

Best Practices for Hospital Financial Assistance Programs

September 16, 2025

Communication Recommendations

- **Leverage Digital Platforms:** Utilize patient portals to provide comprehensive financial assistance information.
- **Mobile Notifications:** Implement mobile-friendly systems to send texts or emails with billing and available financial resource details.
- **Culturally Sensitive Language:** Collaborate with community-based organizations to train staff in destigmatized, culturally sensitive communication when informing patients on facility financial assistance policy (e.g., “Your financial health matters”).
- **Accurate Translations:** Check that all materials are translated accurately, reflecting regional linguistic nuances, particularly for diverse Spanish-speaking communities.

Awareness Recommendations

- **Community Partnerships:** Work with community health workers and promotoras to deliver personalized patient support.
- **Visibility Campaigns:** Launch prominent website banners, clear on-site banners, and regular social media posts to help patients find and use financial assistance resources.
- **Media Outreach:** Partnerships with hospitals and public health departments for billboard or PSA campaigns highlighting patient rights and available resources.
- **Policy Alignment:** Align facility practices with state financial assistance regulations, financial assistance is a requirement for all hospitals starting 1/1/2025 including both non-profit (publicly subsidized) hospitals and for-profit hospitals.

Electronic Tools Recommendations

- **Presumptive Eligibility Tools:** Adopt and deploy electronic pre-screening to streamline financial eligibility and minimize manual review.
- **Coverage Finders:** Implement tools to locate active coverage and flag possible coverages for follow up using real time eligibility checks and periodic sweeps.
- **Pre-Service Screening:** Implement steps and processes to prescreen patients for financial assistance upstream at scheduling, preregistration, or registration so determinations may be made before care.
- **Bias-Free Systems:** Prohibit electronic propensity-to-pay scoring. Use electronic tools and systems solely for objective financial assistance eligibility determinations.
- **Means-Tested Programs:** Incorporate participation in means-tested programs to qualify patients as a form of non-electronic eligibility (e.g., Medicaid enrollment, SNAP, TANF...etc).

Duration of Eligibility

- **Extended Coverage (paper application):** Approve financial assistance with a paper application and grant at least 12 months of continuous eligibility.
- **Re-Screening:** For facilities that use electronic tools to help review eligibility, recheck a patient's eligibility again six months after the first approval to make sure the patient continues to qualify.

Eligibility Recommendations

- **Income Thresholds:** Provide no-cost or discounted care for patients with incomes below 400% of the Federal Poverty Level (FPL), regardless of insurance status.
- **Flexible Income Assessment:** Align with Medi-Cal guidelines by assessing eligibility based on current or past 12 months' income, whichever is more advantageous to the patient.
- **Non-Discrimination & Identification:** Immigration status will not be considered for eligibility, and a Social Security Number is not required to apply for or receive financial assistance (alternate identification or documentation may be used).
- **Comprehensive Coverage:** Recommend expanding financial assistance policies to include services like Anesthesia, Pathology, Emergency Department care, Radiology, Oncology and all credentialed medical staff. Staff that will not adhere to hospitals policy will have formally Opt-out during contracting.
- **Equitable Access & Medical Staff Compliance:** All credentialed medical staff must honor the hospital's Financial Assistance Program (FAP) decisions as a condition of their privileges, ensuring alignment with the hospital's mission and reducing medical debt-related harms.
- **Opt-Out & Public Disclosure:** Providers who refuse to comply with FAP determinations must submit an Opt-Out Declaration during credentialing or renewal. Their names will be publicly disclosed, and patients will be informed to help them make informed healthcare decisions.
- **Application Process:** Develop clear protocols to help patients apply for forgiveness of existing medical bills or debt, considering their updated financial circumstances. Ensure these protocols align with the requirements of California AB 2297, including the removal of application deadlines.

Collection Practices

- **Clear Policies:** Publish transparent guidelines outlining the collections process.
- **Pre-Collection Checks:** Ensure financial assistance eligibility is assessed before initiating collections.
- **Debt Suspension:** Pause all collection activities while eligibility determination is ongoing.
- **Exemptions for Low-Income Patients:** Prohibit collection actions for patients earning less than 400% of Federal Poverty Level.

Appeals Process

- **Re-Application Opportunities:** Allow patients to appeal or reapply for financial assistance following eligibility denials.
- **Transparent Appeals:** Provide clear, step-by-step instructions for the appeals process, including where and how to file appeals. Processes should include methods of appeal that are ADA compliant.

Model Document Recommendations

- **Template Applications:** Dual acceptance or use of the collectively developed adaptable model application for financial assistance, in addition to their own forms.
- **Template Documents:** Use of the collectively developed model documents, including a plain language summary, policy, and application, that are adaptable to individual operations for facilities.

This document is also included in the [Model Documents for Hospital Financial Assistance](#).