IOWA HEALTH SYSTEM

Title: Financial Assistance 1.BR.34

Effective Date: 09/09/05; Rev: 04/07, 12/07, 10/10

POLICY: IHS affiliates shall fulfill their charitable missions by providing health care services to all individuals without regard to their ability to pay. IHS affiliates shall provide fair discounts and financial protection to low income underinsured or uninsured patients. IHS affiliates shall use consistent and fair collection practices for all patients.

SCOPE: IHS system wide. All IHS and wholly owned affiliate facilities including, but not limited to, hospitals and ambulatory surgery centers.

PROCEDURE: IHS affiliates are committed to meeting the needs of everyone in their communities, including those who cannot pay for their care. Similarly, patients who are able to pay have an obligation to pay and providers have a duty to seek payment from these individuals.

1. Financial Assistance Guidelines. Charity care and financial assistance discounts will be available for only medically necessary health care services provided to persons who meet the financial and documentation criteria defined in this policy. Discounts shall be based on the following guidelines:

Hospital Patients

1.1 Full charity care shall be provided to underinsured and uninsured patients earning 200% or less of the Federal Poverty Income Guideline (FPIG).

1.2 For financially needy underinsured or uninsured patients earning between 201% and 400% of the FPIG, discounts shall be provided to limit such patient's payment obligation to the lower of;

1.2.1 the equivalent of 7% of the patient's Annual Household Income (as defined below) each year for up to 3 years; or

1.2.2 the amount of the patient account balance after subtracting the percentage discount applicable to the patient's FPIG Household Income provided in the following table.

Discount	Current Year's Federal Poverty Income Guidelines for Family Size
100%	Family income is less than or equal to **200%** of FPIG
80%	Family income is **201%** to **225%** of FPIG
60%	Family income is **226%** to **250%** of FPIG
40%	Family income is **251%** to **300%** of FPIG
20%	Family income is **301%** to **400%** of FPIG
0%	Family income is greater than **400%** of FPIG

1.2.3 An individual who is presumed eligible under these criteria will continue to remain eligible for six months following the date of the initial approval, unless facility personnel have reason to believe the patient no longer meets the criteria.

Physician Clinic Patients and Home Health Patients

1.3 Full charity care shall be provided to underinsured and uninsured patients earning 200% or less of the Federal Poverty Income Guideline (FPIG) for the current year.

1.4 For financially needy underinsured or uninsured patients earning between 201% and 400% of the FPIG for the current year, discounts shall be provided to limit such patient's payment obligation based on the following table:

Discount	Current Year's Federal Poverty Income Guidelines for Family Size
100%	Family income is less than or equal to **200%** of FPIG
80%	Family income is **201%** to **225 %** of FPIG
60%	Family income is **226%** to **250%** of FPIG
40%	Family income is **251%** to **300%** of FPIG
20%	Family income is **301%** to **400%** of FPIG
0%	Family income is greater than **400%** of FPIG

1.5 Eligibility determinations can be applied for up to six months. Affiliates may choose to limit eligibility to a shorter period and/or may require periodic reviews to confirm continuing eligibility.

Hospital, Physician Clinic and Home Health Patient

1.6 Patients who qualify and are receiving benefits from the following programs may be presumed eligible for 100% financial assistance:

1.6.1 The U.S. Department of Agriculture Food and Nutrition Service *Food Stamp Program.*

1.6.2 *Family Investment Program*, under Iowa Code Chapter 239B.

1.6.3 *Mothers and Children (MAC) Program* – Medicaid availability to pregnant women and to children who have not reached age 19. (42 CFR 435.116, 441 Iowa Administrative Code 75.1(28)).

1.6.4 *Iowa Family Planning Network (IFPN) or Illinois Healthy Women*, a 90% federal/10% state Medicaid waiver providing free reproductive health care services to low and moderate income women by approved providers.

1.6.5 Limited eligibility - illegal alien 3-day emergency window. The Iowa Department of Human Services allows for up to three days of Medicaid benefits to pay for the cost of emergency services for aliens who do not meet citizenship, alien status, or social security number requirements. The emergency services must be provided in a facility such as a hospital, clinic, or office that can provide the required care after the emergency medical condition has occurred.

1.6.6 County and state relief programs. Some Iowa counties offer a financial assistance program designed to provide emergency short term assistance to persons lacking the resources to meet their basic needs for food, shelter, fuel, utilities, clothing, medical, dental, hospital care and burial. The state also offers programs providing energy assistance to applicants who qualify (i.e., State of Iowa Energy Assistance).

1.6.7 *Barnabas Uplift, Mission Health* program. Barnabas Uplift assists local, faith and community-based organizations in building individual, family and community self-sufficiency; its Mission Health program provides affordable health care.

1.6.8 *Housing Assistance* – The Housing Choice Voucher Program is a type of federal assistance provided by the United States Department of Housing and Urban Development (HUD) dedicated to sponsoring subsidized housing for low-income families and individuals. It is more commonly known as Section 8.

1.6.9 Other programs may be added at the discretion of the facility.

Patients who meet presumptive eligibility criteria may be granted financial assistance without completing the financial assistance application. Documentation supporting the patient's qualification for or participation in a program must be obtained and kept on file. Documentation may include a copy of a government issued card or other documentation listing eligibility or qualification, or print screen of web page listing the patient's eligibility. An individual who is presumed eligible under these presumptive criteria will continue to remain eligible for six months following the date of the initial approval, unless facility personnel have reason to believe the patient no longer meets the presumptive criteria.

