



ARROWHEAD REGIONAL MEDICAL CENTER
Administration Policies and Procedures

Policy No. 110.29 Issue 11
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SECTION: ADMINISTRATIVE

SUB SECTION: OPERATIONS

SUBJECT: PATIENT DISCOUNT PAYMENT POLICY AND PROCEDURE

APPROVED BY: _____

ARMC Chief Executive Officer

PURPOSE

The purpose of this policy is to define the eligibility criteria for the Discount Payment program and the process used by Arrowhead Regional Medical Center to determine if a patient is eligible. The effective date of this policy is January 1, 2025.

POLICY

Arrowhead Regional Medical Center (ARMC) is committed to providing quality healthcare to the community and helping people who are uninsured, underinsured, ineligible for government programs or the California Health Benefit Exchange, and are unable to pay for medically necessary care based on their financial situation. ARMC strives to ensure that people who need health care services are not prevented from getting care due to their financial status. Patients who seek to participate in the Discount Payment program are expected to comply with this policy and to contribute to the cost of their care based on this policy.

Emergency Physicians, (as defined in Health and Safety Code Section 127450), who provide emergency medical services in a hospital that provides emergency care, are also required by law to provide discounts to uninsured patients or patients with High Medical Costs who are at or below 400% of the Federal Poverty Level ("FPL"). This statement shall not be construed to impose any additional responsibilities upon the hospital.

It is the policy of ARMC to provide patients with understandable written information regarding its Discount Payment program and to provide Financial Assistance to qualified patients for medically necessary services.

Under the Discount Payment program, the maximum amount that an Eligible Patient owes for services under this policy is limited to the amount of payment that ARMC would expect, in good faith, to receive for providing services from Medicare or Medi-Cal, whoever is greater, based on the date on which the services are provided. If ARMC provides a service for which there is no established payment by Medicare or Medi-Cal, ARMC shall establish an appropriate discounted payment for such services.

Special circumstance discounts may be offered on a case-by-case basis, please refer to Patient Accounts Policy No. 805.01 for more information.

TYPE OF SERVICES COVERED

The Discount Payment program covers all eligible services, including medically necessary hospital services, educational services, and diagnostic services provided at all ARMC-operated facilities, including the hospital and its clinics that is charged by ARMC.

This Discount Payment program does not cover professional fees that may be charged by individual service providers, including, but not limited to physicians, anesthesiologists, radiologists, pathologists, and advance practice professionals (such as nurse practitioners and physician assistants). A list of the non-covered providers can be found on Attachment A to this policy.

PROCEDURES

I. ELIGIBILITY

- A. A patient is eligible for participation in the Discount Payment program if the patient follows this policy and meets the following requirements:
 - 1. The patient's Family income is between 401% and 550% FPL; and
 - 2. The patient is a patient with High Medical Costs.
- B. Monetary assets are not considered in determining eligibility for participation in the Discount Payment program.
- C. The determination of the patient's Family income is made in accordance with the Federal Poverty Level (FPL) in effect at the time of eligibility determination.
- D. The determination of a patient's eligibility for participation in the Discount Payment program shall not take into consideration the patient's age, gender, race, social or immigrant status, sexual orientation or religious affiliation or any other legally protected status.
- E. If the patient is eligible for participation in the Discount Payment program, the patient will be eligible for participation for one year from the date of approval. Additional applications for subsequent medical visits will not be required during the one-year eligibility period.
- F. Limitations on Medicare Patients:

Patients who meet the FPL requirement and have Medicare as primary coverage may qualify for the Discount Payment program, but the discount will be limited to a portion of the patient's copayments, coinsurance, deductible, and share of cost amounts unreimbursed by any other payer including Medi-Cal/Medicaid, and which is not reimbursed by Medicare as a bad debt.

