

**DIGNITY HEALTH
GOVERNANCE POLICY AND PROCEDURE**

FROM: Dignity Health Board of Directors
SUBJECT: Financial Assistance Policy – California
POLICY NUMBER: 9.103
EFFECTIVE DATE: January 1, 2019
**ORIGINAL
EFFECTIVE DATE:** (4.50) January 27, 2004; (60.4.007) May 31, 2007

I. POLICY

Dignity Health seeks to deliver compassionate, high quality, affordable health care and to advocate for those who are poor and disenfranchised. In furtherance of this mission, Dignity Health offers charity care, discounts and other financial assistance to eligible patients who may not have the financial capacity to pay for medically necessary health care services and who otherwise may not be able to receive these services. Charity care, discounts and other forms of financial assistance are referred to collectively in this Policy as Financial Assistance unless a specific designation of the type of assistance is required for purposes of this Policy.

The eligibility requirements for Financial Assistance are described in this Financial Assistance Policy. Financial Assistance is not a substitute for personal responsibility. Financial Assistance is not provided to a patient based on a desire to not pay for health care services, only a demonstrated inability to pay for healthcare services. Applicants for Financial Assistance are expected to cooperate with Dignity Health's policies and procedures for obtaining Financial Assistance, and with Dignity Health's billing and collection efforts with regard to any amounts owed after applicable discounts. (See *Patient Billing and Collections Policy, #9.101*) This Policy also establishes the financial screening criteria to determine which patients qualify for Financial Assistance. The financial screening criteria in this Policy are based primarily on the Federal Poverty Level ("FPL") guidelines updated periodically by HHS (as defined below) in the Federal Register. Uninsured patients who do not meet the criteria for Financial Assistance under this Policy may qualify under and be referred to Dignity Health's *Administrative Discounts Policy, #70.2.001*.

Financial assistance does NOT include:

- Bad debt or uncollectible charges that the organization recorded as revenue but wrote off due to a patient's failure to pay, or the cost of providing such care to such patients;
- The difference between the cost of care provided under Medicaid or other means-tested government programs or under Medicare and the revenue derived therefrom;
- Self-pay or prompt pay discounts; or
- Contractual adjustments with any third-party payers.

Applicants who have the financial capacity to purchase health insurance will be provided with information regarding insurance options and encouraged to apply. In addition, applicants who may be eligible for government-sponsored health care programs, such as Medi-Cal, will be required to apply for such programs as a means of paying their hospital bills. Submitting an application for government-sponsored health care programs will not preclude a patient's eligibility for Financial Assistance under this Financial Assistance Policy or for other discounts described in Dignity Health's *Administrative Discounts Policy*, #70.2.001.

Dignity Health will seek to determine eligibility for Financial Assistance prior to hospital services being rendered and will do so after services are rendered when it is not possible to make the determination at an earlier stage. For example, for all persons presenting to the hospital for emergency services, eligibility for Financial Assistance will be considered after Dignity Health provides the patient with a medical screening examination and any necessary stabilizing treatment as required by applicable law and Dignity Health's *Emergency Medical Care/Emergency Treatment and Labor Act (EMTALA) Policy*, #9.100.

The process for determining eligibility for Financial Assistance shall reflect Dignity Health's values of human dignity and stewardship. Likewise, Dignity Health expects that each applicant for Financial Assistance will make reasonable efforts to provide Dignity Health with the documentation that is necessary for Dignity Health to make a determination regarding the request for Financial Assistance and will pursue all other resources to pay for services obtained from Dignity Health. If an applicant fails to provide information and documentation that is reasonably necessary for Dignity Health to make a determination regarding eligibility, Dignity Health will consider that failure in making its determination.

In addition to the Financial Assistance discussed in this Policy, Dignity Health offers discounts that are not based on income to eligible patients. Patients may contact a Dignity Health financial counselor for more information. However, a patient who receives a Financial Assistance discount will not be eligible for other Dignity Health discounts unless the application of multiple discounts is expressly permitted by other Dignity Health policies. In general, only the largest discounted amount will be applied to an account balance in the event both Financial Assistance and other administrative discounts are granted. Administrative discounts, such as prompt pay discounts, that are granted prior to the awarding of Financial Assistance are not considered in the Financial Assistance determination process.

