I. PURPOSE:

The purpose of the policy is to provide patients with information on the Financial Assistance (Charity Care) available at Sharp HealthCare hospital facilities and to outline the process for determining eligibility for Financial Assistance.

II. POLICY:

It is the policy of Sharp HealthCare to provide patients with understandable written information regarding Financial Assistance to provide income-based Financial Assistance (Charity Care) to qualified patients.

III. SCOPE:

This policy applies to all licensed hospital facilities operated by Sharp HealthCare, and all other hospitals in which Sharp HealthCare and/or an Affiliated Entity has a direct or indirect voting control or equity interest of greater than 50% and provides emergency services, (hereafter referred to as “Hospital” or “Sharp HealthCare Hospitals” (as listed in Appendix G). Unless otherwise specified, this policy does not apply to physicians or other medical providers, including emergency room physicians, anesthesiologists, radiologists, hospitalists, pathologists, etc., whose services are not included in a Hospital’s bill. This policy does not create an obligation for the Hospital to pay for such physicians’ or other medical providers’ services. In California, an emergency physician who provides emergency services in a hospital is required to provide discounts to uninsured patients or patients with high medical costs who are at or below 500 percent of the federal poverty level.

IV. DEFINITIONS:

**Flat Rate/Package/Complex/Specialized/Elective Services:** “Complex/Specialized Services” are services that Sharp HealthCare or a Hospital determines are complex and specialized (e.g., transplants, experimental and Investigational services) as well as certain services that are typically excluded from coverage under health plan coverage agreements (e.g., elective procedures).
Federal Poverty Level (FPL): The “Federal Poverty Level” or “FPL” is the measure of income level that is published annually by the United States Department of Health and Human Services (HHS) and is used by Hospitals for determining eligibility for Financial Assistance.

Financial Assistance: “Financial Assistance” refers to Full and Partial Charity Care and High Medical Cost Charity Care (as outlined in section A.1 Eligibility).

Hospital Services: “Hospital Services” are all services that a Hospital is licensed to provide, including emergency and other medically necessary care (excluding Complex/Specialized or Elective Services).

Primary Language of Hospital’s Service Area: A “Primary Language of Hospital’s Service Area” is a language used by the lesser of 1,000 people or 5% of the community served by the Hospital based upon the most recent Community Health Needs Assessment performed by Hospital.

Uninsured Patient: An “Uninsured Patient” is a patient who has no third-party source of payment for any portion of their medical expenses, including without limitation, commercial or other insurance, government sponsored healthcare benefit programs, or third party liability, and includes a patient whose benefits under all potential sources of payment have been exhausted prior to an admission.

Insured Patient: An “Insured Patient” is a patient who has a third-party source of payment for a portion of their medical expenses.

Patient Responsibility: “Patient Responsibility” is the amount that an Insured Patient is responsible to pay out-of-pocket after the patient’s third-party coverage has determined the amount of the patient’s benefits.

V. PROCEDURES:

A. ELIGIBILITY

1. Eligibility Criteria: During the application process set forth in sections B and C below, Hospitals shall apply the following eligibility criteria for Financial Assistance:

<table>
<thead>
<tr>
<th>Financial Assistance Category</th>
<th>Patient Eligibility Criteria</th>
<th>Available Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FULL CHARITY CARE</td>
<td>Patient is an Uninsured Patient with a Family Income (as defined below) at or below 200% of the most recent FPL.</td>
<td>Full write off of all charges for Hospital Services.</td>
</tr>
<tr>
<td>PARTIAL CHARITY CARE</td>
<td>Patient is an Uninsured Patient with a Family Income (as defined below) greater than 200% but less than 500% of the most recent FPL.</td>
<td>Partial write off of all charges for Hospital Services.</td>
</tr>
<tr>
<td>HIGH MEDICAL COST CHARITY CARE (for Insured Patients)</td>
<td>1. Patient is an Insured Patient with a Family Income (as defined below) at or below 500% of the most recent FPL; and 2. Medical expenses for themselves or their family (incurred at the Hospital or paid to other providers in the past 12 months) exceed 10% of the patient’s Family Income.</td>
<td>A full or partial write off of the Patient Responsibility amount for Hospital Services.</td>
</tr>
</tbody>
</table>
2. **Calculating Family Income**: To determine a patient’s eligibility for Financial Assistance, the Hospital shall first calculate the patient’s Family Income, as follows:

   a. **Patient Family**: The Patient Family shall be determined as follows:

      (i) **Adult Patients**: For patients over 18 years of age, the Patient Family includes their spouse, domestic partner, and dependent children less than 21 years of age, whether living at home or not.

