

Status **Active** PolicyStat ID **11800494**



An Affiliate of  
**MERCYONE.**

Origination 01/2003  
Last 05/2022  
Approved  
Effective 05/2022  
Last Revised 05/2022  
Next Review 05/2023

Owner Theresa Dunkin  
Department Business Office  
Applicability Van Buren  
County Hospital

## Financial Assistance and Uninsured Policy

### Purpose:

**Van Buren County Hospital is committed to ensuring financial counseling resources and payment options are available to assist patients in prompt resolution to their financial obligations for their healthcare services. VBCH is committed to providing financial assistance to persons who have healthcare needs and are uninsured, under-insured, ineligible for government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. VBCH strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. No one will be denied access to services due to an inability to pay. A discounted/sliding fee schedule is available based on family size and income. VBCH will also provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for government assistance or their ability to pay.**

Accordingly, this written policy in regards to Financial Assistance and Payment Program Policy:

- Includes eligibility criteria for financial assistance-free and discounted
- Describes the basis of calculating amounts charged to patients eligible for financial assistance under this policy.
- Describes the method by which patients may apply for financial assistance
- Describes the guidelines VBCH will use to protect for the orderly, reasonable and prompt collection of amounts due from patients who have the ability to pay and actions they will take in the event of nonpayment.

## Policy:

**A.** Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with VBCH's procedures for obtaining financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

**B.** EMTALA. Any patient seeking care for an Emergency Medical condition at VBCH shall be treated without discrimination and without regard to a patient's ability to pay for care. VBCH shall operate in accordance with all federal and state requirements for the provision of emergent health care services, including screening, treatment and transfer requirements under the federal Emergency Medical Treatment and Active Labor Act (EMTALA)

**C.** In order to manage its resources responsibly and to allow VBCH to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Trustees establishes the following guidelines for provision of patient financial assistance, payment programs and collection functions.

## Definitions:

**Uninsured** *A patient who (i) has no health insurance or coverage under governmental health care programs, and (ii) is not eligible for any other third party payment such as worker's compensation or claims against others involving accidents.*

**Underinsured** *A patient who (i) has limited health insurance coverage that does not provide coverage for hospital services or other medically necessary services provided by the Hospital, (ii) has exceeded the maximum liability under his/her insurance coverage, or (iii) has a copay or deductible assessed under the patient's insurance contract that is in excess of \$4,000.*

**Annual Household Income** *Household income is determined by using the Census Bureau definition, which uses the following income sources:*

- *Earnings/wages, unemployment compensation, workers' compensation, social security, supplement security income, veterans payments, survival benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household and other miscellaneous sources.*
- *Noncash benefits (such as food stamps and housing subsidies) are excluded and need not be included.*
- *Determine on a before-tax basis; and;*
- *If a person lives with a family; includes the income of all family members who live together as part of a single family unit. A roomer or boarder is not included.*

**Net Worth** *(applicable to those above 200% of the FPG and inpatient services) Net Asset value (assets-liabilities excluding hospital liabilities). Of all members living in the patients household over the twelve (12) months prior to application to assistance under this policy.*

**Amount Generally Billed or "AGB"** *the amount the Hospital generally bills to insured patients. The Hospital determines its AGB utilizing the method detailed below.*

**Extraordinary Collection Action:** Collection activities requiring legal or judicial process. Extraordinary Collection Actions may include: certain liens, foreclosures, attachments or seizing bank accounts, civil actions, wage garnishment, reports to credit agencies, certain sales of debt to third party, delaying care because of non-payment of prior bills, and other legal actions.

**Family Size:** Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to the Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

**Federal Poverty Levels (FPL):** Means the federal income poverty guidelines updated and published annually by the United States Department of Health and Human Services.

**Financial Assistance (Charity Care):** Financial assistance results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria; also known as charity care.

**Financial Assistance Program Committee:** The Financial Counselor will bring complicated or more complex applications to the Financial Assistance Program Committee. This committee will consist of Chief Finance Officer (CFO), Revenue Cycle Manager, Financial Counselor and Business Office Manager.

**Government Health Care Program:** means any plan or program providing health care benefits whether directly through insurance or otherwise, that is funded directly, in whole or in part by the U.S. Government or any state health care program. It includes Medicare, Medicaid (IME), Tricare, VA and state Medicaid programs. It does not include the Federal Employees Health Benefits Program.

