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Owner Kimberly Dillard:
Director, Revenue
Cycle

Policy Area Administrative -
Fiscal

110.030 Charity Care Policy

PURPOSE:

The Ventura County Health Care Agency (HCA), including Ventura County Medical Center (VCMC)/Santa Paula Hospital (SPH) and hospital-based clinics strive to provide compassionate, quality patient care for the community we serve. This policy demonstrates HCA's commitment to our mission and vision by helping meet the needs of low income and uninsured patients in our community.

POLICY:

VCMC, SPH, its outpatient locations and clinics, will offer a Charity Care Program for hospital and hospital clinic services to patients who meet the eligibility requirements described below, pursuant to Health & Safety Code sections 127400 through 127446. All medically necessary hospital services are eligible for the Charity Care Program, other than those provided in Federally Qualified Health Centers (FQHC), and an application can be submitted at any time. Services performed within HCA are presumed to be medically necessary unless HCA provides an attestation in advance that the services are not medically necessary.

PROCEDURE:

Eligibility for Participation in Charity Care Program

Self-Pay Patients: A patient qualifies for the Charity Care Program if all of the following conditions are met:

- The patient does not have third party coverage from a health insurer, health care service plan, Medicare or Medi-Cal as determined and documented by HCA; or

- The patient has incurred annual out-of-pocket medical costs at HCA that exceed the lesser of 10 percent of the patient's current family income or family income in the prior 12 months, or annual out-of-pocket medical expenses that exceed 10 percent of the patient's family income; and
- The patient's injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by HCA; and
- The patient's family income does not exceed 400% of the Federal Poverty Level.

HCA staff shall make reasonable efforts to obtain from the patient, or his or her representative, information about whether private or public health insurance, including eligibility for the California Health Benefit Exchange, may fully or partially cover the charges for care. If the patient does not have proof of third-party coverage, HCA staff shall provide the patient with application forms and other information explaining how the patient may be eligible for Financial Assistance and specified health coverage programs, including, but not limited to, Medi-Cal, California Children's Services, the California Health Benefit Exchange or other government-funded health care programs.

The fact that a patient is applying for any of the above described health care coverage shall not preclude such patient from applying for or qualifying for the Charity Care Program or Discount Payment Program.

Other Circumstances: A patient may also qualify for the Charity Care Program if:

- a. The patient qualifies for limited benefits under Medi-Cal, i.e., limited pregnancy or emergency benefits, but does not have benefits for other services provided at HCA.
- b. The patient qualifies for a medically indigent adult program offered by a county other than Ventura County.
- c. Reasonable efforts have been made to locate and contact the patient, such efforts have been unsuccessful, and the HCA Director or designee has reason to believe that the patient would qualify for charity or a discount (i.e., the patient is homeless).
- d. A third-party collection agency has made efforts to collect the outstanding balance and has recommended to the HCA Director or designee that charity care or a discount be offered.

Definition of Patient's Family and Determination of Family Income: The "patient's family" is defined as the following:

1. For persons eighteen (18) years of age and older,
 - a. A spouse, domestic partner and dependent children under twenty-one (21) years of age, and dependent children of any age if those children are disabled whether living at home or not;
2. For dependent persons
 - a. Under eighteen (18) or
 - b. Between eighteen (18) to twenty (20) years of age,
 - i. Parents, caretaker relatives, and other children and dependent children of the parents or caretaker relatives of any age if those children are disabled.

Documentation requirements of family income shall be limited to recent pay stubs or tax returns. Recent tax returns are tax return(s) which document a patient's income for the year in which the patient was first billed or twelve (12) months prior to when the patient was first billed. Recent paystubs are paystubs within a six (6) month period before or after the patient is first billed by HCA, or in the case of preservice, when the application is submitted. HCA may accept other forms of documentation of income but shall not require such other forms. The patient's monetary assets or the monetary assets of the patient's family may not be considered when calculating family income.

