicants dissatisfied with the determination can appeal the determination to CMCLB. The collection of any remaining patient billing balance shall be subject to the CMCLB billing and Collections Policy.

CMCLB provides, without discrimination, care for emergency medical conditions to individuals regardless of whether they are eligible for assistance under this policy, as detailed in Subchapter G of Chapter IV of Title 42 of the Code of Federal Regulations (or any successor regulations).

### **3. What is covered under this Financial Assistance Policy**

Financial Assistance pursuant to this Policy includes health care services provided at CMCLB.

Emergency room physicians, who provide emergency medical services at CMCLB are excluded from this policy. The emergency physicians are also required by California 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 an Emergency Room physician and are uninsured, underinsured, or have high medical costs, should contact that physician's office, and ask about their Financial Assistance policy.

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

- Not Medically Necessary Care
- Purchases from a hospitals retail operation, such as gift shops and cafeteria
- Non-hospital services, such as physician services, are not billed by the hospital.



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- Services that are not licensed hospital services or hospital affiliated clinic services.

Some Medi-Cal patients are required to pay a “Share of Cost: before Medi-Cal will pay for services. These: Share of Cost” payments are not eligible for Financial Assistance.

#### 4) Applying for Financial Assistance

##### a) Access to Financial Assistance Policy and Application

CMCLB makes 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 pays a bill or accesses information about the patient’s account, posted in hospital areas that are accessible to the public, such as emergency department, 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 Patient Financial Services Department to receive a paper copy of this policy and an application form.

An explanation of CMCLB’s Financial Assistance Policy and the related application form are available at [www.collegemedicalcenter.com](http://www.collegemedicalcenter.com)



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## b) Other Forms of Health Coverage

CMCLB 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. 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 Medi-Cal program, the California Children's Services 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, Medi-Cal or CHIP application or proof of denial is required to be eligible for Financial Assistance for outpatient health clinic services under this policy.

Financial Assistance does not relieve the patients or guarantor's responsibility to ensure payment for health care services. CMCLB expects patients to cooperate with CMCLB to find other sources of payment, or coverage, from public and/or private payment programs. The patient or guarantor is responsible for meeting the conditions of coverage of their insurance or health plan if they have third party insurance or health plan.

## c) Application Process



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To be considered for Financial Assistance under this policy, a patient or guarantor must submit a true, accurate and complete confidential Financial Assistance Application by mail.

The Financial Assistance Application may be completed in writing, which may be completed by or with the assistance of a staff or management member of the Patient Financial Service Department. The Financial Assistance Application must be accompanied by the following documentation:

- For purposes of determining eligibility for Discounted Care, documentation of income shall be limited to:
  - Federal Income Tax Return (Form 1040) for prior year or most recent pay stubs

A patient, or patients' legal representative, who requests Discounted Care or Charity Care/Free Care, shall make every reasonable effort to provide the hospital with documentation of income and health benefits coverage. These documents provided for the Application will only be used in reaching a determination of Financial Assistance and will not be used for collection activities.

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

#### **d) Notification of Financial Assistance Determination**



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Once business office at CMCLB has reviewed the Financial Assistance Application and has decided based on the eligibility requirements stated below, the facility shall 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.

### **e) Effect of Financial Assistance Determination**

If found eligible for Financial Assistance, whether Charity Care/Free Care or Discounted Care, CMCLB shall provide the individual with billing statement that states the amount the individual now owes for the care, how that amount was determined, and how the individual can get information regarding the Financial Assistance offered for the care.

If found eligible for Discounted Care, the patient may enter an extended payment plan to allow payment overtime. The hospital and the patient shall negotiate the terms of the payment plan and take into consideration the patient's Family Income and Essential Living Expenses. If the hospital and the patient cannot agree on the payment plan, the hospital shall create a payment plan where monthly payments will not be more than 10 percent of a patient's Family Income for a month, excluding deductions for Essential Living Expenses.

If appropriate, CMCLB shall refund the individual any amount over \$5.00 he or she has paid for the care (whether to CMCLB or any other party to whom CMCLB has referred the individual's debt for the care) that exceeds the amount he or she is determined to be personally responsible for paying after Financial Assistance has



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been applied plus interest. The hospital shall make any refunds under this section within 30 days of the determination of eligibility for Financial Assistance. Any interest owed by the hospital 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 the hospital.

The Financial Assistance approval and any adjustments to the amount owed will be applied to all eligible patient account balances, including those received before the application approval date. For bills received after the Financial Assistance is approved, a new Financial Assistance Application will need to be filled out if a patient is seeking Financial Assistance for those bills.