      (ii) **Minor Patients**: For patients under 18 years of age, the Patient Family includes their parents, caretaker relatives, and other children less than 21 years of age of the parent(s) or caretaker relatives.

   b. **Proof of Family Income**: Patient shall only be required to provide recent pay stubs, bank statements or tax returns as proof of income. Family Income is annual earnings of all members of the Patient Family from the prior 3 months or prior tax year as shown by the recent pay stubs, bank statements or income tax returns, less payments made for alimony and child support. Income included in this calculation is every form of income, e.g., salaries and wages, retirement income, near cash government transfers like food stamps, and investment gains. Annual income may be determined by annualizing year-to-date Family Income. Sharp HealthCare may validate income by using external presumptive eligibility service providers. Provided that such service only determines eligibility using only information permitted by this policy.

   c. **Calculating Family Income for Expired Patients**: Expired patients, with no surviving spouse, may be deemed to have no income for purposes of calculation of Family Income. Documentation of income is not required for expired patients; however, documentation of estate assets may be required.

3. **Calculating Family Income as a Percentage of FPL**: After determining Family Income, Hospital shall calculate the Family Income level in comparison to the FPL, expressed as a percentage of the FPL. For example, if the federal poverty level for a family of three is $20,000, and a patient’s Family Income is $60,000, the Hospital shall calculate the patient’s Family Income to be 300% of the FPL. Hospitals shall use this calculation during the application process to determine whether a patient meets the income criteria for Financial Assistance.

4. **Financial Assistance Exclusions/Disqualification**: The following are circumstances in which Financial Assistance is not available under this policy:

   a. **Uninsured Patient seeks Flat Rate/Packages/Complex/Specialized/Elective Services**: Generally, Uninsured Patients who seek Flat Rate/Packages/Complex/Specialized or Elective services (e.g. transplants, experimental or investigational procedures), and seek to receive Financial Assistance for such services, must receive administrative approval from the individual responsible for finance at the Hospital (or designee) prior to the provision of such services in order to be eligible for Financial Assistance. Hospitals shall develop a process for patients to seek prior administrative approval for services that require such approval. Elective services that are normally exclusions from coverage under health plan coverage agreements (e.g., cosmetic procedures) are not eligible for Financial Assistance.

   b. **Patient declines covered services**: An Insured Patient who elects to seek services that are not covered under the patient’s benefit agreement (such as an HMO patient who seeks out-of-network services from Sharp HealthCare, or a patient refuses to transfer from a Sharp HealthCare hospital to an in-network facility) is not eligible for Financial Assistance.
c. **Payer pays patient directly:** If a patient receives payment for services directly from an indemnity, Medicare Supplement, or other payer, the patient is not eligible for Financial Assistance for the services.

d. **Information falsification:** Hospitals may refuse to award Financial Assistance to patients who falsify information regarding Family Income, household size or other information in their eligibility application.

e. **Third Party Recoveries:** If the patient receives a financial settlement or judgment from a third-party payor that caused the patient’s injury; the patient must use the settlement or judgment amount to satisfy any patient account balances. All Third Party benefits/monies must be exhausted prior to being considered for Financial Assistance.

f. **Professional (physician) Services:** Services of physicians such as anesthesiologists, radiologists, hospitalists, pathologists, etc. are not covered under this policy. Any exceptions are set forth in Exhibit A. Many physicians have charity care policies that allow patients to apply for free or discounted care. Patients should obtain information about a physician’s charity care policy directly from their physician.

**B. APPLICATION PROCESS**

1. Each Sharp HealthCare facility shall make all reasonable efforts to obtain from the patient or his or her representative information about whether private or public health insurance may fully or partially cover the charges for care rendered by the Hospital to a patient. A patient who indicates at any time the financial inability to pay a bill for Hospital Services shall be evaluated for Financial Assistance. In order to qualify as an Uninsured Patient, the patient or the patient’s guarantor must verify that he or she is not aware of any right to insurance or government program benefits that would cover or discount the bill. All patients should be encouraged to investigate their potential eligibility for government program assistance if they have not already done so.

2. Patients who wish to apply for Financial Assistance shall use the Sharp HealthCare standardized application form, the “Application for Financial Assistance”, Exhibit B.

3. Patients may request assistance with completing the Application for Financial Assistance in person at the Sharp HealthCare Hospitals listed on Exhibit A, over the phone at (858)499-2400, through the mail, or via the Sharp HealthCare website (www.Sharp.com/billing/financial-assistance.cfm).

4. Patients should mail Applications for Financial Assistance to Sharp HealthCare 8695 Spectrum Center Blvd. San Diego, CA 92123 Attn: Charity Care Application.