Federal Poverty Levels: The measure of 400% of the Federal Poverty Level shall be made by reference to the most up-to-date Department of Health and Human Services poverty guidelines for the number of persons in the patient's family or household. <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

Charity Care

Balances for those patients who qualify to participate in the Charity Care Program, as determined by HCA, shall be reduced to a sum equal to \$0 with the remaining balance eliminated and classified as charity care. Charity care is free care.

Resolution of Disputes

Any disputes regarding a patient's eligibility to participate in the Charity Care Program shall be directed to and resolved by the HCA Chief Financial Officer.

Notices

To ensure that patients are aware of the existence of the Charity Care Program, the following actions shall be taken:

Written Notice to Patients - Each patient who is seen at HCA, whether admitted or not, shall receive the notice attached hereto as Exhibit 1. The notice shall be provided in English and non-English languages spoken by a substantial number of the patients served by HCA.

In addition, the notice attached hereto as Exhibit 1 shall also be clearly and conspicuously posted in locations that are visible to patients in the following areas:

- Emergency Department
- Billing Office
- Admissions Office
- Other outpatient settings
- Prominently displayed on HCA's internet website with a link to the Charity Care Program

Each bill that is sent to a patient who has not provided proof of coverage by a third party at the time care is provided or upon discharge will include a statement of charges for services rendered by HCA and the notice attached hereto as Exhibit 2. The notice shall be provided in English and non-English languages spoken by a substantial number of the patients served by HCA.

Collection Activities

HCA may use the services of an external collection agency for the collection of patient debt. No debt shall be assigned for collection until the HCA Director or his/her designee has reviewed the account, and either 1) the patient has been found to be ineligible for financial assistance, or 2) the patient has not responded to any attempts to bill or offer financial assistance for 180 days. The notice attached hereto as Exhibit 3 will be provided to the patient prior to an account being assigned to an external collection agency.

HCA shall obtain an agreement from each collection agency that it utilizes to collect patient debt that the agency will comply with the requirements of Health & Safety Code Sections 127405, 127425, 127426 and 127430, Civil Code Section 1785.27 and the Charity Care Program.

Neither HCA nor any collection agency utilized by HCA shall report adverse information to a consumer credit reporting agency. HCA will not commence civil action against the patient for nonpayment at any time prior to 180 days after the initial billing if the patient lacks third party coverage, if the patient provides information that he or she may qualify for the Charity Care Program, or if the patient provides information that he or she may incur high medical costs. For purposes of determining whether a patient has high medical costs, out-of-pocket costs and expenses means any expenses for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays or Medi-Cal cost sharing.

"High medical cost" is defined as: either annual out-of-pocket medical costs incurred by the patient that exceed the lesser of ten percent (10%) of the patient's current family income or family income in the prior twelve (12) months, or annual out-of-pocket medical expenses that exceed ten percent (10%) of the patient's family income.

In addition, if a patient is attempting to qualify for eligibility under the Charity Care Program or Discount Payment Program and is attempting in good faith to settle an outstanding bill with HCA by negotiating a reasonable payment plan or making regular partial payments of a reasonable amount, HCA shall not send the unpaid bill to any collection agency unless that entity has agreed to comply with Health & Safety Code Sections 127405, 127425, 127426 and 127430, and the Charity Care Program.

Any collection agency shall comply with any payment plan entered into by a patient. HCA shall not, in working with patients eligible under the Charity Care Program or Discount Payment Program, use wage garnishments or liens on real property as a means of collecting unpaid HCA bills.

If a patient qualifies for charity/discount payment, qualification is valid going forward for twelve (12) months or until the patient's financial condition changes, and is no longer eligible for the Charity Care Program.

If a patient does not submit an application or documentation of income, HCA may presumptively determine that a patient is eligible for charity care or discounted payment based on information other

than that provided by the patient or based on a prior eligibility determination.

HCA may require a patient or guarantor to pay the entire amount of any reimbursement sent directly to the patient or guarantor by a third-party payer for HCA services. If a patient receives a legal settlement, judgment, or award under a liable third-party action that includes payment for health care services or medical care related to the injury, HCA may require the patient or guarantor to reimburse HCA for the related health care services rendered up to the amount reasonably awarded for that purpose.

