

POLICY TITLE: Discounted Payment and Charity Care Program	
DISTRIBUTION: Organization, Website, OSHPD, Bad Debt Agencies	PAGE: 1 of
EFFECTIVE DATE: 02.01.2022	NEXT REVIEW DATE: 12.01.2022
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AUTHOR/OWNER: Karen Dostart, Director Hospital Patient Billing & Payer Contracting	APPROVED BY:

SCOPE: Registration/ Front Desk/Business Office Reception/Financial Counselors/ General Support Scanner

POLICY STATEMENT: Outlines Marshall Medical Center’s (MMC) policy and procedure to define the eligibility criteria for discounted payment and charity care services, administrative, and accounting guidelines for the identification, classification, and reporting of patient accounts as discounted payments or charity care.

SUPPORTIVE

INFORMATION: It is Marshall’s intention to ensure that every patient of Marshall will be presented before discharge and at time of billing with written notice that includes information regarding the availability of Marshall Discounted Payment and Charity Care Program, including information about eligibility, as well as contact information for a hospital office from which the person may obtain further information about these policies.

Marshall is committed to providing, without discrimination, care for emergency medical conditions to our patients regardless of their eligibility under this Discounted Payment and Charity Care Program. Requests for financial assistance may be made verbally or in writing at any point before, during or after the provision of care.

An emergency physician who provides emergency medical services at Marshall is 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.

Discounted Payment and full Charity Care will each be based on the individual’s ability to pay as defined by California State AB774,532,1020, SB1276, IRS 501(r), the Federal Poverty Family Income Guidelines, and the attached sliding scale. Following a determination of eligibility, an eligible individual will not be charged more for emergency or other medically necessary care than the amounts generally billed to individuals who have insurance covering such care.

Confidentiality of information and individual dignity will be maintained for aa that seek Discounted Payment or Charity Care under these policies. The handling of personal health information will meet all HIPAA requirements.

DEFINITIONS:

Amounts Generally Billed (AGB)

The maximum amount billed by Marshall Medical Center to individuals eligible for Discounted Payment or charity care, as determined by this policy.

Marshall determines AGB using a method allowed by federal regulations, namely the “Medicare Prospective” method. The prospective method requires the facility to estimate the amount it would be paid by Medicare for the emergency or other medical necessary care as if the FAP eligible individual were a Medicare fee-for-service beneficiary. The term “Medicare fee-for-service” includes only health insurance available under Medicare parts A and B of Title ZXVII of the Social Security Act (42 U.S.C. 1395c through 1395w-5) and not health insurance plans administered under Medicare Advantage. In rare cases where the Medicare rate is more than billed charges, the discount will be based on the Medi-Cal APR-DRG or fee-for-service fee schedule at the time of service. Any questions should be directed to the Financial Counselors at 530-626-2618.

Catastrophic Adjustment

When any patient’s single visit responsibility exceeds \$50,000.00 the balance above \$50,000.00 will be discounted by 50% as catastrophic adjustment automatically by the Financial Counselor upon final bill. Patients are not required to apply for this program to be entitled to this 50% over \$50,000.00 discount. If the patient applies and qualifies for the Discounted Payment and Charity Care Program, the remaining balance will receive the appropriate reduction in addition to the catastrophic adjustment.

Charity Care (no charge to the patient):

Is defined as health care services provided at no charge to the Patient. Patients without insurance coverage or the inability to obtain insurance coverage and the inability to pay are eligible for this discount.

Charity Care Limited Scope (based on emergency and medical necessary care vs. non-emergency non-medically necessary care):

Is defined as health care services provided at no or reduced charge to the Patient. Patients must have “limited scope Medi-Cal benefits” and the inability to pay to be eligible for this discount.

Collection Agency:

Attempts to collect payment for an overdue debt on behalf of Marshall Medical Center. The agency will make a report to a credit bureau of the unpaid debt no sooner than 180 days from the first statement to the patient/guarantor.

Deceased Patients:

Discounted Payment and Charity Care

A patient that has expired and has no living spouse / guardian, and does not have an estate that a creditor's claim filed against will be considered automatically covered as charity care. Validation will be secured through verification of marital status and court research of estate notices.

Discounted Payment:

Is defined as health care services provided as a reduced charge, based on the patient's financial situation, under this policy, and has an inability to pay the total liability.

Eligible Balance:

The balance stated in the appropriate patient billing system as the patients' responsibility at the time of application. Approved discount payment or charity care will not reduce an amount previously paid by the patient or their designee on behalf of the patients' debt.

Emergency Medical Care:

Refers to Emergency Services and Care required to stabilize a patient's medical condition initially provided in the emergency department or otherwise classified as "emergency services" under the federal EMTALA Law or Section 1317.1 et.seq of the California, Health & Safety Code, and continuing until the patient is medically stable and discharged, transferred, or otherwise released from treatment.

Essential Living Expenses: (Attachment C)

Are defined as rent or house payment and maintenance; food and household supplies; utilities and telephone; clothing; medical and dental payments; 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.

Extraordinary Collection Action (ECA):

A list of collection activities, as defined by the IRS and Treasury, that healthcare organizations may only take against an individual to obtain payment for care after reasonable efforts have been made to determine whether the individual is eligible for financial assistance.

- Placing a lien on an individual's property.
- Foreclosing on real property.
- Attaching or seizing an individual's bank account or other personal property.
- Commencing a civil action against an individual or writ of body attachment for civil contempt.
Causing an individual's arrest.
- Garnishing wages.
- Reporting adverse information to a credit agency.
- Deferring or denying medical necessary care because of nonpayment of a bill for previously provided care under this policy.
- Requiring a payment before providing medical necessary care because of outstanding bills for previously provided care.

Federal Poverty Level: (Attachment A)

Discounted Payment and Charity Care

The poverty guidelines for families are updated periodically in the Federal Register by the United States Department of Health and Human Services under the authority of subsection (2) of Section 9902 of Title 42 of the United States Code. [HHS Federal Poverty Guidelines](#)

Financially Qualified Resident Patients:

Applies to a patient who is a resident of Marshall Medical Center's service area (see service area definition) and has a family income that does not exceed 450 percent of the federal poverty level and has completed and submitted an application, and review of the application by Marshall shows that the individual qualifies for either Discounted Payment or Charity Care.

Financially Qualified Non-resident Patient:

Applies to a patient who is not a resident of Marshall Medical Center's service area and has a family income that does not exceed 450 percent of the federal poverty level and has completed and submitted an application, and review of the application by Marshall shows that the individual qualifies for either Discounted Payment or Charity Care *will be granted for emergency and medically necessary services only.*

Financially Qualified Non-resident Patient Marshall Medical Center Employee:

Applies to a patient who is not a resident of Marshall Medical Center's service area and has a family income that does not exceed 450 percent of the federal poverty level and has completed and submitted an application, and review of the application by Marshall shows that the individual qualifies for either Discounted Payment or Charity Care.