**Application Period** begins on the date care is provided to the patient and ends on the later of (i) the 240th day after the date the first post-discharge (whether inpatient or outpatient) billing statement is provided to the patient OR (ii) not less than 30 days after the date the Hospital provides the patient the requisite final notice to commence extraordinary collection actions ("ECAs").

**Gross Charges:** The total charges at VBCH's full established rates for the provision of patient care services before deductions from revenue are applied.

**Guarantor:** Means the person(s) that are financially/legally responsible for the patient.

**Medically Necessary:** As defined by Medicare include services or items reasonable and necessary for the diagnosis or treatment of illness or injury.

**Non-Emergent Medical Services:** Means services for treatment of (1) non-emergency medical

condition at VBCH or a medical condition outside the emergency department.

**Patient Financial Responsibility (PFR):** means any payment for services, including but not limited to any deductible, co-payment, coinsurance or other payment, that is the financial responsibility of the Guarantor under the terms of any applicable Government Health Care Program or any third party healthcare benefits policy or plan.

**Routine Out of Pocket Expense(s):** Means any payment for services, including but not limited to any deductible, co-payment, coinsurance or other payment that is the financial responsibility of the Guarantor under the terms of any applicable Government Health Care Program or any other third party healthcare benefits policy or plan.

**VBCH:** Van Buren County Hospital

## Procedure:

Patient Responsibilities, Payment Expectations, Options and Discounts. Unless VBCH Financial Assistance Program or other arrangements with Financial Counselor, Patients or their Guarantor are expected to pay their full liability for services rendered or make account resolution arrangements with VBCH within thirty (30) days of receipt of their first bill, in accordance with the procedures below.

### 1. Payment at the Time of Service

- Insurance Eligibility and Education on Patient Financial Responsibility (PFR). VBCH will make reasonable efforts to identify the patient's third party coverage, provide estimated financial responsibility for the anticipated services provided and offer counseling resources to give them the tools to make an informed decision on their healthcare services.
- Routine Out of Pocket Expenses. Patients will be required to meet with Financial Counselor to discuss payment options prior to scheduled services. The patient will be requested to pay a nominal fee and if uninsured or underinsured, discuss Financial Assistance Application.
- Medicaid ER visits. VBCH will use commercially reasonable efforts to collect the copayment from Iowa Medicaid members and Iowa Health and Wellness Plan members for emergency room (ER) treatment when the services include treatment of medical condition(s) that are NOT on the list of diagnosis codes considered emergent by the Iowa Medicaid Enterprise, and posted on the IME website (<http://www.ime.state.ia.us>), and the member is not admitted to the hospital. This will not occur until the patient has been screened and at the time of discharge.
  - Note the ER copayment does not apply if the visit to the ER is for an emergent condition and/or results in an admission. A list of diagnosis codes considered emergent is posted on the Iowa Medicaid Enterprise (IME) website. (<http://www.ime.state.ia.us>).
  - The exclusions applicable to all Medicaid copayments may apply. The most common exclusion examples are: members under 21; members who are pregnant; members presenting with an emergent condition; or members receiving family planning services

### 2. Forms of Payment

- VBCH will accept payment in cash, Visa, Discover or Master Card debit or credit card, check, money order and ACH account auto-deduction.
- VBCH Financial Assistance Application
- VBCH installment payment plans

3. Insurance Coverage. VBCH will extend credit on insurance benefits in effect (i.e, commercial insurance or governmental health care program benefits) assigned to VBCH, minus applicable routine out of pocket expenses, and will bill any payor(s) for the same at the time of service if the patient presents adequate information to determine coverage and proper filing of the claim. Reimbursement is expected from such third party and/or government payor(s) within 90 days of billing at which point the remaining balance becomes the Guarantor responsibility, except where prohibited by law or contract.

4. Employees. Employee patient accounts will be handled in accordance with this Policy and in a manner consistent with that of any other VBCH patient. All employee payment arrangements must follow minimum payment requirements and time frames as outlined.

5. Discounts (Uninsured and Prompt Pay). Uninsured patients will receive a discount on all services. For all patients if the balance due, as estimated by the patient access representative, is paid in full at or 30 days after service an additional prompt pay discount to be awarded. The patient may qualify for financial assistance under the VBCH Financial Assistance Program. Government plan enrolled (i.e. Medicare) patients must meet the criteria as outlined in the "Discounts for Government Health Care Program Patients" section of this policy to be eligible for any discounts.

6. VBCH installment Payment Plans. For patients who cannot reasonably make payment in full within 30 days from the statement date, VBCH will accommodate the following payment arrangements.

