

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.)
 - 3) nursing home services with the exception of skilled nursing care
- 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.

D. Primary Geographic Service Area is defined to consist of the following communities:

Ashkum	IL	Onarga	IL
Beaverville	IL	Papineau	IL
Buckley	IL	Sheldon	IL
Cissna Park	IL	St. Anne	IL
Claytonville	IL	Stockland	IL
Clifton	IL	Thawville	IL
Crescent City	IL	Watseka	IL
Danforth	IL	Wellington	IL
Donovan	IL	Woodland	IL
Gilman	IL		
Goodwine	IL	Brook	IN
Hoopeston	IL	Earl Park	IN
Iroquois	IL	Fowler	IN
Loda	IL	Goodland	IN
Martinton	IL	Kentland	IN
Milford	IL	Morocco	IN

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 areas.
- 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 Primary Geographic 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.

- F. Notification to General Public – Iroquois Memorial Hospital will, at least annually, notify the general public that financial assistance is available through newspaper advertisements or similar methods or social media.

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 Non-Outreach Services:

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.

Income is defined as wages, salaries, bonuses, and tips, as well as investment income and various types of unearned income and we will base the income for the application on AGI from tax return. If no tax return then it will be based on gross income.

- 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, but may honor a mutual patient's financial assistance determination.

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
 - 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 –
 - 1) Determination of financial assistance benefits for Services will be based on income, family size and a sliding scale of the poverty income guidelines.
 - 2) 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.
 - 3) 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.
 - 4) The hospital's Director of Revenue Cycle (or CFO in their absence) will have final authority in determining eligibility.
- D. Notification – All efforts will be made to send a written determination within thirty (30) days of receipt of a completed application. This notification will include:
 - 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.
- F. All applications are valid for 12 months and patients must re-apply annually and be re-evaluated for eligibility.

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 offered an application for Patient Financial Assistance and will be given information on how to apply for Medicaid. 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 contact information to assist them 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 Amounts Generally Billed ("AGB") for care provided.

B. AGB 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 AGB calculation will be made as follows: the sum of all payment, plus the sum of all bad debt and charity care adjustments divided by the sum of all charges in the time frame. The time frame for this calculation will be the hospital's fiscal year (October 1 – September 30)..
- 5) Current AGB may be obtained by contacting the Iroquois Memorial Hospital Business Office at 815-432-7706.

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.

Implemented	Revised	Reviewed	Initials
	2006		rjs
	2009		rjs
	2010		rjs
	2011		rjs
	2013		rlw
	2017		jab
	2025		jag