II. DETERMINATION OF ELIGIBILITY

- A. ARMC will determine a patient's eligibility by assessing the patient's individual situation. Except as set forth in Section III of this policy, the patient or his/her guarantor is expected to provide all necessary documentation to allow ARMC to determine the patient's eligibility. Such documents include:
 - 1. Application for Financial Assistance ("Application")

2. Copy of picture identification
3. Proof of Family income – Based on recent paystubs or income tax returns
4. Statement of Support providing explanation if living with no income
5. Documents showing the annual Out-of-Pocket Costs incurred and paid by the patient and/or the patient's family in the prior 12 months.

The Application for Financial Assistance is an attachment to the Charity Care policy.

- B. Proof of Family income is limited to recent pay stubs or tax returns. No other documents showing Family income are required, but ARMC will accept and consider other documents if offered by the patient.
- C. Information obtained from income tax returns, paystubs, and any other monetary asset documentation provided by the patient for determination of eligibility will not be used for collection activities by ARMC.
- D. If a patient requests participation in the Discount Payment program, but fails to provide information that is reasonable and necessary for ARMC to determine eligibility, ARMC may consider that failure in making its eligibility determination.
- E. When the patient is unable to provide documentation verifying income, the following procedures shall be followed:
 1. Written Attestation: The patient can sign a statement attesting to the accuracy of the income information provided.
 2. Verbal Attestation: The Hospital financial counselor may provide written attestation that the patient verbally verified the income calculation. Some attempts should be made to document the patient's Family income before taking a verbal attestation, but the financial counselor may not request any documents from the patient relating to income except recent pay stubs and income tax returns.
- F. Timing:
 1. A patient's eligibility for may be determined at any time information on the patient's eligibility becomes available.
 2. There is no time limit for a patient to apply for participation in the Discount Payment program.
- G. ARMC's staff may request, but may not require, a patient applying for the Discount Payment program to apply for Medicare, Medi-Cal, or other coverage before the patient is screened for or approved as an Eligible Patient under the Discount Payment program. However, ARMC may require patients applying for the Discount Payment program to participate in screening for Medi-Cal eligibility.
- H. Any patient who applies, or has a pending application, for another health coverage program may, at the same time, submit an Application for Financial Assistance for determination of eligibility for the Discount Payment program.

III. FINANCIAL ASSISTANCE APPLICATION AVAILABILITY

- A. Patients who desire to apply for participation in the Discount Payment program may obtain an Application upon request, as follows:
1. Call Customer Service: 1-877-818-0672.
 2. Email Customer Service: patientaccounts@armc.sbcounty.gov
 3. Obtain an Application from the Patient Accounts Cashier Office located inside the ARMC hospital 1st floor-across from the outpatient pharmacy.
 4. Download the Application from the ARMC website:
www.arrowheadregional.org/documents/English-FAP-Applicationv2.pdf

IV. APPLICATION REVIEW PROCESS

A. Application Review Process

1. Financial Counselors (FC) will review the submitted Application and documentation.
2. If a patient submits an incomplete Application, FC notifies applicant to provide the missing information and will provide reasonable opportunity to do so.
3. If a patient submits a completed Application, the FC reviews the visit encounter.
4. If the FC identifies the visit as a possible injury recovery claim, the following procedures will be followed:
 - a. FC provides the account information to the County Revenue Recovery Division (RRD) to further evaluate the possibility of a recovery claim submitted by the patient due to the injury.
 - b. The FC sends a letter to the patient to contact the RRD to provide documentation to RRD to determine whether there is a possibility of a recovery claim against a third-party.
 - c. The Application will be on hold pending clearance process by RRD for any possible recovery claims submitted by patient for the injury.
 - d. The FC, RRD, and patient will continue to communicate until and if injury recover claim is necessary.
5. If the FC determines that the visit is not a possible injury recovery claim or if the patient will not pursue a recovery claim for their injury, the following procedures will be followed:
 - a. FC will review the Application, pay stubs, income tax returns, and any other documents submitted by the patient to determine the patient's eligibility for the Discount Payment program as follows:
 1. FC will determine if the patient is a patient with High Medical Costs; and

2. FC will determine if the patient's Family income is between 401% and 550% FPL; and
- b. If the FC determines that the patient is eligible for the Discount Payment program, the following procedures will be followed:
 1. ARMC will provide the patient with the Eligibility Determination for Financial Assistance Letter ("Letter"). A template for the Letter can be found as Attachment B to the Charity Care policy.
 2. The FC updates the financial case in Epic with the Application determination, either approved or denied, and effective date.
 3. Epic will automatically adjust the patient account balance.

