

IROQUOIS MEMORIAL HOSPITAL AND RESIDENT HOME PATIENT FINANCIAL ASSISTANCE PROGRAM POLICY

POLICY:

The Patient Financial Assistance program has been established to provide financial relief to those patients who are unable to meet their financial obligation to Iroquois Memorial Hospital. This policy is designed to be fully compliant with applicable law, including the Illinois Hospital Uninsured Patient Discount Act, the Illinois Fair Patient Billing Act and Section 501(r) of the Internal Revenue Code (instituted by the Patient Protection and Affordable Care Act). The federal poverty income guidelines published annually in the Federal Register by the Department of Health & Human Services will be used as the financial measurement tool.

DEFINITIONS, As used in this policy:

- A. Family means the patient, his/her spouse (including a legal common law spouse) and his/her legal dependents claimed on filed tax returns or otherwise in accordance with Internal Revenue Service rules.

- B. Medically Necessary Service means health-care services or supplies to prevent, diagnose or treat an illness, injury, condition, disease or its symptoms and that meet accepted standards of medicine. A medically necessary service does not include:
 - 1) non-medical services such as social and vocational services; or
 - 2) elective cosmetic surgery (exclusive of plastic surgery designed to correct disfigurement caused by injury, illness or congenital defect or deformity).

- C. Uninsured Patient means:
 - 1) A patient of a hospital who is not covered under any commercial health insurance policy (including third party liability coverage) and is not a beneficiary or eligible to be covered by any governmental or other coverage program, including Medicare, Medicaid, Tricare, high deductible insurance or other coverage agreements.
 - 2) If a patient's insurance coverage is exhausted, or the patient's insurance does not cover a medically necessary hospital service provided to the patient, the patient will be considered an Uninsured Patient for purposes of Financial Assistance and the Automatic Uninsured Self-Pay Discount will apply to these cases.

KEY PRINCIPLES:

I. Patient Awareness of Policy and Availability of Assistance.

- A. Signage. Signs, placards and similar written notices regarding the availability of financial assistance will be visible at all points of registration and other patient intake areas. At a minimum, signage will be posted in the Emergency Department and the admission / patient registration area.

- B. Written notice. Iroquois Memorial Hospital shall make available written information regarding financial assistance in all registration areas.
- C. Languages for Financial Assistance Policies and Notices. All public information and/or forms regarding the provision of Financial Assistance will use languages that are appropriate for the hospital's service area in accordance with the state's Language Assistance Services Act.
- D. Website. Iroquois Memorial Hospital shall prominently post a notice on its website that indicates the following:
- 1) Financial assistance is available
 - 2) A description of the financial assistance application process
 - 3) Copy of the financial assistance application
- E. Hospital bill/Invoice. Patient bills shall include a prominent statement that patients who meet certain income requirements may qualify for financial assistance and shall contain information regarding how a patient may apply for consideration under Iroquois Memorial Hospital's financial assistance program.

II. Eligibility for Financial Assistance.

- A. The Financial Assistance Program is designed to ensure that patients with financial need are charged at a rate substantially less than insured patients, including the opportunity to receive free care. All patients requiring treatment for emergency medical conditions, as defined under the Emergency Medical Treatment & Active Labor Act (EMTALA) shall be treated regardless of eligibility under the Financial Assistance Program.
- B. The table below is used to determine the financial assistance discounts for charges:

Percentage of Poverty Guidelines	Discount Percentage	Catastrophic Cap
Up to 125%	100%	25%
126-200%	75%	25%
201-250%	50%	25%
251-300%	25%	25%
Over 300%	Determined on an exception basis	Determined on an exception basis

The Federal Poverty Guideline calculations will also be updated annually in conjunction with the published guidance updated by the United States Department of Health and Human Services. The discount percentage will be updated annually based on the calculation set forth by the Illinois Hospital Uninsured Patient Discount Act and Section 501(r) of the Internal Revenue Code (instituted by the Patient Protection and Affordable Care Act). Iroquois Memorial Hospital meets the definition of a rural hospital for purposes of compliance with the Illinois Hospital Uninsured Patient Discount Act.