This Policy is intended to comply with California Health & Safety Code § 127400 et seq. (AB 774), Hospital Fair Pricing Policies, effective January 1, 2007, updated January 1, 2011 and January 1, 2015 (SB 1276); Internal Revenue Code Section 501(r) and the Internal Revenue Service (IRS) regulations promulgated from time to time thereunder; and United States Department of Health and Human Services ("HHS"), Office of Inspector General ("OIG") guidance regarding financial assistance to uninsured and underinsured patients. Additionally, this Policy provides guidelines for identifying and handling patients who may qualify for Financial Assistance.

II. PURPOSE

In order to manage its resources responsibly and to comply with applicable federal and state laws, Dignity Health has established this Financial Assistance Policy for the provision of Financial Assistance, including charity care and discounts for eligible patients.

III. DEFINITIONS

Amount Generally Billed

The Amount Generally Billed is the maximum charge a patient who is eligible for Financial Assistance under this Financial Assistance Policy is personally responsible for paying, after all deductions and discounts (including discounts available under this Policy) have been applied and less any amounts reimbursed by insurers, is known as the Amount Generally Billed (AGB). No patient eligible for Financial Assistance will be charged more than the AGB for the Eligible Service(s) (as defined below) provided to the patient. Dignity Health calculates the AGB on a facility-by-facility basis using the “lookback” method by multiplying the “Gross Charges” (as defined below) for any Eligible Services that it provides by AGB percentages, which are based upon past claims allowed under Medicare and private insurance as set forth in federal law.

Dignity Health’s patients may obtain additional information regarding Dignity Health’s AGB percentage and how the AGB percentages were calculated from a financial counselor and at: <http://www.dignityhealth.org/cm/content/pages/billing-help.asp>.

Applicant

The Applicant is the individual patient or the patient’s guarantor, as applicable, who applies for Financial Assistance. A household member, close friend or associate of the patient may also request that the patient be considered for Financial Assistance. A referral may also be initiated by any member of the medical or facility staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, religious sponsors, vendors or others who may be aware of the potential need for Financial Assistance.

Application Period

The Application Period is the later of: (i) 360 days from the patient’s discharge from the hospital or the date of the patient’s Eligible Service, or (ii) 240 days from the date of the initial post-discharge bill for the Eligible Service.

Bad Debt

Bad debt are charges resulting from services rendered to a patient who is determined to be able but unwilling to pay all or part of the bill. Bad debt is differentiated from charity care by an unwillingness to pay (Bad Debt) versus a demonstrated inability to pay (Financial Assistance).

Charity Care

Charity Care is full Financial Assistance (i.e., 100% discount) to qualifying patients that relieves the patient and his or her guarantor of their entire financial obligation to pay for Eligible Services. Charity Care does not reduce the amount, if any, that a third party may be required to pay for Eligible Services provided to the patient. Within this Policy, Charity Care is differentiated from discounts or other forms of financial assistance when discussing the amount granted under the Financial Assistance program as a full waiver of the account balance (Charity Care) versus a partial waiver of the account balance (discounts or other forms of financial assistance).

Discounted Care

Discounted Care is partial Financial Assistance to qualifying patients to relieve the patient and his or her guarantor of a portion of their financial obligation to pay for Eligible Services (as defined below). Discounted Care does not reduce the amount, if any, that a third party may be required to pay for Eligible Services provided to the patient. Discounts excluded from the Financial Assistance

program are usual discounts whose application is not based on an ability to pay.

Eligible Services

Eligible Services include all Emergency Medical Care or non-emergency, Medically Necessary Care delivered by Dignity Health within Dignity Health-operated hospital facilities including all buildings listed on the license for each hospital. Eligible Services may also include non-covered Medically Necessary Care provided to patients where the patient would bear responsibility for the charges, such as charges for days beyond a length of stay limit or in circumstances where the patient's benefits have been exhausted. Eligible Services also include services provided to patients as part of any federal, state or local managed indigent care program. Eligible Services excludes elective procedures, physician services, treatments or procedures unless the Financial Assistance Policy's provider list includes the relevant physician or physician group and, if applicable, a description of the services, treatments, or procedures provided by such physician or physician group specifically covered by this Policy.