PATIENT ELIGIBILITY DISPUTE PROCESS

- A. A patient may file an appeal for re-evaluation. All appeals are to be submitted in writing to the attention of the Patient Accounts Department, Administrative Manager, 400 N Pepper Ave., Colton, CA 92324. The patient shall be notified in writing of the outcome of their appeal within thirty (30) days.
- B. Additionally, any patient who is denied participation in the Discount Payment program or wishes to dispute any other issue relating to eligibility for Charity Care may seek review from the ARMC Administrative Manager of the Patient Accounts Department by calling (909) 777-0771.

THIRD-PARTY PAYMENTS

ARMC may require a patient or guarantor to pay ARMC the following amounts even if a patient is eligible for participation in the Discount Payment program:

- A. The entire amount of any reimbursement received by the patient or guarantor from a third-party payor for the services that the patient received at ARMC.
- B. Any amount received by the patient or guarantor through a legal settlement, judgment, or award under a liable third-party action that includes payment for health care services or medical care related to the injury for which the patient seeks Charity Care.

COMMUNICATION OF THE DISCOUNT PAYMENT PROGRAM

- A. ARMC shall provide patients with a written notice ("Notice") that contains information about availability of ARMC's Charity Care and Discount Payment policies (collectively, "Policies"), including information about eligibility, and contact information for who can be contacted to obtain further information about the policies. The notice shall comply with and include all of the elements required under Health & Safety Code Section 127410.
- B. The Notice of the Policies shall be provided to patients as follows:
 1. At the time of service if the patient is conscious and able to receive the Notice at that time.
 2. If the patient is not able to receive the Notice at the time of service, the Notice shall be provided during the discharge process.
 3. If the patient is not admitted, the Notice shall be provided when the patient leaves the facility.

4. If the patient leaves the facility without receiving the Notice, ARMC shall mail the Notice to the patient within 72 hours of providing services.
- C. Notice of the Policies shall also clearly and conspicuously be posted in locations that are visible to the public, including, but not limited to all of the following:
1. Emergency Department
 2. Billing Office / Cashier Window
 3. Family Health Centers- Outpatient Clinics
 4. Hospital Website <https://www.arrowheadregional.org/documents/Help-Paying-Your-Bill-v3.pdf>

EXTENDED PAYMENT PLAN

- A. ARMC shall work with Eligible Patients to negotiate a monthly repayment plan to allow the patient to pay the discounted price over time. In negotiating this plan, ARMC shall take into consideration the patient's Family income and Essential Living Expenses. Such a plan shall be free of interest.
- B. If ARMC and the patient cannot agree on a repayment plan, ARMC shall institute a Reasonable Payment Plan, with monthly payments that are not more than 10% of the patient's Family income for a month after deductions for Essential Living Expenses.
- C. Any debt collection on an extended payment plan shall comply with Patient Account Policy No. 701.00.

OVERPAYMENTS

ARMC shall reimburse a patient any amount actually paid by the patient in excess of the amounts due under the Hospital Fair Pricing Act, including interest, and this Discount Payment policy. Interest shall accrue at the rate set forth in Code of Civil Procedure Section 685.010 beginning on the date payment by the patient is received by ARMC. Such refund shall be made within 30 days. However, ARMC is not required to reimburse the patient or pay interest if the amount due is less than \$5.00, or if it has been five years or more since the patient's last payment to ARMC or RRD.