High Medical Cost:

Applies to patients whose family income does not exceed 450 percent of the federal poverty level. A High Medical Cost discount may be applied to services for insured and uninsured patients. Insured patients are eligible for discounts to their liability, including copayment, coinsurance and deductible amounts. For these purposes "high medical costs" is defined to mean any of the following:

- Annual out-of-pocket costs at Marshall Medical Center that exceed the individual the lesser of ten (10)% of the patient's current income or family income in the prior 12 months.
- Annual out-of-pocket costs at Marshall Medical Center that exceed 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.
- A lower level determined by the hospital in accordance with the Marshall's Discounted Payment and Charity Care Policy.

Homeless Patients

As defined by the U.S. Department of Housing and Urban Development (HUD) definition of "homeless", "at risk of homelessness", and "chronically homeless". Patients without a payment source are automatically classified as charity if they do not have a job, mailing address, residence, or insurance. Consideration must also be given to classifying emergency room only patients who do not provide adequate information as to their financial status. In many instances, these patients are homeless and have few resources to cover the cost of their care. Certification of Homelessness must be signed. (Attachment F)

Included Providers:

The Marshall Medical Center Foundation Providers whether providing emergency or medically necessary care in the hospital or clinic setting are qualified services and covered under this policy.

Marshall Family & Internal Medicine-Cameron Park	530-672-7000
Marshall Family & Internal Medicine – Placerville	530-626-2920
Marshall Cardiology – Cameron Park- Placerville	530-626-9488
Marshall Podiatry – Cameron Park	530-672-7040
Marshall Sierra Primary Medicine – Placerville	530-621-3600
Marshall Orthopedics & Sports Medicine- El Dorado Hills	916-805-2320
Marshall Urology –Placerville	530-626-9488
Marshall OB/GYN – Cameron Park	530-672-7060
Marshall OB/GYN – Placerville	530-344-5470
Marshall ENT & Hearing Center - Placerville	530-344-2010
Marshall Pediatrics	530-626-1144
Marshall Gastroenterology	530-672-7040
Marshall Psychiatry	530-626-2844
Marshall Orthopedics & Sports Medicine-Placerville	530-344-2070
Marshall General Surgery	530-626-3682
Marshall CARES	530-621-7965
Marshall Family Medicine-El Dorado Hills	916-933-8010
Divide Wellness Center	530-333-2548
Marshall Rheumatology	530-672-7040
Marshall Pulmonology	530-626-9488
Marshall Urology – Cameron Park	530-676-6131
Marshall Hospitalists	530-344-5432
Marshall Hematology & Oncology	530-676-6600
Marshall Hearing Center-Cameron Park	530-672-1112

Insured Patients Not Under Contract with Marshall Medical Center:

Negotiations with insurance carriers involving inferred contractual relationships for insured patients not under contract with Marshall will be conducted by the Senior Health Plan Contract Analyst. Although Marshall may agree to the terms of the negotiations with insurance companies, an inferred contractual relationship is not representative of a patient “under contract”. Marshall considers any reimbursement less than 25% of cost to be a charitable event. Any care provided to a presumptive or actual case of COVID-19 is provided at an amount no greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider. All unreimbursed amounts are a form of patient financial assistance and determined as the difference between gross hospital charges and hospital reimbursement.

Interest:

Discounted Payment and Charity Care

Marshall Medical Center shall reimburse the patient any amount actually paid in excess of the amount due under this policy, including interest. Interest owed by Marshall Medical Center 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, a hospital is not required to reimburse the patient or pay interest if the amount due is less than five dollars (\$5.00). The hospital shall refund the patient within 30 days.

Medically Necessary Services:

Hospital-based medical services are determined based upon a medical evaluation, to be necessary to preserve a patient's life, to prevent significant illness or significant disability, or to alleviate severe pain.

Monetary Assets:

Assets include all liquid assets, including bank accounts and publicly traded stocks, but will not include retirement, deferred-compensation plans qualified under the Internal Revenue Code, no-qualified deferred-compensation plan, or assets that are not readily convertible to cash, such as real property. In reviewing monetary assets Marshall Medical Center may require a waiver or release from the patient or the patient's family authorizing the facility to obtain account information from the financial or commercial institution, or other entities that hold or maintain the monetary assets to verify their value. Monetary Assets may be considered in connection with eligibility under the charity care policy only and not for eligibility under the discounted payment policy. In determining eligibility under the charity care policy, the first \$10,000 of a patient's monetary assets shall not be counted, nor shall Marshall count 50% of the patient's monetary assets above \$10,000. The monetary assets that exceed the preceding criteria will be divided by 12 and added to the monthly patient family income.

Information obtained shall not be used for collections activities. This paragraph does not prohibit the use of information obtained by the hospital, collection agency, or assignee independently of the eligibility process for Discounted Payment or charity care.

Non-emergency Services:

Medically necessary services and are not Emergency Services.

Non-Covered/Denied Medicaid or Indigent Care Program Services

Non-covered and denied services provided to Medicaid 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 services not covered, including all denials, are charity care. Examples may include, but are not limited to:

- Services provided to Medicaid beneficiaries with restricted Medicaid (i.e., patients that may only have pregnancy or emergency benefits, but receive other hospital care)
- Medicaid-pending accounts
- Medicaid or other indigent care program denials
- Charges related to days exceeding a length-of-stay limit
- Medicaid claims (including out of state Medicaid claims) with "no payment"
- Any service provided to a Medicaid eligible patient with no coverage and no payment

Discounted Payment and Charity Care

Non-Covered/Denied Charges for all Payors

Any unreimbursed charges from non-covered or denied services from any payor, such as charges for days beyond a length-of-stay limit, exhausted benefits, balance from restricted coverage, Medicaid-pending accounts, and payor denials are considered a form of patient financial assistance at Marshall Medical Center. Charges related to these denials/non-covered amounts written off during the fiscal year are reported as uncompensated care.

Patient Family

- For persons 18 years of age and older, 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 .
- For persons under 18 years of age, parent, caretaker relatives and other children under the age of 21 years of age of the parent or caretaker relative.

Payment Plan:

Marshall is committed to work with the patient or guarantor to allow for the successful payment of the outstanding debt taking into consideration the patient's family income and essential living expenses. Payment plans where the monthly payment is less than 10% of the families' monthly income after essential living expenses will be flagged to be revisited with the patient or guarantor every 6 (six) months for ability to increase monthly payments. All payment plans will be executed in a written document signed by the patient or guarantor.

Reasonable Payment Plan

If Marshall and the patient or their guarantor cannot agree on the payment plan, Marshall shall set the payment plan as defined in SB1276 SEC 5 Section 127454(k) of the Health and Safety Code means "reasonable payment formula" which means monthly payments that are not more than ten (10) percent of a patient's family income for a month, excluding deductions for the essential living expenses. "Essential living expenses" means, for the purpose of this subdivision, expenses for all of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, 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.

Proof of Income:

As defined under the "Fair Pricing Law": Health & Safety Code Section 127400 et.seq. proof of income is one of the following:

- Latest Income Tax Return
- 3 of the most recent pay stubs
- Financial Profit and Loss as prepared by accountant
- Seasonal works must supply last Income Tax Return


Statement of Financial Condition:

Application for which the patient or patients' guarantor will provide all relevant data begins the determination process.

