



## **Financial Assistance Policy (Charity Care, Eligibility Procedures, Review Process)**

**Effective Date: 05/2022**

**Revised Date(s): 10/2025**

### **I. COVERAGE:**

Individuals eligible to receive Financial Assistance in the form of charity care.

### **II. PURPOSE:**

Consistent with its mission, El Camino Hospital ("ECH") strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

### **III. POLICY STATEMENT:**

ECH is committed to providing Financial Assistance to patients who are unable to pay for medically necessary care based on their individual financial situation. ECH meets the requirement of offering Charity Care or Discounted Payments to uninsured patients and patients with high medical costs whose family incomes are at or below 400 percent of the Federal Poverty Level by offering charity care (full discounted payment care) to all uninsured patients and patients with high medical costs whose family incomes are at or below 400 percent of the Federal Poverty Level. This Financial Assistance Policy ("Policy") acts as both ECH's charity care policy and discounted payment policy required pursuant to Health and Safety Code § 127405.

ECH's Financial Assistance programs are not substitutes for personal responsibility. Patients are expected to cooperate with ECH's procedures for obtaining Financial Assistance and to contribute to the cost of their care based on their ability to pay. In order to manage its resources responsibly and to allow ECH to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors approves

these guidelines for the provision of charity care.

This Policy will be posted and distributed consistent with the ECH internal procedure document entitled "Distribution of Financial Assistance Procedure".

For patients who do not qualify for Financial Assistance based on the criteria in this Policy, ECH may take the actions outlined in the "Collection Practices and Collection Agency Management" policy, which may be obtained by contacting ECH customer service staff at 650-940-7220 or 800-665-6540.

#### **IV. REFERENCE:**

Health and Safety Code §§127400-127446, 1339.585; California Code of Regulations, Title 22, §§ 70959, 96040-96050; 26 U.S.C. § 501(r); 26 C.F.R. §§ 1-501(r)(0)-1.501(r)(7).

#### **V. DEFINITIONS:**

- **Charity Care:** free care.
- **Discounted Payment:** reduced charge, but not free.
- **Eligible Services:** Financial Assistance pursuant to this Policy is only available for hospital services provided under the authority of ECH's general acute care license. This includes:
  - Emergency medical services provided in an emergency room setting
  - Services for a condition which, in the opinion of the treating physician or other health care professional, would lead to an adverse change in the health status of an individual if not treated promptly
  - 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 ECH retail operations, such as gift shops & cafeteria;
  - Physician Services that are not billed by Hospital.
  - Services that are not licensed hospital services are not covered by this Policy.
- **Essential Living Expenses:** Expenses for any of the following: rent, house payment and maintenance, food, household supplies, utilities, telephone,

clothing, medical and dental payment, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

- **Financial Assistance:** Charity Care authorized pursuant to this Policy.
- **Federal Poverty Level ("FPL"):** The Federal Poverty Level refers to 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.
- **Patient's Family:**
  - For persons 18 years of age and older: Patient's spouse, domestic partner, as defined in Section 297 of the Family Code, and dependent children under 21 years of age, or any age if disabled, consistent with Section 1614(a) of Part A of Title XVI of the Social Security Act, whether living at home or not.
  - For persons under 18 years of age or for a dependent child 18-20 years of age: Patient's parent, caretaker relatives, and parent's or caretaker relatives' other dependent children under 21 years of age, or any age, if disabled, consistent with Section 1614(a) of Part A of Title XVI of the Social Security Act.
- **Patient with High Medical Costs:** A patient whose family income does not exceed 400 percent of the FPL, and meeting any of the following:
  - Annual out-of-pocket costs incurred by the patient at the hospital that exceed the lesser of 10 percent of the patient's current family income or family income in the prior 12 months. Out-of-pocket costs 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.
  - Annual out-of-pocket expenses that exceed 10 percent of the patient's 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. Out-of-pocket 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.

## **VI. PROCEDURE:**

### **A. Eligibility for Financial Assistance (Charity Care)**

ECH provides full Charity Care to uninsured patients whose family incomes are at or below 400% of the FPL or patients with high medical costs whose family incomes are at or below 400% of the Federal Poverty Level. This means eligible patients won't owe anything after insurance or other help is applied. Their accounts won't be sent to collections or reported to credit agencies.