EDUCATION AND TRAINING

The following ARMC staff shall receive training regarding ARMC's Charity Care and Discount Payment policies:

- A. Registration/Admitting (including Financial Interviewers)
- B. Patient Advocate
- C. Billing/Patient Accounts

REGULATORY REQUIREMENTS

In implementing this policy, ARMC shall comply with all applicable federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

ATTACHMENTS: Attachment A: Hospital Provider List

REFERENCES: California Health & Safety Code Sections 127400-127455
AB 103. Stats. 2010, Ch. 445 Section 127450

AB 2297
SB 1061
SB 1276. Stats. 2014, Ch. 758
Administrative Operations Manual (AOM) Policy #100.03
Administrative Policy No. 100.03, ARMC Policy Procedure Manuals-Format, Standards

DEFINITIONS:

Charity Care. Free health care services are provided without expectation of payment to people who meet the hospital's eligibility for Charity Care under Policy No. 110.28. Charity Care may include unpaid coinsurance, deductibles, share of cost, and unpaid balances for healthcare services if the patient meets the hospital's eligibility criteria. Charity Care does not include bad debt defined as uncollectible charges that the hospital recorded as revenue but wrote off due to a patient's failure to pay.

Eligible Patient: Refers to a patient who is determined by ARMC to be eligible to participate in its Discount Payment program under this policy.

Eligible Services. All emergency medical care or non-emergency, medically necessary care delivered within ARMC-operated facilities, including its clinics. 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.

Essential Living Expenses: Means 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.

Financial Assistance: A full or partial reduction in charges for emergencies or medical services for patients who have qualified for either Charity Care or the Payment Discount program.

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.

High Medical Costs: Means any of the following:

- A. Annual Out-Of-Pocket Costs incurred by the patient at ARMC that exceed the lesser of 10% of the patient's current Family income or Family income in the prior 12 months. 10% of the patient's current family income or family income in the prior 12 months, whichever is less.
- B. Annual Out-of-Pocket Costs that 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.

Medically Necessary Services: As defined by the California Welfare & Institutions Code 14059.5, a service is medically necessary when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain.

Out-Of-Pocket Costs: Means any expense for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays, co-insurance, deductible, or Medi-Cal Share of Costs.

Reasonable Payment Plan: Means monthly payments that are not more than 10% of a patient’s Family income for a month, excluding deductions for Essential Living Expenses.

Share of Cost(s): Refers to the share of medical costs that is the patient’s responsibility under the Medi-Cal/Medicaid program.

Recent Pay Stubs or Income Tax Return: Recent tax returns are tax returns which document income for the year in which the patient was first billed or 12 months prior to when the patient was first billed. Recent paystubs are paystubs within a 6-month period before or after the patient is first billed by the hospital, or in the case of preservice, when the application is submitted.

APPROVAL DATE: 12/13/2024 **Kim Hirotsu, Revenue Cycle Manager**
Applicable Administrator, Hospital or Medical Committee

12/13/2024 **Patient Safety and Quality Committee**
Applicable Administrator, Hospital or Medical Committee