Discounted Payment and Charity Care

Requests for assistance may be made verbally or in writing at any point before, during or after the provision of care.

Patients have the ability to submit an application in the following ways:

1. Paper Application
 - a. dropped off at any Marshall Medical Center location
 - b. mail to:
 - i. PO Box 872, Placerville, CA 95667
2. Online
 - a. www.marshallmedical.org
 - i. <https://www.marshallmedical.org/patients-visitors/patient-information/financial-assistance>
 - b.  Search “Financial Assistance”
 - c. [MyChart](#)

Service Area:

Marshall Medical Center’s service area is defined as the geographic area (by zip code) from which the facility receives its top 80% of discharges.

Zip Code	Community	Zip Code	Community
95614	Cool	95667	Placerville
95619	Diamond Springs	95672	Rescue
95623	Kingsville/Nashville	95675	River Pines
95633	Garden Valley	95682	Shingle Springs/ Cameron Park
95634	Georgetown	95684	Somerset
95635	Greenwood	95709	Camino
95636	Grizzly Flats	95726	Pollock Pines
95651	Lotus	95762	El Dorado Hills
95664	Pilot Hill		

Uninsured/Self Pay Patient:

An Uninsured or self-pay patient is defined as a patient who has no insurance coverage for their services or an insured patient who does not have coverage for their specific service and is not eligible for any State, Federal and local programs and has an household/family income of less than 450% of the FPL as defined in Attachment A will qualify for an Uninsured Discount that will adjust their patient liability to no more than 100 percentage of Medicare/Medicaid, sometimes referred to as amount generally billed AGB

Assistance may be applied to uninsured patients, as well as the patient liability for patients with insurance, including charges determined uninsured for the hospital stay, coinsurance, copayment, deductible amounts, and other liabilities for medically necessary hospital services.

Discounted Payment and Charity Care

- Eligibility for this form of charity is determined according to the patient's income in relation to FPL requirements in Attachment A.

EXCLUSIONS:

Cosmetic Procedures:

These services are defined as procedures that modify or improve the appearance of the physical features, irregularity, or defect that is requested by the patient or their guarantor as an elective service. Any cosmetic procedure will not be considered as an eligible service under either the discount payment or charity care policy.

Elective Services – Hospital Services:

Those services that are considered not a benefit of the Medi-Cal program will not be considered as eligible under this program.

- Weight Loss and Bariatric Surgery Dietician Support Program

Elective Services – Physician Clinic Services:

Those services that are considered not a benefit of the Medi-Cal program will not be considered as eligible under this program.

- Hearing Aids and Accessories

Excluded Providers:

These individual providers, practice groups or any other entities that are providing emergency or medical necessary care in the hospital will bill their services separately and do not qualify under Marshall's Discounted Payment and Charity Care policy.

William Barley, MD	530-626-8003
Keith J. Boston, MD	(530) 622-4884
Judith E. Brandt, DO	530-647-9762
California Kidney Disease Associates	(916) 500-4706
Capitol Endocrinology	916-677-0700
Cedar Eye Center	530-344/2020
Harriet L. Drummer, DO/PhD	530-295-6100
El Dorado Anesthesia Medical Group, Inc.	(775) 747-5050
El Dorado Pathology Medical Group, Inc.	(530) 626-5421
El Dorado Pain Management	530-672-1311
Jeanine M. Ellinwood, MD	(530) 621-7820
Emergency Medicine Physician Partners of El Dorado County, Inc.	(330) 493-4443
Gastroenterology Medical Clinic	(916) 983-4444
Golden Foothill Oral and Facial Surgery	916-941-9860
Raymond W. Larsen, DDS	530-622-3050
Placerville Radiology Medical Group, Inc.	(775) 747-5050
Mark L. Tong, MD	(530) 344-9200
<u>Kulwant Singh, MD</u>	916-984-6111
Sutter Medical Group	916-454-6600
Victor R. <u>Sucheski</u> , DPM	530-626-5062
The Esthetics Center of El Dorado Hills	916-941-6400
<u>UCDavis providers</u>	
<u>VeeMed</u>	916-865-4668
Thomas W. Wolff, DPM	530-387-4975
Terry J. Zimmerman, MD	916-573-1561

Ineligible Balance:

A patient who had coverage through an HMO or qualified under a Medi-Cal program will not be eligible for Charity Care when not electing to adhere to the guidance or care protocols of said insurer.

Non-Compliance:

Patient or guarantors' failure to cooperate with the screening and application processes for alternative means of funding to cover the costs of services will preclude the patient from eligibility under the Discounted Payment and Charity Care policy. Exceptions to this exclusion may be placed in writing to the following department:

Hospital Patient Billing Attention: Customer Service PO Box 872

Placerville, CA 95667

Phone: 530-626-2618 – Fax: 530-626-2631

PROCEDURE AND/OR GUIDELINES:

Discounted Payment and Charity Care

Screening:

A. While it is desirable to determine the amount of discount payment or charity care for which a patient is eligible as close to the time of service as possible, there is no rigid limit on the time when the determination is made. In some cases, eligibility is readily apparent and a determination can be made before, on, or soon after the date of service. In other cases, it can take investigation to determine eligibility, particularly when the patient has limited ability or willingness to provide needed information. Marshall Medical Center is committed to work with a patient and any point in the process beginning at or before the time of service.

B. Every effort will be made to determine a patient's eligibility for Financial Assistance. In some cases, a patient eligibility for either the discount payment or charity care may not have been identified prior to initiating external collection action. Upon request of the patient for consideration of either the discount payment or charity care, all collection efforts will halt until determination can be made. If a patient is determined to be eligible for discounted payment or charity care, the account will be returned to Marshall Medical Center to restart billing process

Eligibility Criteria:

A. Application: (Attachment B)

1. Only services provided at Marshall Medical Center will be considered eligible for Discounted Payment and Charity Care. These services will include hospital services, professional services provided by Marshall Medical Foundation providers and home health with Marshall HomeCare.
2. Alternative means of funding to cover the cost of services will be explored before Discounted Payment or Charity Care is approved. Patients approved for assistance under this policy may need to agree to cooperate in the process needed to obtain reimbursement for Marshall services from third party sources such as California Victims of Crime funds.
3. Marshall will make appropriate referrals to local county agencies Medi-Cal or other programs to determine potential eligibility. Currently Marshall utilizes an outside vendor as assignee to assist in this aspect of patient support.
4. Charity Care will be determined on the basis of the following:
 - a. A Self-Pay Patient whose family income is at or below 149 percent of the Federal Poverty Level.
 - b. Proof of ineligibility for coverage under Covered CA or Medicaid program
 - c. Validated proof of income
 - d. Monetary Assets those that are readily convertible to cash, accounts, and publicly traded stocks.