5. Patients should complete the Application for Financial Assistance as soon as possible after receiving Hospital Services. Failure to complete and return the application within 240 days of the date the Hospital first sent a post-discharge bill to the patient may result in the referral to an outside collection agency.

**C. FINANCIAL ASSISTANCE DETERMINATION**

1. The Hospital will consider each applicant’s Application for Financial Assistance and grant Financial Assistance when the patient meets the eligibility criteria set forth in section A.1 and has received (or will receive) Hospital Service(s).

2. Patients also may apply for governmental program assistance, which may be prudent if the particular patient requires ongoing services.
a. The Hospital should assist patients in determining if they are eligible for any governmental or other assistance, or if a patient is eligible to enroll with plans in the California Health Benefit Exchange (i.e. Covered California).

b. If a patient applies, or has a pending application for another health coverage program at the same time that he or she applies for Financial Assistance, the application for coverage under another health coverage program shall not preclude the patients’ eligibility for Financial Assistance.

3. Once a Full/partial Charity Care determination has been made, a “Notification Form” (Exhibit D) will be sent to each applicant advising them of the Hospital's decision.

4. Patients are presumed to be eligible for Financial Assistance for a period of 90-days after the Hospital issues the Notification Form to the patient. After 90- days, patients must re-apply for Financial Assistance.

5. If the Financial Assistance determination creates a credit balance in favor of a patient, the refund of the credit balance shall include interest on the amount of the overpayment from the date of the patient’s payment at the statutory rate (10% per annum) pursuant to California Health and Safety Code section 127440, provided that Hospitals are not required to refund a credit balance that is, together with interest, less than five dollars ($5).

D. DISPUTES

A patient may appeal any decision by the Sharp HealthCare Hospital to deny Financial Assistance by notifying the individual responsible for finance at the Hospital or designee, of the basis of the dispute and the desired relief within thirty (30) days of the patient receiving notice of the circumstances giving rise to the dispute. Patients may submit the dispute orally or in writing. The individual responsible for finance at the Hospital or designee shall review the patient’s dispute as soon as possible and inform the patient of any decision in writing. Disputes are also accepted via telephone at (858) 499-2400.

E. AVAILABILITY OF FINANCIAL ASSISTANCE INFORMATION

1. Languages: This Policy shall be available in the Primary Language(s) of Hospital’s Service Area. In addition, all notices/communications provided in this section shall be available in Primary Language(s) of Hospital’s Service Area and in a manner consistent with all applicable federal and state laws and regulations.

2. Information Provided to Patients During the Provision of Hospital Services:

a. Preadmission or Registration: During preadmission or registration (or as soon thereafter as practicable) Hospitals shall provide all patients with a copy of Exhibit E, which includes a plain language summary of the Financial Assistance policy and also contains information regarding their right to request an estimate of their financial responsibility for services. Hospitals shall identify the department patients can visit to receive information about, and assistance with applying for, Financial Assistance.

b. Financial Assistance Counselors: Patients who may be Uninsured Patients shall be assigned Financial Counselors, who shall attempt to visit with the patients in person at the hospital. Financial Counselors shall give such patients a Financial Assistance application, as well as contact information for hospital personnel who can provide additional information about this Financial Assistance policy, and assist with the application process.

c. Emergency Services: In the case of emergency services, Hospitals shall provide all
patients a plain language summary of the Financial Assistance policy as soon as practicable after stabilization of the patient’s emergency medical condition or upon discharge.

d. **Applications Provided at Discharge:** At the time of discharge, Hospitals shall provide all Patients with a copy of Exhibit E, which includes a plain language summary of Financial Assistance policy and all Uninsured Patients with applications for Medi-Cal and California Children’s Services or any other potentially applicable government program.

3. **Information Provide to Patients at Other Times:**

   a. **Contact Information:** Patients may call 1-(858) 499-2400 or contact the Hospital department listed on Exhibit G to obtain additional information about Financial Assistance and assistance with the application process.

   b. **Billing Statements:** Hospitals shall bill patients in accordance with the Sharp HealthCare Billing, Collections and Bad Debt Review Policy. Billing statements to patients shall include Exhibit E, which contains a plain language summary of the Financial Assistance policy, a phone number for patients to call with questions about Financial Assistance, and the website address where patients can obtain additional information about Financial Assistance including the Financial Assistance Policy, a plain language summary of the policy, and the Application for Financial Assistance. A summary of your legal rights is included in Exhibit F, and also included on the patient’s final billing statement.

   c. **Upon Request:** Hospitals shall provide patients with paper copies of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy upon request and without charge.

