

LTITLE: **Financial Assistance Policy**

CATEGORY: Leadership

EFFECTIVE DATE: 1/99

APPLICABLE FOR: ALL

POLICY STATEMENT

Waverly Health Center (WHC) is committed to providing quality healthcare services to all individuals regardless of their ability to pay. WHC considers each patient's ability to pay for his or her medical care and extends financial assistance to eligible patients.

PURPOSE

To provide consistent guidelines and criteria for use in both the hospital and clinics to determine whether a Waverly Health Center patient is eligible for financial assistance.

DEFINITIONS

Amounts Generally Billed (AGB): The amount WHC usually charges a patient for a particular service determined by either past claims paid by Medicare or Medicare together with all private health insurers.

Dependent: A child, parent or other relative who relies on the applicant for necessary financial support.

Extraordinary Collection Action: Collection activities requiring legal or judicial process. Extraordinary collection actions may include: liens, foreclosures, attachments or seizing bank accounts, civil actions, writs of attachment, wage garnishment, reports to credit agencies, sale of debt to third party, and other legal actions.

Financial Assistance: Financial assistance results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

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

Uninsured: The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

PROCEDURE

Eligibility

- Financial assistance is available to United States (U.S.) citizens, or non-U.S. citizens who are classified as legal immigrants, international students, temporary residents or legal visitors.
- Financial assistance may be provided to uninsured or underinsured individuals based on the household income as a percentage of the federal poverty level (FPL).
- Financial assistance is available for adult individuals, their spouse and dependents.

- Free or discounted care is available for services deemed medically necessary for patients who meet the criteria outlined in this policy.
- Services necessary to screen for and stabilize an emergency medical condition as required by the Emergency Medical Treatment and Active Labor Act (EMTALA) will not be delayed or denied in order to inquire about payment sources or evaluate a patient’s ability to pay.
- Charges for services that are not billed directly by WHC are excluded from the financial assistance policy. This would include professional charges for radiology, pathology, anesthesia, visiting specialists, Rohlf Clinic etc. For a list of medical providers not included see the appendix.

Amounts Charged to Patients

- WHC determines the amounts charged to patients by multiplying the gross charges for the service provided by a fixed percentage determined by amounts generally billed (AGB) to individuals who have insurance. This percentage is calculated based on all the claims allowed by Medicare, Medicaid and private insurers over a 12-month period (look-back method) divided by the associated gross charges for those claims. The current AGB is 47% for services received for the time period July 2017 through June 2018. The AGB is 43% for services received for the time period of July 2016 through June 2017.
- Any uninsured individual who is eligible for financial assistance will receive either the applicable financial assistance discount or the AGB discount, whichever is greater.
- Any insured individual who is eligible for financial assistance will receive the financial assistance discount.
- No individual eligible for financial assistance will be charged more for emergency or other medically necessary care than the AGB.
- Income guidelines for determining eligibility will follow the current year FPL as published annually in the Federal Register. These will be updated each year when the new rates are released.
- The following discounts are available to individuals eligible for financial assistance:

Income % of FPL	Financial Assistance %
0-150%	100%
151-175%	90%
176-200%	80%
201-225%	70%
226-250%	60%
251-275%	50%
276-300%	40%
301-325%	30%
326-350%	20%
351-400%	10%

- Once an individual has been deemed eligible for financial assistance and a discount determined, it will be valid for a period of 12 months from the date of the application without the need for a new application. A new application will be required in order to change the discount rate.

- Authority for approving the initial financial assistance discount that meets eligible criteria (other than AGB) will be as follows:

Discount	Approval Required
< \$1,000	Business Office Manager
\$1,000 > \$5,000	Chief Financial Officer
\$5,000 > \$10,000	Chief Executive Officer
> \$10,000	Board of Trustees

Method to Apply

- Any individual interested in applying for financial assistance is required to complete the Application for Financial Assistance in order to be considered. This application, along with instructions for completion, may be found on the health center website at www.waverlyhealthcenter.org, by contacting the patient financial counselor at (319) 352-4928 or may be picked up at the Green Entrance or any of the clinics of the health center.
- An individual has 12 months from the date of service to submit an application for consideration of financial assistance.
- Other documents required to be submitted with the application include:
 1. A copy of the most recently filed Federal Income Tax Return or verification that the individual did not meet the federal filing requirements.
 2. If employment or source of income has changed since the last tax return was filed, copies of the last two paycheck stubs or documentation to support the changes.
 3. If the patient is unemployed, a copy of the last paycheck received along with a statement of employment benefits showing the benefit amount and duration.
 4. A copy of any denial letter from county or state government assistance programs which may be applicable to the individual or family’s situation.
- Other evidence of eligibility or attestation by the applicant may be deemed acceptable in lieu of the items required above in extenuating circumstances. This determination will be made by the business office manager and/or chief financial officer.
- Waverly Health Center has the right to deny financial assistance to any individual who does not submit a completed application or does not provide proof of income for financial assistance determination.

Presumptive Eligibility

- Any deceased individual without funds remaining to cover outstanding bills will be presumed to be eligible for financial assistance under this policy. No additional actions will be taken to attempt to collect the unpaid amounts.

Failure to Pay

- WHC will not impose extraordinary collection actions (as previously defined) without first making reasonable efforts to determine whether the patient is eligible for financial assistance under this policy. Reasonable efforts shall include:
 - Notifying the patient or patient’s guarantor of financial assistance from the date of service to 120 days after WHC provides the patient or guarantor with the first billing statement for the service provided. This notification will include but not be limited to, a plain language summary of the financial assistance policy on the first billing statement.

- Validating the patient owes unpaid bills and that all third party sources have been identified and billed.
- Documenting that WHC has offered or attempted to offer the opportunity to apply for financial assistance.
- Documenting that the patient has been offered a payment plan but has not honored the terms of that plan.
- In the event WHC receives an incomplete financial assistance application within 120 days after the first billing statement, WHC may:
 - Suspend all extraordinary collection actions.
 - Provide written notice of the information necessary to complete the application.
 - Provide written notice of extraordinary collections actions WHC may take if information is not submitted or amounts are not paid within 240 days of the first billing statement.

Other Discounts

- Any patient, regardless of income or insurance, will be eligible to receive a “catastrophic discount” for any out of pocket medical bills at WHC for services in any three month rolling period, including but not limited to WHC that exceed 40% of their household gross income. This discount will be 100% of the amount owed to WHC. This will require approval authority as documented above in Section 2.

Waverly Health Center complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-319-483-4017.

注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電1-319-483-4017。

APPENDIX	Financial Assistance Program Materials - https://www.waverlyhealthcenter.org/patients-visitors/after-your-visit/fap/
OWNER SOURCES	Administration
REVISIONS	4/01, 9/02, 1/04, 9/06, 11/08, 7/16, 12/16, 7/17
REVIEWS	10/13, 11/14, 11/15
REVISION SUMMARY	Changed AGB to reflect updated calculation of 47%.