

**Patient Financial Assistance,  
Prescription Assistance,  
Charity Care and Discounts  
(Patient Version)**

**POLICY 3.04.06**  
Finance & Business Operations  
Patient Financial Assistance,  
Prescription Assistance, Charity  
Care and Discounts (Patient  
Version)  
Issued: 10/2004  
Last Approval: 03/2023

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Office of Origin: Patient Financial Services

## I. PURPOSE

To provide guidelines for identifying patients who may qualify for Financial Assistance, Prescription Assistance, Charity Care and Discounts. This policy also establishes the financial screening criteria to determine which patients qualify for Patient Financial Assistance, Prescription Assistance, Charity Care and Discounts.

## II. REFERENCES

California Health & Safety Code §127400 et seq

UCSF Medical Center Administrative Policies:

[3.07.01 Medication Billing Integrity](#)

[3.04.07 Patient Financial Assistance, Prescription Assistance, and Charity Care](#)

[6.03.08 Transferring Patients to Other Hospitals](#)

[6.03.09 EMTALA Requirements for Emergency Medical Treatment](#)

[6.04.04 Patient Complaints and Grievances](#)

[6.04.10 Patient Rights and Responsibilities](#)

Department of Pharmacy Policies:

[221.410 340B Program Contract Pharmacy](#)

[221.400 Medication Management: 340B Program Oversight and Administration](#)

## III. DEFINITIONS

**340 B:** A federal drug pricing program, which requires manufacturers to provide either discounted outpatient medications to healthcare organizations or rebates to Medicaid programs.

**Family Income:** The annual earnings of all members of the Patient Family from the prior twelve (12) months or prior tax year as shown by the recent pay stubs or income tax returns, less payments made for alimony and child support.

**Financial Assistance:** The discounts available to patients who UCSF Medical Center determines are eligible to be a Full Charity Care Patient or a High Medical Cost Charity Care Patient.

**Full Charity Care Patient:** A patient who:

1. Is a Self-Pay Patient; and
2. Has Family Income at or below 400% of the Federal Poverty Level (FPL).

**Contract Pharmacy:** A pharmacy that contracts with a 340B covered entity to provide prescriptions to the eligible patients filled with 340B drugs replenished by the Contract Pharmacy.

**Eligible Provider:** A health care professional who either is employed by UCSF Medical Center

or provides health care under contractual or other arrangements such that responsibility for the care provided remains with UCSF Medical Center.

**High Medical Cost Charity Care Patient:** A patient who:

1. Is not a Self-Pay Patient (i.e. the patient has a third party source of payment);
2. Has Family Income at or below 400% of the Federal Poverty Level (FPL); or
3. Has out-of-pocket medical expenses in the prior twelve (12) months (whether incurred at UCSF Medical Center or at other medical providers) that exceed 10% of Family Income.

**Discount:** A reduction applied to billed charges to determine patient liability.

**Medically Necessary Service:** A medical service or treatment that is necessary to treat or diagnose a medical condition, the omission of which could adversely affect the patient's condition, illness or injury, and is not an elective or cosmetic surgery or treatment.

**Patient Family:** For patients eighteen (18) years of age and older, the Patient Family includes the patient's spouse, domestic partner, and dependent children under twenty-one (21) years of age, whether living at home or not. For patients under eighteen (18) years of age, the Patient Family includes the patient's parent(s) or caretaker relative(s), and other children under twenty-one (21) years of age of the parent(s) or caretaker relative(s).

**Patient Responsibility:** A copayment, coinsurance, deductible, or other amount due from an insured patient under the insured patient's benefit plan. Patient Responsibility does not include amounts due from an insured patient for services that are not covered benefits under the insured patient's benefit plan.

**Prescription Assistance:** The discounts available to patients who UCSF Medical Center determines are eligible for help with pharmacy charges and out-of-pocket expense.

**Self-Pay Patient:** A patient who has no third-party source of payment for health care services. Self-Pay Patients include without limitation: (i) patients who qualify for a government program but receive services that are not covered under the program; and (ii) patients whose benefits have exhausted prior to or during the provision of services.

**Insured Patient (Type I):** An Insured Patient who seeks non-emergent Medically Necessary Services at UCSF Medical Center that are either (i) not covered at UCSF Medical Center because UCSF Medical Center is not a participating provider under the patient's benefit agreement; or (ii) not covered at all under the patient's benefit agreement.

**Insured Patient (Type II):** An Insured Patient who could receive coverage for Medically Necessary Services at UCSF Medical Center from a commercial payer, but the patient elects not to seek coverage for such services.

#### IV. POLICY

- A. The policy applies to U.S. residents who are either uninsured patients or Insured Patients (Type I or Type II) with substantial patient liability.
- B. The policy does not include routine waiver of deductibles, co-payments and/or co-insurance imposed by insurance companies, services which are not medically necessary (e.g. cosmetic surgery), or separately-billed physician services. Prescription Assistance does not replace

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other financial resources available to the patient, including but not limited to group or individual medical plans, workers compensation, Medicare, Medicaid, pharmaceutical assistance programs provided directly to the patient(s) by drug manufacturers, state, federal or military programs, county aide, third party liability payers, or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services, including prescription drugs.

- C. A patient will not be eligible for Financial Assistance if the patient/responsible party provides false information about financial eligibility.