- e. Essential living expenses
5. Discounted Payment will be determined on the basis of the following:
 - a. Has a validated proof of family income between 149 and 450 percent of the Federal Poverty Level
 - b. Proof of ineligibility for coverage under Covered CA or Medicaid program if uninsured/Self Pay or under-insured patients’.
 - c. Validated proof of income
 - d. Monetary Assets those that are readily convertible to cash, accounts, and publicly traded stocks.
 - e. Essential living expenses

 6. Special Circumstances will be including the following as Charity Care:
 - a. Deceased patients without an estate or third party coverage
 - b. Minors seeking care for services deemed “protected” by Federal and State agencies are automatically qualified for charity care
 - c. Medi-Cal patients are automatically eligible for charity care write-offs related to:
 - I. Non-benefit non-elective services.
 - II. Denied days
 - III. Unbillable services as defined by Medi-Cal Billing manual
 - IV. Patients deemed eligible for Medi-Cal and Ineligible services prior to establishment of eligibility will be deemed Charity Care eligible. An application is not required for these services
 - V. In rare occasions, a patient’s individual circumstances may be such that while they do not meet the regular charity care or discounted payment criteria in these policies, they do not have the ability to pay their hospital bill. In these situations, with the approval of the CFO or designee, part or all of their cost of care may be written off as discounted payment or charity care. There must be complete documentation of why the decision was made to do so and why the patient did not meet the regular criteria.

 6. The absence of financial data does not preclude eligibility under this policy. Marshall may, in meeting its charitable mission, provide services to patients for whom Marshall is unable to obtain personal financial data. In evaluating all factors pertaining to the patient’s personal and demographic situation, Marshall may grant Discounted Payment or charity care eligibility in the absence of requested documents or suggest alternative documents that may be available to the patient.

 7. The Marshall Medical standardized application form will be used to document each patient’s overall financial situation. This application will be available in the primary language(s) of the

service area. Marshall Medical Center will accept a copy of the completed DHCS SAWS-1asa substitute of the Statement of Financial Condition.

8. A patient or patient’s legal representative requesting charity care, Discounted Payment, or other financial assistance must make every reasonable effort to provide Marshall with documentation of income, essential living expenses, and health benefits coverage within the requested time frame. The failure to make a reasonable effort to provide information that is reasonable and necessary to make a determination concerning charity care or Discounted Payment may be considered by Marshall in making its determination.
9. Once a determination has been made, a notification form will be sent to each applicant, advising him or her of the decision. (Attachment D)

Discounted Payment and Charity Care Level Determinations		
Charity Care	149% FPL and below	patient has zero liability
Charity Care Limited Scope	149% FPL and below	patient has zero liability
Level 1 Discounted Payment	150% - 249% FPL	responsible for 25% of Medicare Prospective Method
Level 2 Discounted Payment	250% - 349% FPL	responsible for 50% of Medicare Prospective Method
Level 3 Discounted Payment	350% - 450% FPL	responsible for 100% of Medicare Prospective Method

10. The data used in making a determination concerning eligibility for discount or charity care should be verified to the extent practical in relation to the amount involved. The information used will not be shared or used in any collection efforts related to the patients’ family debt

B. Eligibility Period:

For the categories below Uninsured/Self Pay, Limited Coverage, and Under-insured patients to maintain continued approval a new application must be completed and the patient must screen for alternative funding sources through the California Health Benefit Exchange, Medi-Cal, or other State-County funded coverage programs. Fully Insured patients to maintain continued approval a new application must be completed. The lesser of twelve (12) months or open enrollment through California Health benefits Exchange.

- Financially Qualified Resident Patient
- Financially Qualified Non-resident Marshall Medical Center Employees
- High Medical Costs

Six (6) months and a new Certification of Homelessness must be signed. (Attachment F)

- Homeless Patients

For the category below there will be no possible extension and a new application is required for each encounter - service period.

- Financially Qualified Non-resident Patient

Some patients eligible for Discounted Payment and charity care may not have been identified prior to initiating an external collection agency. Marshall Medical Centers' collection agency shall be made aware of the possibility and are requested to refer-back patient accounts that may be eligible for assistance. When it is discovered that an account is eligible for assistance, Marshall will cancel the account out of bad debt and document the respective discount in charges as Discounted Payment or charity care.

Approval Matrix

Approval Limit	Position
< \$20,000	Financial Counselor, Lead Financial Counselor, Acute Care Billing Supervisor
\$20,000.01 - \$59,999.99	Director Hospital Patient Billing or Designee
> \$60,000.00	CFO or designee

General Ledger for Discounted Payment and Charity Care

To allow the appropriate tracking and monitoring the amount of Charity Care and the amount of Discount Care being granted, each affiliate will account for the financial assistance write-offs in separate deduction from revenue and appropriately record transactions to the general ledger accounts as follows:

GL Account
5870-51-600

The transaction codes used for accounting of the discount payment and charity care and their mapping to the General Ledger will be reviewed periodically to ensure accuracy by the Director of Finance.

ROLES AND RESPONSIBILITIES:

Registration/Front Desk/Billing Reception

The written notice shall be provided to any patient presenting for services and has not at the time of service if the patient is conscious and able to receive written notice at that time. If the patient is not able to receive notice at the time of service, the notice shall be provided during the discharge process. If the patient is not admitted, the written notice shall be provided when the patient leaves the facility. If the patient leaves the facility without receiving the written notice, the hospital shall mail the notice to the patient within 72 hours of providing services.

1. Cash Patient Handout (Attachment E)
2. Application for Medi-Cal
3. Scheduled services will receive a Good Faith Estimate

Any patient, or patients' legal representative, who requests a Discounted Payment payment, charity care, or other assistance in meeting their financial obligation to this organization shall make every reasonable effort to provide the organization with documentation of income and health benefits coverage. If the person requests Discounted Payment or charity care and fails to provide information that is reasonable and necessary for the organization to make a determination, the organization will consider that failure in making its determination.

Screening of all self-pay/uninsured patients' registered in the emergency department will be screened for HPE upon completion of the medical screening exam. When the HPE is not able to be completed due to the patients' condition, screening will be attempted prior to discharge if not possible the patient will be referred to an outside eligibility vendor for follow-up.

Financial Counselor/General Support Staff

Eligibility Determinations will be processed in accordance with the guidelines of this policy within 5 days of receipt of complete application.

Recordkeeping: The patients' record will have the following updates:

1. Have an alert or its equivalent created on the person to notify staff of the determination and the start and end date.
2. Assign a plan code appropriate level of discount payment or charity care with the appropriate effective and end date of the patient charity care coverage.
3. All records pertaining to the application, documentation, and final determination will be scanned and available for audit and review. In addition, notes relating to Discounted Payment or charity care application and approval or denial will be entered on the patient's account by the credit notes function.

Determination Notification will be sent by US mail to the patients within 48 hours of determination and recorded according to the recordkeeping outline in section L.

