

Departments Affected: All Departments

Personnel: All Staff

Name of Policy: Uninsured Patient Discount

I. POLICY STATEMENT

LPCH is committed to consistently providing a fair discount to individuals who are uninsured, or, in some cases, insured but without insurance coverage for certain medically necessary healthcare services offered by LPCH, but who are not eligible for the Financial Need Discount set forth in the hospital's Financial Assistance/Charity Care Policy. These discounts reflect a desire by LPCH to respond to the individual financial situations of its patients, while satisfying its not-for-profit and teaching missions, and meeting its strategic, operational, and financial goals.

The Policy establishes the guidelines for an Uninsured Patient Discount. Discount is offered to patients residing in the United States for hospital services provided by LPCH and physician services provided by Stanford University employed faculty physicians. LPCH has separate discount guidelines for our international patients served through our Stanford Children's International Patient Services.

II. PROCEDURES

A. UNINSURED PATIENT DISCOUNT – GUIDELINES

1. Definition of Uninsured Patient Discount:

- a. Under the Uninsured Patient Discount, LPCH shall limit the expected payment by an Uninsured Patient for medically necessary hospital and physician services, as those terms are defined below, to an amount determined by LPCH to be within a range between the average discount from billed charges for all commercial fee-for-service managed care payers and the least discount extended to any managed care payer. The Uninsured Patient Discount amount will be reviewed on a yearly basis and is subject to change at any time without notice. For current Discount rate information, see [Attachment A](#).

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- b. If a patient wishes to seek financial assistance greater than the current Uninsured Patient Discount, the patient is referred to the LPCH Financial Assistance/ Charity Care Policy and may complete a Financial Assistance Application pursuant to that Policy.
- c. A patient who has third-party coverage but such third-party payor has deemed LPCH and/or its Physicians as not participating providers or “out of network” is not eligible for an Uninsured Patient Discount. Such patients should contact LPCH Customer Service Center at (800) 308-3285 to discuss payment options.

2. Eligible Services:

- a. The Uninsured Patient Discount shall apply to medically necessary hospital services provided at or by LPCH. In addition, the Stanford University employed faculty physicians (Stanford Physicians) have agreed that the Uninsured Patient Discount under this Policy shall also apply to medically necessary physician services provided at LPCH by Stanford Physicians. (Patients who are treated by a physician who is not a Stanford Physician may contact their physician directly to inquire about whether a discount is available for physician services provided by the non-Stanford Physician; such physician service are not covered by this Policy.)

In the event that there is uncertainty as to whether a particular service is medically necessary, a determination shall be made by the Chief Medical Officer of LPCH.

Except as specifically stated, reference in this Policy to “healthcare services” or “hospital services” shall mean such medically necessary hospital services, and reference to “physician services” shall mean such medically necessary physician services provided by Stanford Physicians.

- b. Services that are generally not considered to be medically necessary and are therefore not eligible for the Uninsured Patient Discount:
 - (1) Reproductive Endocrinology and Infertility services (see separate policy for Fertility – Uninsured Cash

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Pay or Underinsured Discount)

- (2) Cosmetic or plastic surgery services
 - (3) Vision correction services including LASEK, PRK, Conductive Keratoplasty, Intac's corneal ring segments, Custom contoured C-CAP, and Intraocular contact lens
 - (4) Hearing aid and listening assistive devices
- c. In rare situations where a Stanford Physician considers one of these services to be medically necessary, such services may be eligible for the Uninsured Patient Discount upon review and approval by the Chief Medical Officer of LPCH. LPCH reserves the right to change the list of services deemed to be not medically necessary at its discretion.
- d. Second opinions are not considered to be medically necessary hospital or physician services and are therefore not eligible for the Uninsured Patient Discount.

3. Uninsured Patient Eligibility Requirements:

- a. LPCH shall provide the Uninsured Patient Discount to those individuals who meet the definition of an Uninsured Patient as set forth below and who attest to their eligibility.
- b. An Uninsured Patient for the purposes of this Policy is an individual who meets the criteria set forth in both (1) and (2):
 - (1) The term "patient" shall also mean the patient's "family." A patient's "family" means:
 - (a) For an individual 18 years of age and older, that individual's spouse, domestic partner and dependent children under 26 years of age, whether living at home or not.

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- (b) For an individual under 18 years of age, that individual's parent, caretaker, relatives and other children of the parent, caretaker or relative who are under 26 years.
 - (2) The patient is "self-pay" and therefore deemed to be "uninsured" for the purposes of this Policy if any of the following apply:
 - (a) The patient does not have third-party coverage from a health insurer, health care service plan, Medicare, or Medi-Cal, and does not have an injury that is compensable for the purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by LPCH.
 - (b) The patient has third-party coverage, but the patient has exceeded the benefit cap for such coverage prior to admission to LPCH.
 - (c) The patient has third-party coverage but the third-party payor has either denied coverage or does not provide coverage for the particular healthcare services for which the patient is seeking treatment from LPCH.
 - (d) The patient has third-party coverage but the medically necessary service is not a covered benefit under the patient's third-party plan.
4. **Information To Be Provided by Patient for Eligibility Determination:**
- a. LPCH shall determine eligibility for the Uninsured Patient Discount in accordance with this Policy, and shall not take into account an individual's age, gender, race, immigrant status, sexual orientation or religious affiliation.