**V. PROCEDURES**

- A. Financial Assistance: Patients are eligible for Financial Assistance when they submit a completed application for Financial Assistance and demonstrate through the application process that they meet one of the following eligibility criteria on Table 1:

**TABLE 1:**

<b>Category of Financial Assistance</b>	<b>Eligibility</b>	<b>Discount</b>
Full Charity Care Discount	<ol style="list-style-type: none"> <li>1. Self-Pay Patient; and</li> <li>2. Family Income at or below 400% of the Federal Poverty Level (FPL)</li> </ol>	100% write off of amount due from patient
High Medical Cost Charity Care Discount	<ol style="list-style-type: none"> <li>1. Not a Self-Pay Patient (i.e. patient has third party coverage); and</li> <li>2. Family Income at or below 400% of the Federal Poverty Level (FPL); or</li> <li>3. Out-of-pocket medical expenses in prior twelve (12) months (whether paid or unpaid at UCSF Medical Center or paid and documented at other health care organizations) exceeds 10% of Family Income. UCSF may evaluate unpaid expenses at other health care organizations on a case-by-case basis.</li> </ol>	100% write off of Patient Responsibility

- B. The Financial Assistance application is available by visiting [https://www.ucsfhealth.org/billing\\_and\\_records/](https://www.ucsfhealth.org/billing_and_records/), via MyChart, or by calling Patient Financial Services at 1-866-433-4035.
- C. Discounts: The discounted amounts set forth in Table 2 below shall apply to (i) Self-Pay Patients who do not qualify for Financial Assistance; and (ii) Insured Patients (Type I). No discount shall be afforded to Insured Patients (Type II).

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**TABLE 2:**

<b>Patient Type</b>	<b>Discount</b>
Self-Pay Patients who do not qualify for Financial Assistance	<i>Facility Charges:</i> Discount is 70% of billed charge amount <i>Professional Charges:</i> Discount is 50% of the billed charge amount.
Insured Patient (Type I)	<i>Facility Charges:</i> Discount is 70% of billed charge amount <i>Professional Charges:</i> Discount is 50% of the billed charge amount
Insured Patient (Type II)	No discount

**D. Pharmacy Limitations:**

1. Patients approved for Financial Assistance under this policy will be required to obtain prescription services at Contract Pharmacy to receive the discounted price.
2. Narcotics, lifestyle medication and over-the-counter items are excluded from the Prescription Assistance Program

**E. Payment Plans**

1. Patients can be offered a payment plan. Payment plans will be interest-free.
2. Standard payment plan length will be twelve (12) months or less, depending on the outstanding balance. Longer payment plans can be provided on an exception basis, with sufficient management approval. If hospital and patient are unable to agree on the terms of a payment plan, the default payment plan shall be a monthly payment of not more than ten percent (10%) of the patient’s Family Income after excluding essential living expenses. “Essential living expenses” means 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.
3. A payment plan may be declared inoperative after the patient’s failure to make all consecutive payments due during a ninety (90)-day period. Before declaring a payment plan no longer operative, the hospital, collection agency, or assignee shall make a reasonable attempt to contact the patient by telephone and to give notice in writing that the extended payment plan may become inoperative, and of the opportunity to renegotiate the extended payment plan. Prior to the payment plan being declared inoperative, the hospital, collection agency, or assignee shall attempt to renegotiate the terms of the defaulted extended payment plan, if requested by the patient.

**F. Appeal**

1. A patient who is denied charity care or discounts may appeal the decision by writing to: Self-Pay Billing Office Assistant Director, UCSF Medical Center, Patient Financial Services, Box 0810, San Francisco, CA 94143-0810. Appeals must be submitted within thirty (30) days of the hospital’s decision on the Financial Assistance application. In the

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event of a dispute or denial, patients may seek a second level appeal by writing to the Director of Patient Financial Services at the same listed address.

**VI. RESPONSIBILITY**

Questions about the implementation of this policy should be directed to the Self-Pay Billing Office.

**VII. HISTORY OF POLICY**

Revised January 2008 by Lucia Kwan, Patient Financial Services

Reviewed March 2009 by Lucia Kwan, Patient Financial Services, Ann Sparkman, Legal Affairs, Cindi Drew, Ambulatory Services, Susan Penney, Risk Management

Approved April 2009 by Mark Laret, Chief Executive Officer

Reviewed February 2013 by Lucia Kwan, Patient Financial Services Director and Bryan Chamberlin, Executive Director of Revenue Cycle (Interim)

Reviewed and Approved March 2013 by Barrie Strickland, CFO on behalf of Policy Steering Committee

Reviewed July 2014 by Lucia Kwan, Patient Financial Services Director and Michael Sciarabba, Admissions and Registration Director (no changes); Approved on behalf of Policy Steering Committee

Revised July 2016 by Joseph Zheng, Credit and Collections Manager (Interim)

Revised April 2019 by Laura Vance, Director Patient Access, Lucia Kwan, Director Patient Financial Services and Joseph Zheng, Assistant Director, Self-Pay Billing Office

Reviewed and Approved June 2019 by Policy Steering Committee

Revised October 2019 by Michael Powell, Chief Pharmacy Officer, Gil Radtke, Director of Patient Financial Services and Joseph Zheng, Assistant Director, Self-Pay Billing Office

Reviewed and Approved October 2020 by Policy Steering Committee

Revised February 2023 by Laura Vance, Director Patient Access

Reviewed and Approved March 2023 by Policy Steering Committee

**VIII. APPENDIX**

Not applicable.

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