Self-pay patient billings will include the following: (Attachment E)

1. A statement of charges for services rendered
2. A request that the patient inform the facility if they have private health insurance, Medicare, Med-Cal, California Children Services or other coverage.
3. A statement that if the patient does not have insurance coverage, they may be eligible for a government-subsidized insurance through Covered CA (California Health Benefits Exchange), Medicare, Medi-Cal, California Children Services Program, discount program or charity care.
4. A statement that Marshall Medical Center can and will provide applications for Medi-Cal, and the organizations discount payment and charity care along with contact information.
5. Information regarding the financially qualified patient and charity care application, including
 - a. a statement that, if the patient lacks, or has inadequate, insurance, and meets certain low-and moderate-income requirements, the patient may qualify for a Discounted Payment or charity care; and
 - b. a statement that the patient may obtain information about the hospital's discount payment and charity care policies, and how to apply for that assistance by contacting the hospital's Financial Counselors office at (530) 626-2618.

Delinquent discount payment accounts will be reviewed after 180 days from determination

1. 180 days since determination notification was sent to the patient
2. Validating two attempts to contact patient by phone have occurred
3. Validating failure to make consecutive payments during a 90-day period
 - a. Has been given 3 attempts to restart monthly payments
4. The patient has not made contact by letter, phone or email regarding the outstanding debt
 - a. If the patient has made any contact or reasonable attempt to reduce the debt, the patient will be contacted to establish a consistent payment arrangement agreement.
5. Eligibility for Medi-Cal has been completed within the current month of screening for referral to a collection agency
6. 30 days have passed since the Hand Off Letter was sent. (Attachment I)
 - a. No contact by or patient or their representative either by payment or telephone.

Organization:

Public Notice of Posting: Public notice of the availability of assistance through this policy will be posted in the following areas:

1. Emergency department

Discounted Payment and Charity Care

2. Solution Station
3. Admissions office
4. All Outpatient service areas
5. Prominently displayed on the hospital's internet website, with a link to the policy
 - a. Signage will include the following:

Notice of Availability of Marshall Medical Center's
Discounted Payment and Charity Care Program

In accordance with California Health and Safety Code Sections 127400 et seq., Marshall Medical Center provides Discounted Payment or Charity Care to financially qualified patients. Patients who qualify for this Discounted Payment or Charity Care under our policy included patients who meet both of the following qualifications:

1. The patient either is a self-pay patient or had high medical costs, as defined in our Discounted Payment and charity care policies, AND
2. The patient had a family income (as defined in the policy) that does not exceed 450% of the Federal Poverty Level

TO RECEIVE A COPY OF OUR DISCOUNTED PAYMENT AND CHARITY CARE POLICY OR TO APPLY FOR A DISCOUNTED PAYMENT OR CHARITY CARE, PLEASE CONTACT OUR FINANCIAL COUNSELORS AT 530-626-2618.

Collection Agency

The following address the timing and under whose authority patient debt is advanced for collection. Any collection activity shall only be conducted by Marshall Medical Center external collection agency.

- Each external collection agency shall agree in writing that it will adhere to Marshall's standards and scope of practices with regards to collection activities, including, without limitations, the Payment Plan provisions of the policy (Attachment H)
- Marshall and its assignees shall not, in dealing with patients eligible under this policy use wage garnishments or liens on primary residence as a means of collecting unpaid Marshall bills.
- Marshall collection agencies or other assignees shall not, in dealing with any patient, use any of the following as a means of collection unpaid Marshall bills:
 - A wage garnishment, except by order of the court upon noticed motion, supported by a declaration filed by the movant identifying the basis for which it believes that the patient has the ability to make payments on the judgment under wage garnishment, which the court shall consider in light of the size of the judgment and additional information provided by the patient prior to, or at, the hearing concerning the patient's ability to pay, including information about probable future medical expenses based on current condition of the patient and other obligations of the patient
 - b. Notice or conduct a sale of the patient's primary residence during the life of the patient or his or her spouse, or during the period a child of the patient is a minor, or a child of the patient who has attained the age of majority is unable to take care of

him/herself and resides in the dwelling as his or her primary residence. In the event a person protected by this paragraph owns more than one dwelling, the primary residence shall be the dwelling that is the patient's current homestead, as defined in Section 704.710 of the California Code of Civil Procedure, or was the patient's homestead at the time of the death of a person other than the patient who is asserting the protections of the paragraph.

- This requirement does not preclude a Marshall collection agency, or other assignee from pursuing reimbursement and any enforcement remedy or remedies from third-party liability settlements, tortfeasors, or other legally responsible parties.
- Marshall and its agents shall not report adverse information to a consumer credit reporting agency or commence a civil action against a patient or responsible party for nonpayment prior to the time a payment plan is declared to be no longer operative or 180 days have elapsed from first statement to the patient or responsible party.

Right to Appeal:

Each patient or their representative may request an appeal or the decision made by contacting the Customer Service Office at (530) 626-2618, and request an appeal form. (Attachment G)

Access to Healthcare During a Public Health Emergency

An Access to Healthcare Crisis must be proclaimed by Marshall Medical Centers executive leadership and approved by the board of directors and will be attached to this policy document as an addendum.

An Access to Healthcare Crisis may be related to an emergent situation whereby state / federal regulations are modified to meet the immediate healthcare needs of Marshall's community during the Access to Healthcare Crisis. During an Access to Healthcare Crisis Marshall may "flex" policy to meet the needs of the community in crisis. Patient discounts related to an Access to Healthcare Crisis may be provided at the time of the crisis regardless of the date of this policy.

The following address the timing and under whose authority patient debt is advanced for collection. Any collection activity shall only be conducted by Marshall Medical Center external collection agency.

1. Each external collection agency shall agree in writing and validate annually that it will adhere to Marshall's standards and scope of practices with regards to collection activities, including, without limitations, the Payment Plan provisions of the policy.
2. Marshall and its assignees shall not, in dealing with patients eligible under this policy use wage garnishments or liens on primary residence as a means of collecting unpaid Marshall bills.
3. Marshall collection agencies or other assignees shall not, in dealing with any patient, use any of the following as a means of collection unpaid Marshall bills:
 - a. A wage garnishment, except by order of the court upon noticed motion, supported by a declaration filed by the movant identifying the basis for which it believes that the patient has

the ability to make payments on the judgment under wage garnishment, which the court shall consider in light of the size of the judgment and additional information provided by the patient prior to, or at, the hearing concerning the patient's ability to pay, including information about probable future medical expenses based on current condition of the patient and other obligations of the patient

- b. Notice or conduct a sale of the patient's primary residence during the life of the patient or his or her spouse, or during the period a child of the patient is a minor, or a child of the patient who has attained the age of majority is unable to take care of him/herself and resides in the dwelling as his or her primary residence. In the event a person protected by this paragraph owns more than one dwelling, the primary residence shall be the dwelling that is the patient's current homestead, as defined in Section 704.710 of the California Code of Civil Procedure, or was the patient's homestead at the time of the death of a person other than the patient who is asserting the protections of the paragraph.
 - c. This requirement does not preclude a Marshall collection agency, or other assignee from pursuing reimbursement and any enforcement remedy or remedies from third-party liability settlements, tortfeasors, or other legally responsible parties.
4. Marshall and its agents shall not report adverse information to a consumer credit reporting agency or commence a civil action against a patient or responsible party for nonpayment prior to the time a payment plan is declared to be no longer operative or 180 days have elapsed from first statement to the patient or responsible party.