Emergency Medical Care

Emergency Medical Care means care provided by a hospital facility for:

- (a) A medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
 - (i) Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;
 - (ii) Serious impairment to bodily functions, or
 - (iii) Serious dysfunction of any bodily organ or part; or
- (b) A pregnant woman who is having contractions, when:
 - (i) There is inadequate time to effect a safe transfer to another hospital before delivery, or
 - (ii) That transfer may pose a threat to the health or safety of the woman or the unborn child.

Emergency Physician

An Emergency Physician is a licensed physician or surgeon credentialed by a Dignity Health hospital and either employed or contracted (including through a contracted medical group) by the hospital to provide emergency medical care in the emergency department of the hospital. The term "Emergency Physician" does not include a physician specialist who is called into the emergency department or who is on staff or has privileges at the hospital outside of the emergency department.

Essential Living Expenses

Essential Living Expenses are expenses for any 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.

Extraordinary Collection Actions (ECAs)

ECAs include the following:

- (a) Selling an individual's debt to another party except as expressly provided by federal law.
- (b) Reporting adverse information about the individual to consumer credit bureaus.
- (c) Deferring or denying, or requiring a payment before providing, Medically Necessary Care because of an individual's nonpayment of one or more bills for previously provided care covered under the hospital facility's Financial Assistance Policy.
- (d) Certain actions that require a legal or judicial process as specified by federal law, including some liens, foreclosures on real estate, attachments / seizures, commencing a civil action, causing an individual to be subject to a writ of attachment, and garnishing an individual's wages.

ECAs do not include any lien that a hospital is entitled to assert under state law on the proceeds of a judgment, settlement or compromise owed to an individual (or his or her representative) as a result of personal injuries for which a hospital provided care.

Federal Poverty Level (FPL)

The FPL is defined by the poverty guidelines updated periodically in the Federal Register by the HHS under authority of subsection (2) of Section 9902 of Title 42 of the United States Code. Current FPL guidelines can be referenced at: <http://aspe.hhs.gov/poverty-guidelines>.

Financial Assistance

Charity Care, Discounted Care or other forms of financial assistance, as described in this Policy.

Financial Assistance Policy's Provider List

A listing referenced on the facility's website which details the relevant physician or physician group specifically covered by this Policy.

Gross Charges

Gross Charges (also referred to as "full charges") means the amount listed on each Dignity Health hospital facility's chargemaster for each Eligible Service.

Hardship Discount

Hardship Discount is the additional discount provided to a patient who satisfies the criteria established in Section V.D. below.

Income

Modified Adjusted Gross Income (MAGI), as defined by the IRS.

Medically Necessary Care

Hospital services and supplies and other health care services, to the extent expressly provided for in this Policy, needed to diagnose or treat an illness, injury, condition, disease or its symptoms and that meet accepted practice standards. Medically Necessary Care does not include care relating to cosmetic procedures that are intended only to improve the aesthetic appeal of a normally functioning body part.

Patient's Family

A Patient's Family includes the patient and:

- (a) For persons 18 years of age and older, a spouse, domestic partner, as defined in Section 297 of the California Family Code, and dependent children under 21 years of age, whether living at home or not.
- (b) For persons under 18 years of age, a parent, caretaker relatives, and other children under 21 years of age of the parent or caretaker relative.

Patient Family Income

The annual Income earned by the Patient's Family in the 12 months prior to the date on which the Dignity Health service was provided.

Patient with High Medical Costs

A patient who has health coverage and who also meets one of the following two criteria:

- (a) Annual out-of-pocket costs incurred by the individual at the hospital exceed 10% of the Patient's Family Income (defined below) in the prior 12 months; or
- (b) Annual out-of-pocket medical expenses exceed 10% of the Patient's Family Income, if the patient provides documentation of the patient's medical expenses paid by the patient or the Patient's Family in the prior 12 months.