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EXHIBIT I

Charity Care and Discounted Payment Program

Patients who lack insurance or have inadequate insurance, or high medical costs and meet certain low- and moderate-income requirements may qualify for discounted payments or charity care. Patients should contact the Ventura County Health Care Agency at **805-648-9553**, **vchca.org** or **VCHCA.PatientAssistance@ventura.org** to obtain further information. Emergency Department physicians, who are not employees of the hospital, must also provide a discounted payment program. Please contact **626-447-0296** for further information.

There are organizations that will help patients understand the billing and payment process. For assistance, patients may contact the Health Consumer Alliance (<https://healthconsumer.org>).

For information and eligibility for Covered California, please visit www.coveredca.com.

For Medical eligibility, please visit www.medi-cal.ca.gov.

For a list of the hospital's shoppable services, please visit https://apps.para-hcfs.com/PTT/FinalLinks/Ventura_V3.aspx. or website at vchca.org

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EXHIBIT 2

Notice to Accompany Bills to Potentially Eligible Patients

Our records indicate that you do not have health insurance coverage or coverage under Medicare, Medi-Cal, or other similar programs. If you have such coverage, please contact our office at **805-648-9553** as soon as possible so the information can be obtained and the appropriate entity billed.

If you do not have health insurance coverage, or have high medical costs, you may be eligible for Medicare, Medi-Cal, the Ventura County Health Care Agency's Discounted Payment Program, or the Charity Care Program. For more information about how to apply for Medicare, Medi-Cal, Presumptive Medi-Cal the California Health Benefit Exchange, or other similar programs, please contact the Ventura County Health Care Agency by telephone at **805-648-9553** the internet at vchca.org or via email at VCHCA.PatientAssistance@ventura.org and speak to a representative who will be able to answer questions and provide you with applications for these programs. An application for the Discount Payment Program is enclosed.

Emergency Department physicians, who are not employees of the hospital, must also provide a discounted payment program. Please contact **626-447-0296** for further information.

For additional assistance, patients may contact the Ventura County consumer assistance center toll free at **866-904-9362** or visit the Ventura County Human Services Agency website at www.vchsa.org.

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EXHIBIT 3

Notice of Commencement of Collection Activities

John Doe
123 Main Street
Ventura, CA 93001
Re: Encounter #: 2000000001
Balance: \$100.00

Dear Mr. Doe,

State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8 a.m. or after 9 p.m. In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment.

Before assigning your account to a collection agency, a newly enacted California law requires that we notify you of the following information:

The date or dates of service of this account: XX/XX/XXXX

The name of the company your account will be assigned to: California Business Bureau

How you can obtain an itemized bill from us: Please call 805-648-9553 for an itemized bill

The name and type of health care coverage on record at the time of services or a statement that the hospital does not have that information:

Applications for our Charity Care and Discount Payment Policies: See attached applications.

The date(s) you were originally sent a notice about applying for financial assistance: XX/XX/XXXX

The date(s) you were sent a financial assistance application: XX/XX/XXXX

The date a decision was made on the application if submitted: XX/XX/XXXX

Please contact us at (805-648-9553/business office) if you have any questions about this letter, or about your account/bill with us.

Respectfully
VCHCA

For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-382-4357 or online at www.ftc.gov. Patients may also contact the Ventura County consumer assistance center toll free at **866-904-9362** or visit the Ventura County Human Services Agency website at www.vchsa.org.

All Revision Dates

12/17/2024, 5/3/2023, 4/14/2023, 7/30/2019, 8/1/2017

Attachments

[Charity Care Application \[English\]](#)

[Charity Care Application \[Spanish\]](#)

Approval Signatures

Step Description	Approver	Date
Health Care Agency Finance	Michael Taylor: Chief Financial Officer, Health Care Agency	12/17/2024
Hospital Finance	Jill Ward: Chief Financial Officer, VCMC & SPH	12/17/2024
Revenue Cycle	Kimberly Dillard, Director Revenue Cycle	12/17/2024