- The Patient/Guarantor must meet the minimum monthly payment requirements set forth in the table below.

Account Balance	Minimum Monthly Payment
Under \$250	\$25
\$251-\$500	\$50
\$501-\$750	\$50-\$70
\$751-\$1000	\$70-\$85
\$1001-\$1199	\$85-\$100
\$1200 +	\$100-\$200

- No interest charge on installment plans.
- Any requests for alternative payment terms outside these parameters must be referred to the CFO or Financial Assistance Program Committee for review and approval.

7. Settlements. VBCH may employ discretionary discounting of account balance to obtain payment of outstanding balances of aged accounts and bad debt accounts.

- The Revenue Cycle Manager may offer and/or approve settlement terms including discounts up to 20% of the account balance where the repayment period is 12 months or less.

- All requests for settlement of account(s) with balances exceeding \$2,500 or for a discount greater than 20% of the aggregate outstanding balance or with a repayment period beyond 12 months must be directed to the CFO for review and approval.
- All requests for legal settlements must be directed to the CFO for review and approval.

8. Missed Payments. There is no interest penalty for a missed payment. However, failure to make agreed upon payments under an installment plan or settlement may result in the cancellation of the payment arrangement, demand issued for payment in full and referral to a third party collection agency for additional collection activities. Payment arrangements may be reinstated at the discretion of the CFO, and in all cases where a patient/Guarantor pays all plan arrears by VBCH's approved date.

VBCH Financial Assistance Program. VBCH will provide financial assistance discounts for eligible services to qualifying patients and guarantors.

1. Locations and Providers. This policy applies to all VBCH Rural Health Clinics and Hospital services and providers.

2. Services Eligible under this Policy. For Purposes of this policy, "financial assistance" refers to healthcare services provided by VBCH Hospital and Rural Health Clinics without charge or at a discount to qualifying patients. The following healthcare services are eligible for financial assistance.

- Emergency medical services provided in an emergency room setting.
- Services for a condition, which, if not promptly treated, would lead to an adverse change in the health status of an individual.
- Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting and
- Medically necessary services, as determined by VBCH's discretion which may include consultation with patient's medical provider(s)

3. Eligibility Requirements for Financial Assistance. Eligibility for financial assistance will be considered for those individuals who are uninsured and under-insured, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of financial assistance shall be based on household income and family size and shall not take into account the individuals inability to pay; whether payment for those services would be made under Medicare, Medicaid or CHIP; the individuals race, color, sex, national origin, disability, religion, age, sexual orientation or gender identity. For those at or below 200% of the FPG, copies of the prior twelve months W-2s and most recent tax returns for all members of the patients household may be required.

For those with an annual income of 200% FPG (and are ineligible any government health care benefit program) may also be eligible for a discount. Additional documentation may be required. In addition, financial assistance discounts are secondary to all other financial resources available to a patient/guarantor including balances in personal asset accounts, eligible asset values, and HSA and flex plan accounts. Patients must expend these accounts prior to be eligible for VBCHs financial plan.

- Provide information. Patients/Guarantor must provide VBCH with the necessary financial and personal documentation that is required in determining eligibility for VBCHs Financial Assistance Plan. This includes informing VBCH of any changes in the Patient's/Guarantor's

income, financial or insurance status.

- Utilization of available insurance options. VBCH is able to assist in providing Patient's/ Guarantor's with insurance options. Patient's/Guarantor's with an annual household income above 200% of the FPG are required to utilize other options that they have for insurance coverage as long as such insurance is available at a reasonable cost as defined by the Affordable Care Act. If other financial resources, including HSA and Flex benefit accounts, personal assets or third-party liability funds are available, these must be exhausted before they are eligible for VBCH's Financial Assistance Program. VBCH will initially assist or direct the patient to agency representatives who can assist in applying for Medicaid, Iowa Health and Wellness Plans or coverage on the Marketplace. The patient must cooperate by providing necessary documentation and complying with requests for interviews. Failure to complete the application process with an agency will result in an automatic denial of Financial Assistance from VBCH.