Presumptive Eligibility Determination

Presumptive Eligibility Determination is the process of determining a patient's eligibility for Financial Assistance based upon information other than that provided by the patient, such as qualification in other welfare-based programs, federal, state or local managed indigent care programs, homeless status, or based upon a prior Financial Assistance eligibility determination. (Note that references to "Presumptive Eligibility" in this Policy refer to Presumptive Eligibility for Financial Assistance and do not refer to Medi-Cal Hospital Presumptive Eligibility unless otherwise specified.) Dignity Health may utilize a Presumptive Eligibility Determination process to provide Charity Care or Discounted Care with respect to any category of Financial Assistance. In making a Presumptive Eligibility Determination, Dignity Health may rely on information included in publicly available databases and information provided by third-party vendors who utilize publicly available databases to estimate whether a patient is entitled to Financial Assistance. This screening process is designed to emulate Dignity Health's Financial Assistance Application and the information returned through the screening process will constitute adequate documentation when additional information is not available from the patient. The process provides an estimate of the patient's household income and size and analyzes other factors related to the patient's financial need.

Presumptive Eligibility for Medi-Cal Insured Patients

A patient who has health coverage under the Medi-Cal or other Medicaid programs is presumed to have an Income below the FPL required for Financial Assistance under this Policy. Financial Assistance may be granted to patients based only on health coverage under the Medi-Cal or other Medicaid programs. Waiver of account balances under this Policy for patients who have health coverage under the Medi-Cal or other Medicaid programs shall never include a waiver of the patient's Share of Cost. As the Share of Cost is considered a condition of coverage, patients will be educated that this amount is not subject to waiver or Financial Assistance.

Reasonable Payment Plan

A Reasonable Payment Plan is an extended payment plan in which the monthly payments are not more than 10% of a Patient's Family Income for a month, after excluding deductions for Essential Living Expenses (as defined above).

Share of Cost

A pre-determined amount of health care expenses that a patient with coverage under the Medi-Cal or other Medicaid programs must incur before he or she qualifies for Medi-Cal benefits. These amounts may not be discounted or written off as part of this Policy.

Uninsured Patient

An Uninsured Patient is a patient who does not have health coverage from a health insurer, health care service plan or government-sponsored health care program (e.g., Medicare, Medi-Cal or Medicaid), and whose injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital.

IV. PRINCIPALLY AFFECTED DEPARTMENTS

All Dignity Health entities that provide Eligible Services.

V. FINANCIAL ASSISTANCE PROGRAM

A patient or patient's guarantor may apply for Financial Assistance at any time during the Application Period. If the application is filed after the Application Period is over, Dignity Health may deny the application. However, Dignity Health will consider the reasons that the application was not filed during the Application Period and may process the application if it determines that the Applicant acted reasonably even though the application was not timely filed.

A. Charity Care (Up to 250% of the FPL)

Any patient whose Patient Family Income is at or below 250% of the FPL, including, without limitation, any Uninsured Patient or Patient with High Medical Costs, is eligible to receive Charity Care equal to a 100% discount from his or her account balance for Eligible Services provided to the patient after payment, if any, by any third party(ies).

In determining a patient's eligibility for Charity Care, Dignity Health will consider the Patient Family Income and may consider the monetary assets of the Patient's Family. However, for purposes of this determination, monetary assets will not include retirement or deferred compensation plans qualified under the Internal Revenue Code or nonqualified deferred compensation plans. In addition, the first ten thousand dollars (\$10,000) of the monetary assets of the Patient's Family shall not be counted in determining eligibility nor shall 50% of the monetary assets of the Patient's Family over the first \$10,000 be counted in determining eligibility.