4. **Publicity of Financial Assistance Information:**

   a. **Public Posting:** Hospitals shall post copies of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy in a prominent location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including but not limited to the waiting rooms, billing offices, and hospital outpatient service settings. These public notices shall include information about the right to request an estimate of financial responsibility for services.

   b. **Website:** The Financial Assistance Policy, Application for Financial Assistance and plain language summary shall be available in a prominent place on the Sharp HealthCare website (www.sharp.com/billing/financial-assistance.cfm). Persons seeking information about Financial Assistance shall not be required to create an account or provide any personal information before receiving information about Financial Assistance.

   c. **Mail:** Patients may request a copy of the Financial Assistance Policy, Application for Financial Assistance and plain language summary is sent by mail, at no cost to the Patient.

   d. **Advertisements/Press Releases:** As necessary, and at least on an annual basis Sharp HealthCare will place an advertisement regarding the availability of Financial Assistance at Hospitals in the principal newspaper(s) in the communities served by Sharp HealthCare, or when doing so is not practical, Sharp HealthCare will issue a Press Release containing this information, or use other means that Sharp HealthCare concludes will widely publicize the availability of the policy to affected patients in our communities.

   e. **Community Awareness:** Sharp HealthCare will work with affiliated organizations,
F. MISCELLANEOUS

1. **Recordkeeping:**
   Records relating to Financial Assistance must be readily accessible. Hospital must maintain information regarding the number of Uninsured Patients who have received services from hospital, the number of Financial Assistance applications completed, the number approved, the estimated dollar value of the benefits provided, the number of applications denied, and the reasons for denial. In addition, notes relating to a patient’s approval or denial for Financial Assistance should be entered into the patient’s account.

2. **Payment Plans:**
   Patients may be eligible for a payment plan. Payment plan shall be offered and negotiated per the Sharp HealthCare Hospital Billing, Collections and Bad Debt Review Policy.

3. **Billing and Collections:**
   Hospitals may employ reasonable collection efforts to obtain payment from Patients. Information obtained during the application process for Financial Assistance may not be used in the collection process, either by Hospital or by any collection agency engaged by Hospital. General collection activities may include issuing patient statements, automated phone calls, and referrals of statements have been sent to the patient or guarantor. Copies of the Hospital Billing, Collections and Bad Debt Review Policy may be obtained without charge on the Sharp.com/billing/financial-assistance.cfm website at www.sharp.com, by calling 1 (858) 499-2400 or within the Hospital Patient Registration, Patient Financial Services offices and the Emergency Department.

4. **Submission to OSHPD:**
   Sharp HealthCare Hospitals will submit Financial Assistance policies to the Office of Statewide Planning and Healthcare Development (OSHPD). Policies can be located on the OSHPD website located here: [https://syfphr.oshpd.ca.gov/](https://syfphr.oshpd.ca.gov/)

5. **Amounts Generally Billed:**
   In accordance with Internal Revenue Code Section 1.501(r), Sharp HealthCare adopts the prospective Medicare method for amounts generally billed; however, patients who are eligible for financial assistance are not financially responsible for more than the amounts generally billed because eligible patients do not pay any amount 140% of Medicare.

VI. **REFERENCES:**

A. Internal Revenue Code Section 501 (r)
B. 26 Code of Federal Regulations 1.501 (r) - 1.50(r) – 7
C. California Health and Safety Code section 12700 – 127446

VII. **CROSS REFERENCES:**

A. Post Charity Review Procedure
B. Policy 35033 Transfer: Emergency Treatment and Transfer (COBRA-EMTALA)
C. Policy 15603.99 Discounts
D. Policy 15801 Billing, Collections and Bad Debt Review

VIII. **ATTACHMENTS:** (Control + Click on attachment name to access and/or print)

A. Provider/Physician Emergency Room Contacts
IX. APPROVALS:

A. PFS Policy and Procedure Committee - 12/94, 2/95, 5/98; 12/03, 03/04; 10/04; 11/05; 02/06; 03/06; 01/07; 07/07; 08/07; 04/08; 06/08; 02/11; 12/12; 03/13; 02/14; 04/14; 12/14; 03/15
B. System Policy & Procedure Steering Committee – 04/04/96
C. Legal Affairs Department - 12/03, 03/04; 03/13


XI. HISTORY: System #15602.99; originally dated 3/96
Reviewed/Revised: 03/99; 06/01; 12/03-revised & removed CCD’s; 03/04; 10/04-updated attachment;
11/05; 02/06; 01/07; 07/07; 08/07; 05/08; 06/08 - updated attachments; 02/11; 07/12-updated attachments;
03/13; 02/14 – updated attachments; 04/14; 12/14; 03/15, 06/16