1.7 The Federal Poverty Income Guidelines will be updated annually from updates published by the United States Department of Health and Human Services.

1.8 Discounts apply to services provided by the entity approving the application for financial assistance. Patients may apply for financial assistance at each IHS-affiliated entity where care is received.

1.9 This policy can be applicable to patient deductibles. It is not applicable to discounts provided under Policy 1.BR.33, Discounts for Uninsured Patients.

1.10 In determining whether a patient meets the eligibility criteria for financial assistance, the affiliate will consider the extent to which the patient's household has assets other than income that could be used to meet his or her financial obligation. The affiliate will also take into account any liabilities that are the responsibility of the patient's household.

Unlike income, assets and liabilities have a lot of variability. Assets will include such things as cash, savings and checking accounts, certificates of deposit, stocks and bonds, individual retirement accounts (IRAs), trust funds, real estate and motor vehicles. This list is not intended to be inclusive.

1.11 Household income will be considered in determining whether a patient is eligible for assistance. Household income includes but is not limited to the following: traditional married couples, children (biological, step, or adoption) and couples living together. (Married or couples living together requires that the parties present as a couple and share expenses, whether same sex or male/female.)

1.12 Waivers or discounts of Medicare or Medicaid copays or deductibles may be granted based on financial need as provided in Paragraph 2 of this policy.

2. Discounts for Government Sponsored Program Patients (Medicare or Medicaid).

2.1 IHS affiliates may waive or reduce Medicare or Medicaid coinsurance or deductibles only based on financial need if the following requirements are met:

2.1.1 The waiver or discount is not advertised. (It is proper to advise patients on an individual basis that waivers of copays or deductibles in the event of financial need are possible and the patient may apply for such benefits at the time or immediately before treatment is provided.).

2.1.2 The discount is not routinely offered, but only to those patients in financial need who wish to apply.

2.1.3 The waiver or discount satisfies one of the following:

2.1.3.1 The waiver or discount is made following an individualized good faith assessment of financial need;

2.1.3.2 The waiver or discount is made after reasonable efforts have failed to collect the copayment, deductibles or full payment directly from the patient; or

2.1.3.3 The waiver or discount is in settlement of a disputed claim resulting from services provided to the beneficiary.

2.2 Written records documenting the reasons for each waiver or discount shall be considered cost report supporting documents and therefore shall be retained as such in accordance with Policy 1.AD.03, Record Retention, Section 5.4.

3. Communicating Availability of Charity Care and Financial Assistance.

3.1 Affiliate Responsibilities. Each affiliate will have a means of widely communicating the availability of charity care and financial assistance to all patients and within the community served by the affiliate. Examples of mechanisms that the provider may use to do this include:

3.1.1 Placing signage, information, or brochures in appropriate areas of the provider (e.g., the emergency department, and registration and check-out/cashier areas) stating that the provider/physician practice offers charity care and describing how to obtain more information about financial assistance.

3.1.2 Placing a note on the health care bill and statements regarding how to request information about financial assistance.

3.1.3 Placing a notice on the opening page of the website of hospital providers.

3.1.4 Placing a notice which summarizes the hospital's policy concerning charity care and financial assistance in a media outlet of general circulation in the community at least two times/year.

3.1.5 Designating departments or individuals who can explain the provider's charity care policy.

3.1.6 Staff who interact with patients will be instructed to direct questions regarding the charity care policy to the proper provider representative.

3.2 After receiving the patient's request for financial assistance and any financial information or other documentation needed to determine eligibility for financial assistance, the patient will be notified of the patient's eligibility determination within a reasonable period of time.

4. Patient Responsibilities Regarding Financial Assistance. If applicable, prior to being considered for financial assistance, the patient/family must cooperate with the provider to furnish information and documentation to apply for other existing financial resources that may be available to pay for the patient's health care, such as Medicaid, Medicare, third party liability, etc.

4.1 To be considered for charity care or financial assistance the patient/family must furnish the provider with a completed application provided by the provider or, if requested, documentation to support the presumptive eligibility criteria described in Section 1.7.

4.2 In the event the patient does not initially qualify for charity care or financial assistance after providing the requested information and documentation, the patient may re-apply if there is a change in their income, assets, or family responsibilities.

4.3 A patient who qualifies for partial discounts must cooperate with the provider to establish a reasonable payment plan that takes into account available income and assets, the amount of the discounted bill(s), and any prior payments.

4.4 Patients who qualify for partial discounts must make a good faith effort to honor the payment plans for their discounted health care bills. They are responsible for communicating to the provider any change in their financial situation that may impact their ability to pay their discounted health care bills or to honor the provisions of their payment plans.

5. Collection Guidelines. Affiliates' collection efforts shall not include wage garnishments or other legal process seizures without the prior approval of the Central Billing Office, the affiliate CFO or Compliance Officer. Personal property (other than cash or cash equivalents) attachment or seizure will not occur. The entry of a judgment automatically attaches to real estate, however, no seizure of real estate will occur.

/s/ William B. Leaver

William B. Leaver
IHS President