B. Discount for Uninsured Patients and Patients with High Medical Costs (Less than or Equal to 350% of the FPL) and Extended Payment Plans

Any Uninsured Patient or Patient with High Medical Costs who does not qualify for Charity Care under Section V.A. above and whose Patient Family Income is at or below 350% of FPL is eligible

to receive a Discounted Care for Eligible Services received by the patient and an extended payment plan. This discount will limit the expected payment for Eligible Services to an amount that is (i) no more than the amount of payment the hospital would in good faith expect to receive for providing services from Medicare, Medi-Cal, or another government-sponsored health care program in which the hospital participates, whichever is greatest, and (ii) in all events, no more than the AGB for the Eligible Services provided to the patient.

Upon request, patients who receive this Discounted Care will be provided an extended payment plan that will allow payment of the discounted amount over time. Dignity Health and the patient shall negotiate the terms of the payment plan, and take into consideration the Patient Family Income and Essential Living Expenses. If Dignity Health and the patient cannot agree on the payment plan, Dignity Health shall implement a Reasonable Payment Plan to allow payment of the discounted amount over time.

C. Additional Uninsured Discount (Greater than 350% and Less than or Equal to 500% of the FPL)

Any Uninsured Patient or Patient with High Medical Costs who has Patient Family Income above 350% but at or below 500% of FPL is eligible to receive Discounted Care for Eligible Services received by the patient and an extended payment plan. The discount will limit the amount the patient is expected to pay to no more than the applicable AGB.

Upon request, any patient who receives this Discounted Care will also be provided an extended payment plan that allows for the payment of the discounted amount over not more than a 30-month period.

D. Additional Hardship Discounts

A patient who receives Discounted Care, but (1) whose liability still exceeds 30% of the sum of (a) his or her Patient Family Income, and (b) his or her monetary assets, and (2) who does not have the ability to pay his or her bill, as determined by a review of factors such as projected Patient Family Income for the coming year and existing or anticipated health care liabilities may be given an additional Hardship Discount. For purposes of the determination of this Hardship Discount, Dignity Health will not consider assets in retirement plans qualified under the Internal Revenue Code in effect at the time of the determination or deferred compensation plans.

If the patient meets all eligibility criteria, the patient will receive a Hardship Discount, which will reduce the patient's remaining liability to no more than 30% of the sum of his or her (1) Patient Family Income, and (2) monetary assets.

A patient may also receive discounts or waivers under this Policy if considered homeless or transient under the Dignity Health Administrative Policy 60.4.015 - "Identification of Homeless Accounts" or if they participate in a federal, state or local managed indigent care program.

E. Restriction on Application of Gross Charges

For any care covered under this Policy (whether Emergency Medical Care or non-emergent, Medically Necessary Care), the net amount Dignity Health charges a patient determined by the hospital to be eligible for Financial Assistance under this Policy shall be less than the gross charges for such care. This amount will be equal to the amount the patient is personally responsible for paying after all deductions and discounts (including discounts available under this Effective Date: January 1, 2019

Policy) have been applied and less any amounts reimbursed by insurers. This amount shall not include any amounts required to be paid by an insurer as a condition of coverage. A billing statement issued by a Dignity Health facility for care covered under the Policy may state the gross charges for such care and apply contractual allowances, discounts, or deductions to the gross charges, provided that the actual amount the individual is personally responsible for paying is less than the gross charges for such care.

VI. GUIDELINES

A. Notice to Patients Regarding Financial Assistance

1. Paper Copy of Plain Language Summary. Dignity Health will notify and inform patients about the Financial Assistance Policy by offering a paper copy of the plain language summary of the Financial Assistance Policy to patients as part of the intake or discharge process.

Notice of Financial Assistance Policy during Billing Process. As part of the post-discharge billing statements, Dignity Health shall provide each patient with a conspicuous written notice that shall contain information about the availability of Dignity Health's Financial Assistance Policy. (For additional details regarding notices provided in connection with billing statements, please refer to Dignity Health's Billing & Collections Policy #9.101.)