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- b. A patient who has third-party coverage and is applying for the Uninsured Patient Discount shall provide information regarding such coverage as requested by LPCH so that the hospital can make an independent determination whether the patient is an Uninsured Patient as set forth above.
- c. LPCH expects a patient to cooperate fully in the information gathering process under this Policy, and failure to do so may affect the hospital's ability to provide the Uninsured Patient Discount.

B. PUBLIC NOTICE

- 1. Public notice concerning the availability of Financial Assistance under this policy shall be by the following means:
 - a. Posted notices explain that LPCH has a variety of options available including discounts and financial assistance to patients who are uninsured or underinsured.
 - b. Notices include a contact telephone number a patient can call to obtain more information about such discounts and financial assistance.
- 2. The LPCH website includes an explanation of the Financial Assistance / Charity Care Policy, the Uninsured Patient Discount Policy, the availability of such assistance and discounts, and a contact telephone number.
- 3. LPCH billing statements inform the patient that Financial Assistance is available by contacting the LPCH Customer Service Center.

III. COMPLIANCE

- A. All workforce members including employees, contracted staff, students, volunteers, credentialed medical staff, and individuals representing or engaging in the practice at LPCH are responsible for ensuring that individuals comply with this policy;

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- B. Violations of this policy will be reported to the Department Manager and any other appropriate Department as determined by the Department Manager or in accordance with hospital policy. Violations will be investigated to determine the nature, extent, and potential risk to the hospital. Workforce members who violate this policy will be subject to the appropriate disciplinary action up to and including termination.

IV. APPENDICES

- A. Attachment A: Current Discount Rate Information

V. DOCUMENT INFORMATION

- A. Legal Authority/References
None
- B. Author/Original Date
June 2007, David Haray, Vice President, Patient Financial Services
- C. Gatekeeper of Original Document
LPCH Administrative Manual Coordinator and Editor
- D. Distribution and Training Requirements
1. This policy resides in the Administrative Manual of Lucile Packard Children's Hospital Stanford.
 2. New documents or any revised documents will be distributed to Administrative Manual holders. The department/unit/clinic manager will be responsible for communicating this information to the applicable staff.
- E. Review and Renewal Requirements
This policy will be reviewed and/or revised every three years or as required by change of law or practice. Any changes to the Policy must be approved by the same entities or persons who provided initial approval.
- F. Review and Revision History
June, 2007, Sarah DiBoise, Chief Hospital Counsel, Gary May, VP Managed Care, SUMC, David Haray, VP Patient Financial Services, SUMC
November, 2007, Sarah DiBoise, Chief Hospital Counsel, Gary May, VP Managed Care, SUMC, David Haray, VP Patient Financial Services, SUMC
February 2011, Sarah DiBoise, Chief Hospital Counsel, S. Shah (Clinical Accreditation)
May 2013, Marta Miller, PASC Director, Bret Kelsey, PFS CRO

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April 2015, Shawn Tienken, Revenue Cycle Director, Bret Kelsey, PFS CRO
 August 2018, PFS Ops and Office of the General Counsel
 August 2021, Shawn Tienken, Revenue Cycle Director
 December 2024, Shawn Tienken

G. Approvals

September 2007, LPCH Board of Directors Public Policy
 February 2011, LPCH VP Ops
 April 2011, LPCH Board of Directors Public Policy and Community Service Committee
 May 2013, Marta Miller, PASC Director, Bret Kelsey, PFS CRO
 April 2015, Shawn Tienken, Revenue Cycle Director, Bret Kelsey, PFS CRO
 April 2015 LPCH Finance Committee of the Board
 April 2019 LPCH Finance Committee of the Board
 September 2021, LPCH Board of Directors
 April 2025 LPCH Board of Directors

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	Valid Through:	April 2028	Page 8 of 8
	Last Revision Date:	April 2025	
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Attachment A:

**Current Discount Rate Information
As of September 1, 2021**

- A. Pursuant to this Policy, Individuals identified as Uninsured Patients may receive a fifty percent (50%) discount of billed charges for services qualifying as medically necessary. This discount will apply to the hospital fees charged by Lucile Packard Children's Hospital (LPCH), and physician fees of Stanford University employed faculty physicians (Stanford Physicians).

The current discount amounts are reviewed on a yearly basis and are subject to change at any time without notice.