- C. All third party resources including Medicare, Medicaid and health insurances have been exhausted.
- D. Elective procedures may not be eligible for assistance.
- E. Each application for financial assistance will be considered effective for twelve (12) calendar months from the dated eligibility determination. Should a patient have an active application and have new services for which he/she would like considered, no further application need be made, but the patient must notify the Business Office that he/she desires the additional services included in the original application.
- F. Patients who are covered by Medicare will complete the same application process except that, in the event of their qualification, the amount will be adjusted utilizing Medicare bad debt procedures.
- G. Patients may receive services at Iroquois Memorial Hospital from providers who are not employed by the hospital and who bill separately for their services. These providers are not required to follow this financial assistance policy. Following is a list of providers who currently honor a mutual patient's financial assistance determination upon providing proof of such determination:
 - 1) Brotula Emergency Physicians
 - 2) John Tricou, M.D. (radiologist)
 - 3) University Pathologists, P.C.

III. Application for Financial Assistance: Applicants for financial assistance will complete a Patient Financial Assistance form and must include the following:

- A. Demographic information:
 - 1) Patient name, address and phone number
 - 2) Guarantor name and social security number
 - 3) Employer name, address and phone number
 - 4) Spouse's employer name, address and phone number
 - 5) Health insurance name and policy number
- B. Family size. (See definition above)

C. Gross family income from all sources for the following:

- 1) Last 3 months
- 2) Last 12 months

D. Verification of income from the following:

- 1) Federal income tax return
- 2) Payroll check stubs
- 3) Employer statement
- 4) Any other proof of income

E. Applicant's signature and date.

IV. Program Administration. The Financial Assistance Program will be administered according to the following guidelines:

A. Accounts shall be considered for assistance upon the request of the patient or at the time of financial counseling.

B. The application along with the requested verification documents will be reviewed and verified by the Business Office.

C. Eligibility Determination: Determination of financial assistance benefits will be based on income, family size and a sliding scale of the poverty income guidelines:

- 1) Benefits available will be a 25%, 50%, 75% or 100% reduction of charges.
- 2) Adjustments will be applied to non-Medicare accounts with adjustment code 99020.
- 3) Adjustments will be applied to Medicare accounts with adjustment code 99021.
- 4) Iroquois Memorial Hospital shall not collect from an uninsured patient eligible for the Patient Financial Assistance Program more than its charges less the amount of the discount.
- 5) For emergency or other medically necessary care, Iroquois Memorial Hospital shall not charge individuals eligible for the Financial Assistance Program more than the lowest amounts charged to individuals who have insurance covering such emergency or medically necessary care and in no event will use gross charges.

D. Notification: After status determination, the patient/guarantor will be notified within seven (7) business days of:

- 1) The amount of reduction
- 2) The patient/guarantor portion due, or
- 3) The reason for denial

- E. Falsification of application or refusal to cooperate will result in denial of financial assistance benefits.