2. Posted Notice of Financial Assistance Policy. Notice of Dignity Health's Financial Assistance program and the plain language summary of this Policy also shall be clearly and conspicuously posted in Dignity Health locations visible to the public, including all of the following:

- (a) Emergency department;
- (b) Billing office;
- (c) Admissions office and associated area;
- (d) Waiting rooms;
- (e) Other hospital outpatient settings; and
- (f) In other locations and settings where there is a high volume of patient traffic or where it is reasonably calculated to reach those patients or their family members who are most likely to require financial assistance from the hospital facility.

3. Brochures. Dignity Health also shall provide brochures explaining its Financial Assistance program in registration, admitting, emergency department and urgent care areas and in patient financial services offices located at Dignity Health hospital facilities.

4. Posting on Website and Providing Copies upon Request. Dignity Health shall make this Policy, the Financial Assistance Application form, and plain language summary of this Policy available in a prominent place on each hospital facility's website, and shall make paper copies of each available upon request by a patient or his/her family member and without charge, both by mail and in public locations in the hospital facility, including, at a minimum, in the emergency department (if any) and admissions areas.

5. Language Requirements. Dignity Health shall ensure that all written notices, posted signs and brochures are printed in appropriate languages and provided to patients as may be required under applicable state and federal laws.

6. Published Information. As necessary, and at least on an annual basis, each of the Dignity Health hospital facilities in California either (a) shall place an advertisement regarding the availability of Financial Assistance at such hospital in a newspaper of general circulation in the communities served by the hospital, or (b) issue a press release to widely publicize the availability of Financial Assistance under this Policy to the communities served by such hospital.

7. Community Organizations. Each of the Dignity Health hospital facilities in California shall work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship and other community-based organizations to notify community members (especially those who are most likely to require Financial Assistance) about the availability of Financial Assistance at such hospital.

8. List of Financial Assistance Policy Providers. Dignity Health will publish a list of providers delivering Emergency Medical Care and Medically Necessary Care in its hospital facilities that will specify which providers are covered by this Financial Assistance Policy and which are not covered. This list is available on each facility's billing website. Hardcopies may be obtained at admission or registration areas or sites at each Dignity Health hospital facility.

B. Insurance and Government Program Eligibility Screening Process.

Dignity Health shall make all reasonable efforts to obtain from the patient or his or her representative information about whether private insurance or government-sponsored health care program coverage may fully or partially cover the charges for care rendered by the hospital to a patient, including, but not limited to, any of the following:

1. Private health insurance, including insurance or health care service plan coverage offered through a State or Federal Health Benefit Exchange;
2. Medicare; and
3. Medi-Cal (or Medicaid, as applicable), the California Children's Services Program, or other state-funded programs designed to provide health coverage.

Dignity Health expects all Uninsured Patients or Patients with High Medical Costs to fully comply with this eligibility screening process.

C. Financial Assistance Application Process

1. If a patient does not indicate coverage by private insurance or a government-sponsored health care program, a patient requests Financial Assistance or a Dignity Health representative determines that the patient may qualify for Financial Assistance, then Dignity Health shall also do the following:

- (a) Make all reasonable efforts to explain the benefits of Medi-Cal (or Medicaid, as applicable), and other public and private health insurance or sponsorship programs, including coverage offered through the State or Federal Health Benefit Exchange, to all Uninsured Patients at the time of registration.

Dignity Health will ask potentially eligible patients to apply for such programs, and will provide the applications and assist with their completion. The applications and assistance will be provided prior to discharge for inpatients and within a reasonable amount of time to patients receiving emergency or outpatient care.

- (b) Make reasonable efforts to explain Dignity Health's Financial Assistance Policy and other discounts, including the eligibility requirements, to patients who may qualify for Financial Assistance, ask those potentially eligible to apply, provide a Financial Assistance Application to any interested person who may meet the criteria for Financial Assistance at the point of service or during the billing and collection process, and provide assistance with completion of the application.

2. If a patient is eligible to apply for coverage under a government-sponsored health care program for the Eligible Services received by the patient, the patient will not be granted Financial Assistance unless the patient applies for and is denied coverage under a government-sponsored health care program. If a patient applies for a government sponsored healthcare program and is denied coverage, Dignity Health should be provided with a copy of the denial of coverage. The patient's application for coverage under such a government-sponsored health care program shall not preclude eligibility for Financial Assistance from Dignity Health under this Policy.