### **B. Process to Determine Eligibility for Financial Assistance.** Patients or their families need to cooperate with ECH to determine eligibility. Those requesting Charity Care or other financial help must provide documentation of their income and health benefits.

#### **1. Application.** Eligibility will be determined in accordance with the following procedures to ensure a good faith assessment of the patient's Family Income. Each patient seeking Financial Assistance must submit a completed Charity Care Program Application ("Application") by e-mail, fax, or mail as specified in the Application. Each Application must include proof of income in the form of:

Recent tax returns (meaning tax returns that document a patient's income for the year in which the patient was first billed or 12 months prior to when the patient was first billed);

**or**

Recent pay stubs (meaning paystubs within a 6-month period before or after the patient was first billed by ECH, or in the case of preservice, when the Application is submitted).

Other forms of documentation of income are acceptable, but not required. Assets are not considered in determining eligibility for Charity Care pursuant to this Policy. 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.

A patient, or patient's legal representative, who requests Financial Assistance shall make every reasonable effort to provide the hospital with documentation of income and health benefits coverage. ECH may consider the failure to provide this information in

making its determination.

**2. Family Income.** ECH will determine the income of a Patient's Family in accordance with federal poverty guidelines and consistent with the following:

- a. Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Disability Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources for the Patient's Family as defined above;
- b. Excludes non-cash benefits (such as food stamps and housing subsidies), Supplemental, Security Income, veteran disability payments, alimony, workers' compensation, and child support;
- c. Determined on a before-tax basis;
- d. Excludes capital gains or losses; and
- e. Considers health savings accounts ("HSAs") to the extent permitted by law.

**3. Eligibility.** In determining eligibility, ECH will:

- a. Document reasonable efforts by ECH to explore appropriate alternative sources of payment and coverage from public and private health insurance or sponsorship, such as Covered California plans, Medicare, or Medi-Cal, and to assist patients to apply for such programs. However, if the patient applies, or has a pending application for another health coverage program at the same time that he or she applies for ECH's Financial Assistance, neither application shall preclude eligibility for the other program. The patient shall not be required to apply for Medicare, Medi-Cal, or other coverage before the patient is screened for, or provided, Financial Assistance. However, when screening for eligibility for Financial Assistance, ECH may require the patient to participate in a screening for Medi-Cal eligibility. Eligibility for Financial Assistance will not be conditioned on applying for other coverage programs. However, if a patient qualifies for Financial Assistance and later enrolls in Medi-Cal, ECH may bill Medi-Cal in full.

- b. Review the patient's outstanding accounts for any open accounts that may also be eligible for Charity Care for the approval timeframe.

**4. Presumptive Eligibility.** ECH reserves the discretion to grant presumptive Charity Care for individuals who are unable to complete the Application or provide financial information by making a good faith effort to determine income from the patient's address, based on Experian presumptive eligibility tool, or based on prior eligibility determination. Presumptive eligibility is granted on the authority of the Chief Financial Officer or his/her/their designee.

**5. Medi-Cal (Medicaid) Denials.** Non-covered and denied Eligible Services provided to Medi-Cal eligible beneficiaries are considered a form of charity care. Medicaid beneficiaries are not responsible for any forms of patient financial liability, and all charges related to Eligible Services not covered, including all denials, are charity care. Examples may include, but are not limited to:

- a. Services provided to Medi-Cal beneficiaries with restricted Medi-Cal (i.e., patients that may only have pregnancy or emergency benefits, but receive other hospital care)
- b. Medi-Cal pending accounts
- c. Medi-Cal or other indigent care program denials
- d. Charges related to days exceeding a length-of-stay limit
- e. Out-of-state Medicaid claims with "no payment"
- f. Line item denials.

**6. Changed Circumstances.**

- a. 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 ECH with the updated information. ECH will consider the patient's changed circumstances in determining eligibility for Charity Care for services first billed in the year of newly submitted tax returns or the following year or services first billed six months before or after submitted paystubs.
- b. If a patient who previously was awarded Charity Care

becomes eligible for Medicare, Medi-Cal or other third-party coverage for the dates of service, ECH will follow its standard Billing and Collection Policy for billing Third Party Payers.