#### 4. Method by Which Patients May Apply for Financial Assistance Application.

- Financial need will be determined in accordance with procedures that involve an individual assessment of financial need. The patient or guarantor are required to cooperate and supply the required information to complete the application.
  - If necessary, the Patient or the Guarantor shall be provided with contact information for assistance with the financial assistance application process.
  - VBCH will provide reasonable efforts to explore appropriate alternative sources of payment and coverage from public and private payment programs.
  - Updated financial information will be required on all FA patients annually on their annual renewal date.
- For those determined to be above 200% of the Federal Poverty Guidelines, an individual assessment of need;
  - Take into account the patient's available assets, and all other financial resources available to the patient;
  - Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
- An individual may obtain applications for financial assistance by mail by calling 319-293-6415, by email (upon patient election) by emailing [billiejo.harlan@vbch.org](mailto:billiejo.harlan@vbch.org), by downloading from [www.vbch.org](http://www.vbch.org), or in person at the emergency room, admissions area or business office.
- It is preferred but not required that a request for financial assistance and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done up to 240 days after date of rendered services. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known. VBCH's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of financial assistance. Requests for financial assistance shall be processed promptly and VBCH shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

- Determination of eligibility for discounts will be made within a reasonable period of time after a completed application has been received along with ALL supporting documentation.
- Supporting documentation must include documentation of all income sources for the household on a monthly and/or annual basis (taking into consideration seasonal employment and temporary increase and/or decreases in income) for the Guarantor and verification of family size. Additional supporting documentation may be required for those determined to be over 200% of the Federal Poverty Guidelines. VBCH reserves the right to request additional supporting documentation deemed necessary for those determined to be over the 200% of the Federal Poverty Guidelines or waive any documentation in determining eligibility (if they are presumptively eligible).
- Recipients will remain eligible for financial assistance discounts for up to one year, unless patient's/Guarantor's financial status changes within the year. It is the patient's responsibility to monitor their eligibility period and reapply at least 60 days prior to expiration to ensure eligibility does not lapse.
- VBCH reserves the right to review utilization of VBCH services by Financial Assistance recipients on a quarterly basis. Recipients that are determined to be utilizing VBCH services inappropriately may be required to receive additional service utilization counseling.

5. Alternative Application Approval Options. Any Patient/Guarantor who refuses to complete the application will be considered as having the ability to pay his/her account and subject to the normal account flow process for collection.

- Presumptive Eligibility. There are instances when a patient may appear eligible for financial assistance discounts, but there is no financial assistance form on file due to lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with financial assistance.
- Presumptive eligibility may be determined on the basis of individual life circumstances that may include;
  - State-Funded prescription programs;
  - Homeless or received care from a homeless clinic
  - Participation in Women, Infants and Children programs (WIC)
  - Food Stamp Eligibility
  - Subsidized school lunch program eligibility
  - Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down)
  - Low income/subsidized housing is provided as a valid address; and
  - Patient is deceased with no know estate

Patients who receive presumptive financial assistance may apply for generous assistance through the application process.

6. Application of Financial Assistance Discounts. Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has



been determined by VBCH to be eligible for financial assistance, that patient shall not receive any future bill based on undiscounted gross charges and shall not be charged more than the AGB. The basis for the amounts VBCH will charge patients qualifying for financial assistance will be determined using the following guidelines:

- Patients whose family income is at or below 200% of the FPG are eligible to receive discounts. Please see attachment A.
- Patients whose family income is above 200% of the FPG and maybe eligible to receive the discounted AGB amount.

7. Communication of the Financial Assistance Program to Patients within the Community. Notification about VBCH's Financial Assistance and payment program shall be made publicly available as follows:

- Placing signage, website information, Facebook, and brochures in appropriate of VBCH (e.g., the emergency department and organized registration areas) stating that no one will be denied to access to services due to an ability to pay; and that there is a discounted/sliding fee schedule available based on family size and income as well as other payment programs.
- Placing a note on the healthcare bill and statements regarding how to request information about VBCH's Financial Assistance and Payment Programs.
- Designating departments or individuals who can explain VBCH's Financial Assistance and payment programs.
- Staff that interact with patients will be instructed to direct questions regarding any of VBCH's Financial Assistance or payment program to the proper representative.
- Such notices and summary information shall be provided in plain language, and in the primary languages spoken by the population serviced by VBCH. Referral of patients for financial assistance may be made by any member of VBCH staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

8. Relationship to Collection Policies. VBCH shall develop policies and procedures for internal and external collection practices ( including actions VBCH may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance from VBCH, and a patient's good faith effort to comply with his or her payment arrangements with VBCH. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their discounted VBCH bills, VBCH may offer payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. VBCH will not impose extraordinary collections actions, including wage garnishments; liens on primary residences, foreclosures; attachments or seizing bank accounts; civil actions, writs of attachment; reports to credit agencies; or other legal actions, for any patient without first making reasonable efforts to determine whether that patient is eligible for financial assistance under this financial assistance policy.