3. Upon receiving a complete Financial Assistance Application from a patient who Dignity Health believes may be eligible for government-sponsored health care programs (e.g., Medi-Cal, Medicaid, CHIP), Dignity Health may postpone determining whether the patient is eligible for Financial Assistance until the patient's government-sponsored health care program application has been completed and submitted, and a determination as to the patient's eligibility for such program has been made.

4. If a patient has not completed and submitted a Financial Assistance Application within 120 days after the first post-discharge billing notice, then Dignity Health may engage in further collection activities, including ECAs, subject to compliance with the provisions of Dignity Health's Billing & Collection Policy, #9.101.

5. Subject to paragraphs 6 and 7, directly below, Dignity Health will ask each Applicant to provide the documentation necessary and reasonable to determine each Applicant's eligibility for Financial Assistance. In the event the Applicant is unable to provide any or all of these documents, Dignity Health will consider this failure in making an eligibility determination. Under appropriate circumstances, Dignity Health may waive some or all of the documentation requirements and approve Financial Assistance through Presumptive Eligibility Screening or Medi-Cal Eligibility Approval. Dignity Health will document the screening on the patient's account and also notify the patient in writing of approval.

6. For purposes of determining whether a patient is eligible to receive Charity Care, documentation requested from the patient shall be limited to income tax returns or, if income tax returns are not available, pay stubs and reasonable documentation of assets, but not including assets in retirement or deferred compensation plans qualified under the Internal Revenue Code or in nonqualified deferred compensation plans. Dignity Health may require waivers or releases from the Applicant and the Patient's Family authorizing Dignity Health to obtain account information from financial or commercial institutions or other entities that hold or maintain the monetary assets

to verify their value.

7. For purposes of determining whether a patient is eligible to receive a Discounted Care or other Financial Assistance, documentation of income shall be limited to income tax returns, or if income tax returns are not available, pay stubs. In addition, the Applicant will be required to provide documentation of Essential Living Expenses in the event the Applicant requests an extended payment plan.

8. For purposes of determining whether a patient is eligible for Financial Assistance, in addition to Patient Family Income, Dignity Health may also consider adverse financial circumstances following the patient's date of discharge or service, such as disability, loss of a job, or other circumstances impacting the patient's ability to pay for Eligible Services.

9. Eligibility for Financial Assistance may be determined at any time Dignity Health is in receipt of the information described in this Policy. However, Dignity Health has the discretion to deny an application for Financial Assistance if it is not filed within the Application Period.

10. Information obtained from the patient, the Patient's Family, or the patient's legal representative in connection with determining whether a patient meets the eligibility requirements for Financial Assistance as described in this Policy shall not be used for collection activities.

11. The FPL guidelines published in the Federal Register at the time a Financial Assistance Application is processed by Dignity Health will be utilized when measuring Patient Family Income against the FPL. The existing guidelines can be found at: <http://aspe.hhs.gov/poverty-guidelines>.

12. If a patient applies for, and is eligible to receive more than one discount, the patient will be entitled to receive the largest single discount for which the patient qualifies unless the combination of multiple discounts is expressly permitted by Dignity Health's policies.

D. Presumptive Eligibility Determinations

1. Dignity Health understands that some patients may not complete a Financial Assistance Application, comply with requests for documentation, or otherwise respond to the application process. Additionally, coverage under a Medicaid or Medi-Cal program may evidence income which does not exceed the FPL limits required for Financial Assistance under this Policy and participation in federal, state or local managed indigent care programs evidences an inability to pay for health care services. Therefore, denied services from a Medicaid or Med-Cal program would qualify for Financial Assistance. As a result, there may be circumstances in which a patient's qualification for Financial Assistance is determined without completing the formal Financial Assistance Application. Under these circumstances, Dignity Health may make a Presumptive Eligibility Determination. Dignity Health reserves the right to make Presumptive Eligibility Determinations, but is not obligated to do so.