APPROVAL: Approval of the CFO indicates that Policy has been reviewed and adopted by the Board of Directors Finance Committee and the Board of Directors of Marshall Medical Center.

REFERENCES:

California Health & Safety Code Section 127400 et seq [AB 774](#) [SB 350](#) [AB 1503](#) [SB 1276](#) [AB 1020](#)

California Health & Safety Code Section 127410 et seq [AB 532](#) [AB 1020](#)

California Health & Safety Code Section 127401,405,420,425,435,436,440,444 et seq [AB 1020](#)

[Title XVII of the Social Security Act \(42 U.S.C. 1395c - 1395w-5](#)

[Internal Revenue Code\(IRC\) Section 501\(r\)](#)

ATTACHMENT A:

U.S. Federal Poverty Guidelines Used to Determine Financial Eligibility for Certain Programs

HHS Poverty Guidelines for 2022

The 2022 poverty guidelines are in effect as of January 12, 2022.

[Federal Register Notice, January 12, 2022 - Full text.](#)

2022 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA	
Persons in family/household	Poverty guideline
1	\$13,590
2	\$18,310
3	\$23,030
4	\$27,750
5	\$32,470
6	\$37,190
7	\$41,910
8	\$46,630
For families/households with more than 8 persons, add \$4,720 for each additional person	

Marshall Medical Center
 Attention: Financial Counselors
 PO BOX 872
 Placerville CA 95667



Statement of Financial Condition

Section 1, Instructions:

In order to process your application, please make sure that you have completed **ALL** sections of this application, including the signature page and provide any proof of income that pertains to you.

Acceptable proof of income is as follows:

- Three most recent paycheck stubs
- Most current Tax Return Form
- Most current Schedule C Tax Form (for self-employed patients)
- Current Social Security Summary
- Current Unemployment Summary
- Current Disability Summary

An incomplete application will be returned and will not be processed until **all** required documents are received. Normal billing procedures will continue during this time.

Section 2, Applicant(s):

Applicant

Name: _____
 Address: _____

 DOB: _____
 SSN: _____
 Phone: _____

Spouse / Significant Other

Name: _____
 Address: _____

 DOB: _____
 SSN: _____

Section 3, Dependents:

****List ONLY those dependents that are claimed on your Federal Income Tax return. For dependents over the age of 18, please provide your most recent tax return showing proof of dependency. ****

Name	Date of Birth	Relationship	Social Security #
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

MARSHALL MEDICAL CENTER
 STATEMENT OF FINANCIAL CONDITION

Section 4, Family Income: If no income, see section 5.

Current Monthly Income	Patient	Spouse	Joint
Gross Pay	\$	\$	\$
Income from Business (if self-employed)	\$	\$	\$
Interests and Dividends	\$	\$	\$
From Real Estate and Personal Property	\$	\$	\$
Social Security/Retirement Income	\$	\$	\$
From Alimony, support payments	\$	\$	\$
Other Income	\$	\$	\$
Total Monthly Income	\$	\$	\$

Assets (if applicable)	Patient	Spouse	Joint
Stocks and Bonds	\$	\$	\$
Money Market Accounts	\$	\$	\$
Brokerage Accounts	\$	\$	\$
Certificates of Deposit/Savings Accounts	\$	\$	\$
Total Assets	\$	\$	\$

Section 5, Additional Information/ Means of support

Please use this section to provide additional information that may be pertinent to your eligibility for a discount. If you do not receive any income please explain your means of support. Example: How are you paying for food, rent, or other bills?

Section 6, Insurance Information:

Do you currently have health insurance coverage?

Dependent Insurance if it differs:

If yes, name of Insurance/Health Plan: _____

If yes, name of Insurance/Health Plan: _____

Identification Number: _____

Identification Number: _____

Subscriber/Policy Holder Name: _____

Subscriber/Policy Holder Name: _____

If you do not have active insurance, per Marshall Medical Center’s policy, we require you to apply for Medi-cal and provide us with a determination letter. You can apply at www.coveredca.com or by calling the local Medi-cal office at 530-642-7300. If Medi-cal denies you, please pursue coverage through Covered California.

Section 7, Financial Assistance Application Checklist/Signatures

In order to prevent your application from being returned due to missing information, please review the checklist below.

Check all that you have completed.

If you require assistance in completing this application, please call our Financial Counselors at 530-626-2618. Our representative is available to assist you Monday through Friday between the hours of 8:00AM and 4:00PM.

- Completed sections 1-7 on this application.
- Included acceptable proof of income, refer to section 1 if you have any questions.
- Included Medi-cal determination letter. (If applicable)
- Signature and date for applicant.
- Signature and date for spouse and significant other. (If applicable)
- Signature for dependent over the age of 18. (If applicable)
- Federal Tax Income form if you have dependents over the age of 18.

Signature of Applicant

Date

Signature of Spouse/Significant Other

Date

Signature of Dependent over the age of 18

Date

*If you are over the age of 18 and being claimed on this application, we require your signature stating that you give permission to include you and any outstanding balances with Marshall Medical Center for this discount as well as on the Financial Assistance determination letter that will be sent out once the application is complete. If you decline to sign you will not be eligible for this discount.

MARSHALL MEDICAL CENTER
STATEMENT OF FINANCIAL CONDITION

Marshall Medical Center
 Attention: Financial Counselors
 PO BOX 872
 Placerville CA 95667



Essential Living Expenses

For use in calculating Financial Assistance discounts

Expenditure	Patient	Spouse	Joint
Rent or Mortgage			
Real Estate Taxes			
Utilities			
Alimony/Support Paid			
Auto Loan/Lease Payment			
Education			
Food			
Payroll Deductions			
Medical, Dental, Medicines			
Other Expenses			
Total Monthly Expenses			
Net Monthly Income after expenses			

By signing this form, you agree that the above expenses are true.

 Signature of Applicant

 Date

 Signature of Spouse/Significant other

 Date



DATE THE LETTER IS PRINTED

LAST NAME, FIRST NAME
ADDRESS
CITY, STATE, ZIP

ELIGIBILITY DETERMINATION FOR DISCOUNT
MR#

Marshall Medical Center has reviewed your completed Statement of Financial Condition. Our determination is in accordance with Assembly Bill 774 which directs hospitals to offer financial assistance to patients who are at or below 350% of the Federal Poverty level or who have out-of-pocket medical costs exceeding 10% of their annual income. Based on our review we have made the following determination:

Determination date: _____ and expires on: _____
Financial Responsibility will be based on: full charity discount; you have no financial responsibility

The actual discount amount will vary based on the service provided. Refer to your individual billing statements for the discount applied.