- c. Eligibility for Financial Assistance shall be reevaluated every 12 months or at any time additional information relevant to the eligibility of the patient becomes known. If such information does change, it is the patient's responsibility to notify ECH of the updated information.
- d. ECH's values of respect and integrity shall be reflected in the application process, eligibility determination and granting of charity care write-off. Requests for Charity Care shall be processed promptly, and ECH shall notify the patient or applicant in writing of its decision on a completed application.
- e. ECH may deny an application for Financial Assistance and/or may reverse previously approved Financial Assistance if it learns of information which it believes supports a conclusion that information previously provided was inaccurate. In addition, ECH may elect to pursue legal actions against persons who knowingly misrepresented their financial condition, as required by the application requirements above.

## **7. Timeline for Application for Financial Assistance**

- a. ECH shall accept and process an application at any time. Patients will not be denied Financial Assistance solely because of when the application is submitted.
- b. When a patient submits an incomplete application, ECH shall notify the individual about how to complete the application and give the patient a reasonable opportunity to do so.
- c. When a patient submits a complete application, ECH shall determine whether the individual is eligible for Financial Assistance.
- d. Eligibility determination may be done at any point.
- e. ECH shall notify the patient in writing of the

determination and the basis for the determination.

**8. Effect of Financial Assistance Determination.** If found eligible under this Policy, ECH shall adjust the patient's outstanding balance for the services subject to Financial Assistance to zero. Financial Assistance is applicable as follows: (1) if tax returns are submitted with the Application, the services first billed in the year covered by the tax return or the following year; or (2) if paystubs are submitted with the Application, the services first billed in the six months before or after the paystubs. If appropriate, ECH shall refund the individual any amount he or she has paid for the care (whether to the hospital facility or any other party to whom the hospital facility has referred or sold 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 been applied. ECH 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. However, ECH may choose not to reimburse the patient if ECH determines the patient would have qualified for Financial Assistance at the time the patient was first billed and it has either (i) been five years or more since the last payment to the hospital, assignee or debt buyer or (ii) the patient's debt was sold before January 1, 2022, in accordance with the law at the time.

**9. Review of Determination of Application.** In the event of a dispute, a patient may seek review from the Chief Financial Officer by submitting an appeal by e-mail, fax, or mail to the address/phone number specified in the Application.

### **C. Other Provisions**

**1.** ECH 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 ECH 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, and by plain language summaries provided in writing to all patients.



Information regarding financial assistance programs and free copies of the Financial Assistance Policy and Application are available by mail or by calling ECH's customer service staff at 650-940-7220 or 800-665-6540. ECH shall ensure that this Policy is translated into each language spoken by the lesser of 1,000 people or five percent of the population that resides ECH's service area and is made accessible by interpretation or alternative formats to ensure access for limited English proficient and disabled individuals.

2. Any contracted emergency department physician or surgeon who provides emergency medical services at ECH 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 ECH.
3. A full list of physicians at ECH is available at <https://www.getcare.elcaminohealth.org/providers>.
4. ECH shall provide, without discrimination, care for emergency medical conditions to patients regardless of their eligibility under this Policy.
5. A patient shall not be denied Financial Assistance that would be available pursuant to the ECH policy published on the HCAI's internet website at the time of service.
6. ECH shall maintain all records (including, but not limited to, claims, invoices, bills, litigation, notices, contracts, contact information, debt collections) relating to money owed to the hospital by a patient or a guarantor of the patient for at least 5 years.
7. This Financial Assistance Policy authorizes full Charity Care. State law requires the negotiation of extended payment plans for patients that qualify for Discounted Payment, taking into account the patient's family income and essential living expenses, with a default to a reasonable payment plan with monthly payments capped at no more than 10% of family income, after excluding essential living expenses. Patients eligible for Charity Care have no balances left to

apply extended or reasonable payment plans.

8. Patients that are eligible for Financial Assistance shall not be charged more than the amounts generally billed (“AGB”) for emergency or other medically necessary care. ECH adopts the look-back method for the AGB. ECH determines AGB by multiplying the gross charges for any emergency or other medically necessary care it provides by AGB percentages, which are based on claims allowed under Medicare.

In implementing this Policy, ECH shall comply with all federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy, including Health and Safety Code sections 127400-127446 and 1339.585.

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