2. In the event Dignity Health makes a Presumptive Eligibility Determination, Dignity Health will send a written notification of such determination to the patient.

3. If a patient is presumptively determined to be eligible for Discounted Care (as opposed to Charity Care), Dignity Health will do the following:

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- (a) Adjust the account to clarify the amount due from the patient.
- (b) Give written notification to the patient regarding the basis for the Presumptive Eligibility Determination and the way to apply for more generous assistance under the Financial Assistance Policy.
- (c) Give the patient a reasonable period of time to apply for more generous assistance before the hospital initiates ECAs to obtain the discounted amount owed for the care.
- (d) Determine whether the patient is eligible for more generous Financial Assistance upon receipt of a Financial Assistance Application requesting more generous Financial Assistance.

E. Patient Financial Assistance Application Review Process

1. If a patient submits a complete Financial Assistance Application (either initially or by amending an incomplete application within a reasonable period of time as described below), Dignity Health will suspend any ECAs (with the exception of ECAs relating to deferral or denial of service due to nonpayment for past service) until Dignity Health has determined whether the patient is eligible for Financial Assistance for the care and provides written notice of this eligibility determination (including, if applicable, the assistance for which the patient is eligible) and the basis for this determination to the patient.

2. If Dignity Health determines the patient is eligible for Financial Assistance under this Policy, it will:

- (a) Provide the patient with a billing statement indicating the net amount owed as a Financial Assistance-eligible patient, how that amount was determined, and how the patient can obtain information regarding the AGB for the care;
- (b) Refund any amount the patient has paid for the care that exceeds the net amount he/she is personally responsible for paying as a Financial Assistance-eligible patient (unless such amount is less than \$5 or other amount set by guidance published by the IRS in the Internal Revenue Bulletin); and
- (c) Take all reasonably available measures to reverse any ECA (with the exception of ECAs relating to deferral or denial of service due to nonpayment for past service) taken against the patient for the care at issue.

3. Information supplied on the completed Financial Assistance Application along with any other information which Dignity Health has obtained during the application process will be used by authorized representatives of Dignity Health to evaluate whether a patient is eligible for Financial Assistance.

4. A decision shall be made regarding eligibility for Financial Assistance based upon the information reasonably available to Dignity Health, including the Financial Assistance Application and supporting documentation as well as the eligibility criteria described in this Policy. This decision may result in a Charity Care or Discounted Care, which will be a discount from the hospital's Gross Charges.

5. The Applicant will be notified in writing of Dignity Health's approval or denial of the Financial Assistance request, as appropriate.

6. If an Applicant believes a denial of Financial Assistance was made in error, the Applicant may ask Dignity Health to reconsider its decision and may provide additional information to Dignity Health to support his or her request for such reconsideration.

7. In the event of a dispute, the Applicant also may seek review of Dignity Health's decision from a Dignity Health Financial Counselor or Customer Service Manager servicing the hospital facility that made the initial determination or through written request.

8. If a patient submits an incomplete Financial Assistance Application during the Application Period, Dignity Health will take the following actions:

- (a) Run a PARO screening if the account is less than 360 days from the date of service or 240 days from the initial billing statement in an attempt to qualify the patient for Financial Assistance.
- (b) If eligibility cannot be determined during the PARO screening, Dignity Health may also request that the patient provide missing information needed to complete the Financial Assistance application, including contact information for the hospital or billing office that can provide information about the Financial Assistance Policy and contact information for the hospital office, a nonprofit organization or government agency that can assist with Financial Assistance applications, and
- (c) Suspend any ECAs until the patient has failed to respond to requests for additional information/documentation within a reasonable period of time.

VII. REFERENCES

- A. Dignity Health Governance Policy #9.101, *Patient Billing and Collections Policy*
- B. Dignity Health Governance Policy #9.100, *Emergency Medical Care / Emergency Medical Treatment and Labor Act (EMTALA) Policy*
- C. Dignity Health Administrative Policy #70.2.001, *Administrative Discounts Policy*
- D. Dignity Health Administrative Policy #60.4.015, *Identification of Homeless Accounts Policy*