



SAN FRANCISCO CHARITY CARE POLICY, REPORTING AND NOTICE REQUIREMENT REGULATIONS

1. Purpose

(a) The purpose of these Regulations Implementing the San Francisco Charity Care Policy, Reporting and Notice Requirement is to implement San Francisco Board of Supervisors Ordinance No. 163-01, which authorizes the Department of Public Health to require hospitals to report on charity care policies and amount of Charity Care provided and requires hospitals to notify patients of their charity care policies.

(b) By requiring Qualifying Hospitals to notify patients of their charity care policies, the Ordinance and Regulations will maximize access to Charity Care within the community and enhance the health of the public by informing individuals of the availability of Charity Care.

(c) The Ordinance and Regulations will enable the City and County of San Francisco to evaluate the need for Charity Care in the community and to plan for the continued fulfillment of the City's responsibility to provide care to indigents.

2. Definitions

(a) Annual Report. The Annual Report is defined as the information that shall be submitted to the Department each year pursuant to the Ordinance and the Regulations. Each Qualifying Hospital shall submit its Annual Report on the Annual Charity Care Report form provided by the Department and shall include the required attachments.

(b) Bad Debt. Consistent with the OSHPD definition, bad debt is defined as the unpaid accounts of any person who has received medical care or is financially responsible for the cost of care provided to another, where such person has the ability to pay but is unwilling to pay.

(c) Charity Care. Charity care is defined as emergency, inpatient or outpatient medical care, including ancillary services, provided to those who cannot afford to pay and without expectation of reimbursement. Charity care does not include bad debt. This definition is consistent with the figure each Qualifying Hospital reports on page 8, Statement of Income – Unrestricted Funds, form 7041 d-1 (6-2001), of its OSHPD Report, after reduction by the Cost-to-Charge Ratio.

(d) Charity Care Policies. Charity care policies are defined as the Qualifying Hospital's criteria and procedures on the provision of charity care, including, but not limited to:

- (i) any criteria and procedure for patient and community notification of charity care availability;

- (ii) the application or eligibility process, including any application or eligibility forms;
- (iii) policies that ensure that patients receive notification, information and assistance that is culturally sensitive and linguistically appropriate;
- (iv) the criteria for eligibility determinations;
- (v) any appeals process on eligibility determinations;
- (vi) internal accounting procedures;
- (vii) notices to the public relating to charity care, including those that are posted within the facility as required by Section 4 of the Regulations;
- (viii) all locations where public notices are posted and any other method by which public notices are provided; and
- (ix) the locations and hours at which information may be obtained by the general public.

(e) Cost. Cost is defined as the actual amount of money a hospital spends to provide each service, but not the full list price charged by the hospital for that service.

(f) Cost-to-Charge Ratio. Consistent with the definition provided in the OSHPD Report, the Cost-to-Charge Ratio is defined as the relationship between the hospital's cost of providing services and the charge assessed by the hospital for the service. The Cost-to-Charge ratio is the difference between the Qualifying Hospital's total operating expenses and total other operating revenue divided by gross patient revenue, as reported by the Qualifying Hospital in the OSHPD Report.

(g) Department. The Department shall mean the San Francisco Department of Public Health.

(h) Ordinance. The Ordinance shall mean San Francisco Board of Supervisors Ordinance 163-01, Charity Care Policy, Reporting and Notice Requirement.

(i) OSHPD. OSHPD shall mean the California Office of Statewide Health Planning and Development.

(j) OSHPD Report. The OSHPD Report shall mean the annual disclosure report that all general acute care hospitals in California are required to submit to OSHPD.

(k) Qualifying Hospital. A Qualifying Hospital is any hospital that is required to comply with the Ordinance and the Regulations. All general acute care hospitals operating within the City and County of San Francisco are Qualifying Hospitals, except:

- (i) hospitals operated by federal, state or local governments; and

- (ii) hospitals that are operated by health maintenance organizations and do not provide a significant level of service on a fee-for-service basis.

(l) Regulations. The Regulations shall mean these San Francisco Charity Care Policy, Reporting and Notice Requirement Regulations, which implement the Ordinance.

3. Charity Care Reporting

(a) Each Qualifying Hospital shall submit its first completed Annual Report for the Qualifying Hospital's fiscal year ending in 2001 to the Department by no later than June 1, 2002.

(b) For the fiscal year ending in 2002 and for each fiscal year thereafter, each Qualifying Hospital shall submit a completed Annual Report to the Department within 150 days after the close of that fiscal year.