9. Reasonable efforts shall include: Notifying the Patient or their Guarantor of financial assistance policies from the date of care to 120 days after VBCH provides the Patient or Guarantor with the first post-discharge billing statement for the care. Notifications by VBCH shall include:

- A plain language summary of the financial assistance policy. Please see attached job aid.
- A notice included with all billing statements that informs Patients or their Guarantor of the availability of financial assistance under this policy and includes contact information of the VBCH facility office or department that can provide information about the financial assistance and the website address where copies of forms and other information about this policy can be obtained.
- Reasonable efforts to inform the Patient or their Guarantor of financial assistance policy in all oral communications regarding bill; and;
- Providing at least one written notice that indicates that financial assistance is available, identifies the extraordinary collection actions that VBCH may take if the individual does not submit a Financial Assistance Application or pay the amount due by a date no earlier than the last day of the 120 day period, and states a deadline after which the extraordinary collection actions may be initiated (which is no earlier than 30 days after the date of such notice.)

10. In the event VBCH receives an incomplete financial assistance application within 240 days after VBCH provides the patient or their Guarantor with the first post-discharge billing statement for care; VBCH shall:

- Suspend all extraordinary collection actions against the patient until VBCH determines whether individual is eligible for financial assistance or after the patient had failed to respond to requests for additional information within a reasonable period of time;
- Provide written notice to the patient or patient's guarantor of the information necessary to complete the financial assistance application; and
- Provide written notice of extraordinary collection actions VBCH may take if information is not submitted or amounts are not paid within 240 days of the issuance of the first billing statement of care.

11. In the event VBCH receives a complete financial assistance application within the 240 days after VBCH provides the patient or their Guarantor with the post-discharge billing statement of care, VBCH shall;

- Suspend all extraordinary collection actions against the Patient until VBCH determines whether individual is eligible for financial assistance.
- Provides written notice of determination whether individual is eligible for financial assistance
- If the patient is eligible for financial assistance, VBCH shall correct the amount charged to the individual in accordance with this policy;
- Takes all reasonable measures to reverse any extraordinary collection action.

12. Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by VBCH.

13. Documentation that VBCH has or has attempted to offer the patient the opportunity to apply for financial assistance pursuant to this policy and that the patient has not complied with VBCH's application requirements;

14. Documentation that the patient has been offered a payment plan but has not honored the terms of

that plan.

**C. Confidential and Record Keeping:** All information obtained from patients, Guarantors and family members shall be treated as confidential. VBCH will retain a central repository by each member/ Guarantor containing any financial information obtained for program qualification. Written denials of Financial Assistance discounts, including denial reasons, shall be retained in a confidential central file.

**D. Collection Process.** The Business Office of VBCH or its designee will attempt to collect all debts by way of monthly statements, telephone contacts, and/or collections letters. Uncollected delinquent accounts may be referred to an external collection agency or attorney for continued collection.

**E. Regulatory Requirements.** In implementing this policy, VBCH management and facilities shall comply with all federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

**F. Discounts for Government Health Care Program Patients. In limited instances and only where permitted by federal and state law, VBCH may waive or discount Out of Pocket Expenses for patients participating in Government Health Care Programs, including financial assistance discounts, if all the following requirements are met:**

- **The waiver is not advertised or otherwise solicited**
- **The waiver is not routinely offered; and**
- **The waiver is made:**
  - **after determining, in good faith, that the individual is in financial need (the full financial assistance application or a presumptive eligibility tool may be utilized**
  - **after reasonable efforts have failed to collect the co-payments or deductibles directly from the patient or;**
  - **in settlement of a disputed claim resulting from the services provided to the beneficiary**
- Other circumstances may warrant the non-routine waiver of Government Health Care Program co-insurance or deductibles. The CFO or their designee may approve specific waivers. Prompt pay discounts may be provided to Government Health Care Program patients to the extent all of the safeguards outlined in this Policy relating to discounts are followed and the discount is disclosed to the Government Health Care Program. Appropriate written records documenting the reasons for each waiver or discount shall be maintained as cost report supporting documents.

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## Attachments

[2022 Charity Guidelines Revised NHSC.xlsx](#)

[Charity Care application 2022 revised NHSC.doc](#)

[VBCH Front Page Application Plain Language Summary.doc](#)

## Approval Signatures

Step Description	Approver	Date
CEO	Garen Carpenter: CEO	05/2022
CFO	Kara McEntee	05/2022
	Theresa Dunkin	05/2022