- Discount applies to the following members of your household:

- Discount is applicable to bills for services rendered at all Marshall Medical Center facilities including Marshall Medical Physician Clinic Service and Home Care. This does not apply to services obtained at Marshall Surgery Center, or services provided by other physicians/providers in conjunction with services obtained at a Marshall Medical Center facility.
- Discount does not apply to elective services.
- During the discount period your statements should reflect your discount. If for any reason it does not appear, please contact the customer service number noted on your statement.
- Please contact our Financial Counselors directly to set up a payment plan at (530)626-2618. Be sure to inform them that you have been approved for a discount.

The discount has been applied to the following accounts:

If you have balances with Marshall Home Care or Marshall Medical Physician Clinic Service, please contact them directly to determine your balance

Discount Denied. Based on our review of your application, you do not meet the income requirements for financial assistance. Please contact our payment processing center for a payment plan (530) 626-2618.

Discount Denied. In order to extend your discount, we require a valid denial from Medi-cal. To date we have not received that information. If you have completed the eligibility process and been denied on the basis on income or assets, forward the denial to our office for review.

Discount denied. Failure to comply.

Additional Instructions:

If you disagree with this determination, would like a copy of our Charity Care/Discount Policy, or have any questions please call our office between the hours of 8:00 AM and 4:30 PM at (530) 626-2618. Thank you for choosing Marshall Medical Center for your healthcare needs.

Sincerely,

Financial Counselors
Marshall Medical Center

As part of our mission, Marshall Medical Center is committed to providing access to quality health care for the community, and to treating all patients with dignity, compassion and respect. It is our policy to provide services without charge, or at significantly discounted prices, to eligible patients who cannot afford to pay for part or all of their care. These financial assistance policies and programs are tailored to balance a patients' need for financial assistance with our responsibility to maintain financial viability so that we may continue to serve the community.

GOVERNMENTAL PROGRAMS Marshall Medical participants in several governmental assistance programs, such as Medicare, Medi-Cal/CMSP, California Tobacco Control Program (Prop 99), California Children Services, and Victims of Crime, assistance is available to help patients in identifying eligibility for these programs. Information regarding these programs, please contact our Financial Counselors at 530-626-2618.

MEDI-CAL/CMSP: State/County funded program that is determined by eligibility. Applications may be obtained at Marshall Medical Center at any registration area or by contacting our in-house eligibility representative at 530-626-2798.

COVERED CA: A marketplace for people to find out if they are eligible for and buy health insurance, including Medi-Cal: individuals may even qualify for low-cost insurance. www.covered.ca.com or 1-800-300-1506

DISCOUNTED PAYMENT AND CHARITY CARE PROGRAM is based on the patients' income AND requires completion of a Statement of Financial Condition form and a screening process to determine eligibility for the program. Eligibility is based on not exceeding 450% of the Federal Poverty Level and dependent on the verification of the family income. Applications and the policy can be obtained in any registration area or please contact our Financial Counselors at 530-626-2618.

SELF-PAY PROMPT PAY DISCOUNT: For patients who do not have third-party coverage from a health insurer, health care service plan, third party liability, Medicare, or Medi-Cal/CMSP. We offer a 50% reduction at the time of service. Certain exclusions do apply. Please ask any registration area or please contact our [Financial Counselor](mailto:FinancialCounselor@mmc.org) at 530-626-2618.

GOOD FAITH ESTIMATE All scheduled services will receive an estimate within 1 day if appointment is scheduled within 3 days or 3 days if appointment is scheduled greater than 3 days from scheduled date. We have 300 shoppable service quotes available on line ator calling our Financial Counselors at 530-626-2618

EMERGENCY PHYSICIANS SERVICES: For patients that receive emergency physician related services Financial Assistance and Discounted Payment Options are also available to qualified patients. Emergency Medicine Physicians offers no-cost or discounted services. Eligibility is based on the family income not exceeding 350% of the Federal Poverty Level and dependent on verification of the family income. Application and their policy can be obtained by contacting their **Call Center Representative at 1-800-982-8177**. *No other discounts or payment option listed on this sheet is representation of the options available through Emergency Medicine Physicians.*

Health Consumer Alliance (HCA) offers free assistance over the phone or in person to help people who are struggling to get or maintain health coverage and resolve problems with their health plan at <https://healthconsumer.org> or call 1-888-804-3536

CREDIT COUNSELING SERVICES Non-profit Credit Counseling Services available through Legal Services of Northern California at 1-888-354-4474

If you apply or have a pending application for another health care program at the same time that you have applied for our hospital Financial Assistance Program. Neither application shall preclude eligibility for the other program.

We do refer some delinquent accounts to third-party debt collection agencies. State and Federal law requires 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 usual circumstances, debt collectors may not contact you before 8:00am or after 9:00pm. In general, a debt collector may not give you information about your debt to another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-FTC-HELP (1-877-382-4537) or online at www.ftc.gov/os/statutes/fdcpajump.shtm. Additionally, in the event your account is referred to a collection agency and you have Problems with that agency, please contact us immediately at 530-626-2618.

MARSHALL MEDICAL CENTER
CASH PAY OPTIONS



Page 1 of 1
(12/14)
CashPayOptions



MARSHALL MEDICAL CENTER CERTIFICATION OF HOMELESSNESS

Marshall Medical Center requires that patients asking for forgiveness of debt of services rendered under the criteria of “Homeless”. Marshall Medical Center defines homelessness according to the U.S. Department of Housing and Urban Development (HUD).

Please select the situation in which you find yourself in:

Literally Homeless: Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- Primary nighttime residence is a public place or private place not meant for human habitation,
- Living in a publicly or privately operated shelter designated to provide temporary living arrangements (including shelters, transitional housing, and hotels and motels paid for by charitable organizations, federal, state or local government)
- Or is exiting an institution where you have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Fleeing/Attempting to flee Domestic Violence: Anyone who:

- Is fleeing, or is attempting to flee, Domestic Violence;
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing

Patient Information:

Name: _____

Address: _____

City: _____ State: _____

Phone: _____ Date of Birth: _____

CERTIFICATION:

I do hereby certify that I meet the chosen descriptions of “Homelessness” and that all statements made by me in this application are true and correct. I understand that in the event that I have knowingly and willfully made any false statements, I will be liable for all charges incurred

Signed

Dated



It's about you

FINANCIAL ASSISTANCE APPEAL

Name: _____

Address: _____

City : _____ State: _____

Phone Number: _____

Patient Name: _____

Date of Birth: _____

MR#: _____ Date of Service: _____

Additional information for this appeal:

Signature Approved _____ Denied _____ Signature _____ Date _____

Marshall Medical Center**Patient Billing Policy**

Approved: Karen R Dostart / Manager
Teresa Nicponski- Supervisor/ Breanna Sanchez- Lead Financial Counselor –Patient Account Services
Original Date: 12/04/2014
Review / Revision Date: 02/08/17

Debt Collection Process**PURPOSE:**

This Policy is to ensure that Marshall Medical Center and its contracted debt collections agencies use a fair and reasonable methods, and comply with all applicable federal and state laws, in collections of Marshall Medical Center's consumer debt accounts.