(c) Annual Charity Care Reports shall be forwarded to the Department at the following address:

Director of Policy and Planning
San Francisco Department of Public Health
101 Grove Street, Room 324
San Francisco, CA 94102

(d) Each Qualifying Hospital shall provide the following information in its Annual Report:

- (i) Charity Care Provided. Each Qualifying Hospital shall report the total dollar amount of charity care provided during the fiscal year being reported, after adjustment by the Cost-to-Charge Ratio.
- (ii) Applications/Requests for Charity Care. For all applications and patient and third party requests for charity care made at the Qualifying Hospital during the fiscal year being reported, each Qualifying Hospital shall report the following information:
 - 1) the total number of applications or requests;
 - 2) the number of applications or requests that were accepted;
 - 3) the number of applications or requests that were denied;
 - 4) the zip codes of residence for all individuals requesting or applying for charity care, and, for each zip code, the number of applicants or requestors that were provided charity care and the number of applicants or requestors that were denied charity care; and
 - 5) the names of all facilities to which individuals requesting or applying for charity care were referred and the number of applicants or requestors that were referred to each facility.

(iii) Individuals Who Received Charity Care. For all individuals who received charity care at the Qualifying Hospital during the fiscal year being reported, each Qualifying Hospital shall report the following information:

- 1) the total unduplicated number of patients who received charity care;
- 2) the number who received emergency services, including ancillary services;
- 3) the number who received inpatient medical care, including ancillary services; and
- 4) the number who received outpatient medical care, including ancillary services.

(iv) Cost-to-Charge Ratio.

- 1) Each Qualifying Hospital shall detail the calculations of its Cost-to-Charge Ratio by completing the Cost-to-Charge Ratio Worksheet included as part of the Annual Report.
- 2) These calculations shall not include bad debt.

(v) Charity Care Policy.

- 1) Each Qualifying Hospital shall submit copies of any and all of its charity care policies as attachments to the Qualifying Hospital's Annual Report.
- 2) For charity care policies that are posted or otherwise provided for public notice, each Qualifying Hospital shall report the location of each posting and any other method for providing information on the Qualifying Hospital's charity care policy to the public.
- 3) Once the Qualifying Hospital has submitted its charity care policies with the first Annual Report, the Qualifying Hospital shall be required thereafter to submit only charity care policies that have changed since the initial submission.
- 4) If the Qualifying Hospital's charity care policies have not changed since the initial submission, the Qualifying Hospital shall submit a statement to that effect as an attachment to its Annual Report.

4. Charity Care Notice

(a) When practicable during the admission process, each Qualifying Hospital shall provide patients with verbal notification of the Qualifying Hospital's charity care policies regarding the availability of charity care and any application process therefor.

(b) Each Qualifying Hospital shall provide patients with written notice of its charity care policies by posting the notices in prominent locations within the Qualifying Hospital.

(c) Notices shall be posted in locations that are clearly visible to the public, including, but not limited to the emergency department, the billing office, waiting rooms for purposes of admissions, the outpatient area, and the inpatient area.

(d) At a minimum, notices must be posted in English, Spanish and Chinese.

5. Enforcement

(a) Any Qualifying Hospital that fails to comply with the reporting or notification requirements of the Ordinance or the Regulations shall be subject to a civil penalty in an amount not to exceed \$500 for each day the violation continues.

(i) Any penalty shall be assessed and recovered in a civil action brought on behalf of the City and County of San Francisco.

(ii) Any monies recovered pursuant to this section shall be deposited in the Treasury of the City and County of San Francisco and appropriated for use by the Department.

(b) If a Qualifying Hospital does not have the capability to track or provide the information required by the Ordinance or the Regulations, it may submit to the Department a compliance plan.

(c) The compliance plan must:

(i) Identify the required information that cannot currently be provided;

(ii) Provide an explanation of why the information cannot currently be provided;

(iii) Identify each step that the Qualifying Hospital will take to bring it into compliance with the Ordinance and the Regulations; and

(iv) Specify the date on which the Qualifying Hospital will be in full compliance with the Ordinance and the Regulations.

(d) The Qualifying Hospital and the Department shall mutually agree to the compliance plan.

(e) The Department shall waive any noncompliance fines for a Qualifying Hospital that submits and adheres to a mutually agreed-upon compliance plan.

6. Reporting

(a) The Department shall make annual reports to the Health Commission on the information obtained from all Qualifying Hospitals in their Annual Reports.