V. Presumptive Eligibility

- A. Criteria: Presumptive Eligibility for uninsured patients may be determined on the basis of the presence of any of the factors listed below, which indicate financial need. In such situations, a patient is deemed to have a family income of 125% or less of the Federal Poverty Level and therefore eligible for a 100% reduction from medically necessary hospital charges.
 - 1) Patient is homeless and such status is determined to be accurate after appropriate review of available facts.
 - 2) Patient is deceased with no estate.
 - 3) Patient is mentally or physically incapacitated and has no one to act on his/her behalf.
 - 4) Patient is eligible for Medicaid but was not eligible on a prior date of service or for a non-covered service.
- B. Identification: At the time of registration, all uninsured and self-pay patients as well as patients noting financial assistance will be screened for Presumptive Eligibility for Medicaid, using electronic information technology where possible and appropriate and/or the completion of a Presumptive Eligibility worksheet. Patients do not need to complete a financial assistance application when they provide sufficient evidence that they meet Presumptive Eligibility criteria. Uninsured and self-pay patients may provide evidence of Presumptive Eligibility at any time, before or after receipt of hospital services.
- C. Verification: It is the responsibility of the patient to provide any additional required supporting documentation to confirm Presumptive Eligibility determination. Patients will receive a minimum of one communication to provide any needed verifying documents.
- D. Assistance with Medicaid application: Patients meeting Presumptive Eligibility criteria will be provided with assistance in applying for Medicaid. Outcome of the Medicaid application will not affect the financial assistance granted to a Presumptively Eligible patient.
- E. No bill may be issued: If Presumptive Eligibility criteria are claimed, no bill will be issued to an uninsured patient until 30 days after a reasonable attempt is made to obtain outstanding verifying documents.
- F. Newly eligible individuals: If a patient is currently eligible for Medicaid but was not eligible on a prior date of service, Iroquois Memorial Hospital will rely on the financial assistance determination process from Medicaid and apply a 100% discount for such prior service.

VI. Billing

- A. **Billing Statement:** When a patient is deemed eligible for Financial Assistance (not under Presumptive Eligibility), the hospital will provide the patient with a new billing statement indicating the amount owed after financial assistance. This billing statement will include the AGB for care provided.
- B. **Amounts Generally Billed Percentages:**
 - 1) Patients who are eligible for financial assistance shall not be billed more than AGB.
 - 2) After application of a financial assistance discount, the Business Office will review the remaining patient balance to ensure the patient is not charged more than AGB.
 - 3) Adjustments to the patient balance will be made as needed to avoid charging more than the AGB to a recipient of financial assistance.
 - 4) The AGB for Iroquois Memorial Hospital will be calculated annually using the look-back method. The look-back method requires determining the total amount received for Medicare fee-for-service and private health insurance allowed claims, divided by the gross charges for those claims for a 12-month period.

VII. Collection Practices

- A. Iroquois Memorial Hospital will not engage in extraordinary collection actions to recover charges from patients before it determines whether the patient is eligible for the Financial Assistance Program. Iroquois Memorial Hospital will ensure that any external collection agency, law firm or individual engaged by the hospital to collect payment for outstanding bills agrees to comply with the requirements of the Illinois Fair Patient Billing Act. All patients eligible for the Financial Assistance Program will be offered the option to participate in an Iroquois Memorial Hospital chosen payment plan. Further, for patients who express an inability to pay, Iroquois Memorial Hospital will provide the patient with the opportunity to:
 - 1) Assess the accuracy of the bill
 - 2) Apply for financial assistance under the Financial Assistance Program
 - 3) Participate in an Iroquois Memorial Hospital established payment plan.
- B. **Insured Patients:** Iroquois Memorial Hospital will not refer a bill, or a portion thereof, to a collection agency or attorney for collection action against an insured patient, without first offering the patient the opportunity to request a reasonable payment plan for the amount personally owed by the patient. If a patient requests a reasonable payment plan but fails to agree to a plan within thirty (30) days of the request, Iroquois Memorial Hospital reserves the right to pursue a collection action against the patient.
- C. **Uninsured Patients:** Iroquois Memorial Hospital shall not pursue legal action for non-payment of a hospital bill against an uninsured patient who has qualified for the Financial Assistance Program, or in the determination of Iroquois Memorial Hospital has clearly demonstrated that he or she does not have sufficient income to meet their financial

obligations after the patient reasonably and in good faith cooperated with Iroquois Memorial Hospital by providing Iroquois Memorial Hospital with all requested financial and other relevant information and documentation.

VIII. Iroquois Memorial Hospital reserves the right to change benefit determination status if financial circumstances have changed.

IX. Documents will be retained for the required seven (7) years.

Revised:

2003 rjs

2004 rjs

2005 rjs

2006 rjs

2009 rjs

2010 rjs

2011 rjs

2013 rjs

2017 jab