POLICY:

In keeping with its goal of providing compassionate care, Marshall Medical Center strives to treat all patients fairly, with dignity, compassion and respect. Therefore, Marshall Medical Center will use its best efforts to ensure that its collections efforts related to the patient accounts are fair, reasonable and consistent. This policy sets forth the general standards of Marshall Medical Center's debt collection practices, and relationships with the collection agencies that act on its behalf.

SPECIFICS:

For specific policies and procedures related to Marshall Medical Center's internal process for communicating with patients that are outsourced with a collection agency please refer to Hospital Patient Billing Financial Counselors Policy and Procedures.

Term:

The following terms will be used in this policy.

- Collection Agency- means an outside, non- Medical Center agency engaging in any patient/guarantor collection activities, but does not include outsource vender which simply carry out Marshall Medical Center's normal billing functions.
- Statement of Financial Conditions- is a application that patients can obtain to help get a discount if they meet certain criteria based off of our policy, www.marshallmedical.org
- Low Income Uninsured Patient- means a patient who is at or below 350 percent of the Federal Poverty Level (FPL)

A. General Requirements Prior to Collection Agency Action

- 1. Consistency in Billing Statements.** At the time of billing, Marshall Medical Center will provide all patients the same information concerning services received and charges related to those services.
- 2. Notice of Financial Assistance Availability.** In its bill to all patients, Marshall Medical Center will include a statement to the effect that if the patient meets certain income requirements the patient may be eligible for government-sponsored payor programs or financial assistance through the Marshall Medical Center. Bills will also include the department and telephone number to contact for more information about Marshall Medical Centers Statement of Financial Conditions program and the application process.
- 3. Cash Discount Availability.** When a patient inquires about whether Marshall Medical Center offers a discount from its charges based on a patient's status as a cash-paying patient, Marshall Medical Center will describe the cash pay discount policy at the time of service or before patient is seen. When this conversation happens at the time of pre-registration or after the services was rendered then it will be documented in patients visit.

B. Relationship with Collection Agencies

- 1. Compliance with Law, Medical Center Standards.** Collection agencies with which Marshall Medical Center contracts must at all times comply with the Federal Fair Debt Collection Practices Act, the California Rosenthal Fair Debt Collections Practices Act, and any other laws applicable to the collection of consumer debts. Collection agencies with which Marshall Medical Center contracts also must at all times treat Marshall Medical Center patients, their families and other contacts fairly, with dignity, compassion and respect. For a copy of Marshall Medical Center's contract with our outside agencies contact Marshall Medical Centers Legal Department.
- 2. Standards of Contracting with Collection Agencies.** Marshall Medical Center shall not engage any collection agency to collect patients' accounts unless: (i) the arrangement is set for in a written agreement signed by the collection agency and Marshall Medical Center's Chief Financial Officer; and (ii) the written agreement attaches this policy as an exhibit and requires the collection agency to comply with this policy.
- 3. Assignment of Patient Accounts to Collections Agencies.**
 - a.** Marshall Medical Center shall not assign any patient account to a collection agency unless Marshall Medical Center (or a subcontractor acting on behalf of Marshall Medical Center) has first performed to the best of its ability a patient profile/screen and determined to Marshall Medical Center's satisfaction that the patient (i) does not qualify for alternative payor sources, (ii) is not agreeable to a payment plan or is no longer cooperating with a negotiated

payment plan, (iii) does not qualify for Marshall Medical Center's Financial Assistance program (or has qualified and been given financial assistance, in which case only the amount as adjusted to reflect the financial assistance available is forwarded for collections) and (iv) has sufficient assets available to pay the amount owing. For purpose of this policy, Marshall Medical Center has performed the determinations listed above to the best of its ability where Marshall Medical Center has made a reasonable attempt to gather the necessary information from a patient and the patient either does not respond within a reasonable time or is uncooperative in providing the necessary information.

- b.** When Marshall Medical Center assigns an account to a collection agency, the amount that will be assigned for collection will be the amount remaining after any prior discount arrangements or waivers have been applied to the account balance.
- c.** For patients who have an application pending for either government-sponsored coverage or for Marshall Medical Center's own Financial Assistance program, Marshall Medical Center shall not knowingly send or assign such patient's bill to an outside collection agency prior to 180 days from the date of Marshall Medical Center's initial billing of that account.
- d.** For patients who have qualified for financial assistance or who have negotiated a payment plan and are reasonably cooperating with Marshall Medical Center in settling an outstanding bill, Marshall Medical Center will not knowingly send or assign such patient to an outside collection agency if Marshall Medical Center knows that doing so may negatively impact a patient's credit.
- e.** If a debt collection agency determines that a patient account qualifies for an alternative source of payment, or determines that the patient does not have significant assets, the collection agency shall return the account to Marshall Medical Center with an explanation of the determination and the supporting data.
- f.** If a patient asks a debt collection agency whether Marshall Medical Center offers a discount from its charges based on the patient's status as a cash-paying patient, the contracted collection agency can offer up to 30% without consulting with Marshall Medical Center. Anything above and beyond 31% will need to be approved by Marshall Medical Center's Director of Hospital Patient Billing, who will have the authority to adjust the account in compliance with Marshall Medical Center's cash discount policy.
- g.** Prior to filing any legal action against a patient, the debt collection agency will (i) perform an analysis of the patient's assets and income

to determine whether the patient has assets and income sufficient to justify filing the legal action (ii) present the analysis to Marshall Medical Center Director of Hospital Patient Billing, in such format as Marshall Medical Center may request, and (iii) obtain the Director's approval for filing the legal action against the patient.

4. Required Approvals of Specific Collection Practices. When providing services on Marshall Medical Center's behalf, collections agencies may only take the following actions upon receipt of the approval noted below:

<u>Action</u>	<u>Low-Income/Uninsured Patients</u>	<u>Other Patients</u>
Negotiated Payment Plan	Financial Counselors	Financial Counselors
Adverse report to Credit Bureau	Assignment to the collection agency by the financial counselor is approval	Assignment to the collection agency by the financial counselor is approval
Filing A Lawsuit	Never permitted	Lead Financial Counselor/Director
Debtor Examination/Subpoena for information	Director	Director
Enforcing judgment through lien or record abstract	Never permitted	Director
Enforcing judgment through lien or record abstract on other property	Never permitted	Director
Enforcing judgment through wage garnishment/levy	Never permitted	Director
Enforcing judgment through bank account levy	Never permitted	Director
Enforcing judgment through a keeper	Never permitted	Director

5. No Assignment or Subcontracting. Collection agencies engaged by Marshall Medical Center may not assign or subcontract the collection of any account without (i) the prior written consent of the Marshall Medical Center's Chief Financial Officer, Hospital Patient Billing, and (ii) the assignee's or subcontractor's written agreement to comply with this policy.

RECORDKEEPING:

Hospital Patient Billing shall maintain adequate notations and documentation in Marshall Medical Center's patient accounting system to document Marshall Medical Center's compliance with the requirements of this policy. Each collection agency is also required to maintain adequate documentation in its files to show that the collections agency has complied with the requirements of federal and state consumer debt collections laws and with all other requirements of this policy applicable to the collection agency.