 _____ **Board of Supervisors**
Approved by the Governing Body

REPLACES: **Administrative Policy No. 110.29 Issue 10**

EFFECTIVE: 02/05/2007

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REVIEWED: N/A

**ARROWHEAD REGIONAL MEDICAL CENTER
HOSPITAL PROVIDER LIST**

Physician Group	Services Provided	Contact Information
CEP America (Vituity)	Family Medicine Services	CEP America (Vituity) 430 N Vineyard Ave., Ontario, CA 91764 Patient Inquiries: 1-800-498-7157 Spanish Inquiries: 1-800-952-8351 Attorney Requests: (209) 567-5755, ext 4755
Arrowhead Pediatric Medical Group	Pediatric Services	Arrowhead Pediatric Medical Group 400 N Pepper Ave., Colton, CA 92324 (909) 580-6315
CEP America (Vituity)	Psychiatric Services	CEP America (Vituity) 430 N Vineyard Ave., Ontario, CA 91764 Patient Inquiries: 1-800-498-7157 Spanish Inquiries: 1-800-952-8351 Attorney Requests: (209) 567-5755, ext 4755
Arrowhead Radiology Medical Group	Radiology Services	Arrowhead Radiology Medical Group PO Box 2006, San Bernardino, CA 92406 (909) 580-1520
Cal Med Physicians and Surgeons	Surgical Services	Cal Med Physicians and Surgeons 410 Alabama St., Suite 105 Redlands, CA 92374 (909) 580-6334
California University of Science and Medicine	Neurology Services	California University of Science and Medicine 1501 Violet Street Colton, CA 92324 (909) 498-0687
CEP America (Vituity)	Emergency Medicine	CEP America (Vituity) 430 N Vineyard Ave., Ontario, CA 91764 Patient Inquiries: 1-800-498-7157 Spanish Inquiries: 1-800-952-8351 Attorney Requests: (209) 567-5755, ext 4755
City of Hope Medical Foundation	Oncology Services	City of Hope Medical Foundation 1500 E Duarte Rd. Duarte, CA 91010 (626) 775-3200
California University of Science and Medicine	Cardiology	California University of Science and Medicine 1501 Violet Street Colton, CA 92324 (909) 498-0687

Cal Med Physicians and Surgeons	Cardiothoracic Surgery	Cal Med Physicians and Surgeons 410 Alabama St., Suite 105 Redlands, CA 92374 (909) 580-6334
Faculty Physicians & Surgeons of LLUMC	Urology	Faculty Physicians & Surgeons of LLUSM 11175 Campus Street, Suite 11120 Loma Linda, CA 92354 (909) 651-5582
Inland Empire Anesthesia Medical Group	Anesthesia Services	Inland Empire Anesthesia Medical Group 310 North Indian Hill Blvd., #601 Claremont, CA 91711 (909) 580-2440
Kris J. Storkersen, M.D., Inc.	Ophthalmology	Kris J. Storkersen, M.D., Inc. 400 N Pepper Ave., Colton, CA 92324
Jeffrey N. Roberts, M.D., Inc.	Otolaryngology	Jeffrey N. Roberts, M.D., Inc. 400 N Pepper Ave., Colton, CA 92324
California University of Science and Medicine	Gastroenterology Services	California University of Science and Medicine 1501 Violet Street Colton, CA 92324 (909) 498-0687
Inland Medical Rehabilitation	Rehabilitation Services	Inland Rehabilitation Services 400 N Pepper Ave., Colton CA 92324 (909) 580-6250
Mojave Radiation Oncology Medical Group Inc.	Radiation Oncology Services	Mojave Radiation Oncology 2650 Elm Ave. Ste. 201 Long Beach, CA 90806 (909) 887-8800
Arrowhead Pediatric Medical Group	Neonatal Services	Arrowhead Pediatric Medical Group 400 N Pepper Ave., Colton, CA 92324 (909) 580-6315
Quantum Healthcare Medical Associates Inc.	Internal Medicine & Neurology Services	Quantum Healthcare Associates 5000 Hopyard Road, Suite 100 Pleasanton, CA 94588
San Bernardino Medical Orthopedic Group, Inc.	Orthopedic Services	San Bernardino Medical Orthopedic Group, Inc 1901 W. Lugonia Avenue, Ste 230 Redlands, CA 92374 (909) 557-1601
Valley Obstetrics and Gynecology Medical Group	Obstetrics and Gynecology Services	Valley Obstetrics and Gynecology Medical Group (909) 580-6250 400 N Pepper Ave., Colton CA 92324

****Patients will be financially responsible for any services provided by the listed providers. Please keep in mind that the above-mentioned medical groups may also offer financial assistance to patients; you may contact them for more information.***

*Revised 12/10/2024