## **f) Appeal of Financial Assistance Determination**

Patients may submit a written request for reconsideration to CMCLB Patient Financial Services Department. 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 Business Office Manager or Director or his or her assigned representative will have the final level of appeal.

## **g) How to Ask for Help**



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A patient may request assistance with understanding the medical bill or in applying for Financial Assistance by calling the Patient Financial Services department. The Patient Account Representative can assist by sending the patient all information needed for Financial Assistance. The department number to call is **562-256-8314**. The Patient Account Representative hours are Monday through Friday 7:30 am to 4:00 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 <https://healthconsumer.org> for more information.

## **5) Eligibility**

The level of Financial Assistance, such as Charity Care/Free Care (no charge to the patient) or Discounted Care (a discount to the patient) is based on several factors; Family Income, patient's insurance plan and the type of services the patient received. Different discount policies apply based on the Family Income level and insurance status of the patient.

CMCLB authorizes Financial Assistance as set forth in this Policy. CMCLB's discounted amounts under this Policy are less than CMCLB Amount Generally Billed. CMCLB 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.





# COLLEGE MEDICAL CENTER

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Non-covered and denied services and related services provided to Medi-Cal eligible beneficiaries are considered a form of Charity Care/Free Care. Medi-Cal beneficiaries are not responsible for any form of patient financial liability besides “Share of Cost.” Examples of this include but are not limited to services provided to Medi-Cal beneficiaries with restricted Medi-Cal, Medi-Cal pending accounts, Medi-Cal of other indigent care programs denials, charges related to days exceeding length-of-stay limits, Medi-Cal claims (including out-of-state Medicaid claims) with “no payments,” and any service provided to a Medi-Cal eligible patient with no coverage or no payment.

**Table 1: Patient Financial Assistance Eligibility**

	<b>Emergency Medical Care and Medically Necessary Care</b>
<b>Household Income</b>	<b>Patient Responsibility</b>
200% of less of the Federal Poverty Level	Zero (Full Charity)
200% to 400% of the Federal Poverty Level	Medicare or Medi-Cal Rate (whichever is higher)
>400% of the Federal Poverty Level	No Discount



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## 6) Miscellaneous

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

## 7) 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 sections 96051.

- a) Amount Generally Billed (AGB)**-The amounts 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**- Under the CMCLB's Financial Assistance Policy, the renumbered HSC section 127405(e)(3), eligibility for discounted payments or charity care "shall" be determined at any time. The hospital "shall not impose time limits for applying for charity care or discounted payments, nor deny eligibility based on the timing of a patient's application.
- c) Charity Care/Free Care**- Free Care is provided when the patient is not expected to pay the patient's payment obligation for items and services provided by CMCLB. Charity Care/Free Care is based on financial need.
- d) Discounted Care**- A deduction from the payment obligations for items and services that is given for cash, prompt, or advanced payment, or to certain categories of patients, e.g., uninsured patients.
- e) Emergency Medical Care**- The medical screening, examination, and evaluation by a physician and surgeon, or other appropriately licensed persons under the supervision of a physician and surgeon, to determine if an emergency



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medical condition or active labor exists and, if it does, the care, treatment, and surgery, if within the scope of that persons license, necessary to relieve or eliminate the emergency medical condition, within the capability of the facility.

- f) 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.
- g) Financial Assistance-** Charity Care/Free Care or Discounted care
- h) Federal Income Tax Return-** The Internal Revenue Services (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.
- i) 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>.
- j) Family-** definition of “patient family”
  - Person 18 years of age and older, spouse, domestic partner, dependent children under 21 years of age, whether living at home or not
  - Persons under 18 years of age, parent, caretaker relatives, and other children under 21 years of age of the parent or caretaker relative.
  - Dependent children of any age, inclusion of parents when the patient is a dependent child who is not a minor.



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- k) 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.
- l) Medical 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.
- m) Patient Financial Services (PFS) Department-** The CMCLB PFS department responsible for billing, collecting, and processing payments.
- n) Patient Payments-** A health savings account held by the patient or the patient’s family member may be considered when negotiating payment plans. In addition, the patient or guarantor are required to pay the hospital any amounts sent directly to the patient by third-party payors, including from legal settlements, judgements, or awards. Medi-Cal and Medicare cost sharing amounts may be waived or reduced as part of its charity care/free care program or discount payment program.
- o) Policy-** College Medical Center-Long Beach Financial Assistance Policy