Financial Assistance Policy

Johnson County Healthcare Center is committed to providing financial assistance to persons who have healthcare needs and are uninsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Johnson County Healthcare Center strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Johnson County Healthcare Center will provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance. It should be noted that this policy only applies to services provided at Johnson County Memorial Hospital and the Family Medical Center.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance -- free care
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the hospital will widely publicize the policy within the community served by the hospital
- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital for commercially insured or Medicare patients
Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Johnson County Healthcare Center’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.

In order to manage its resources responsibility and to allow Johnson County Healthcare Center to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Trustees establishes the following guidelines for the provision of financial assistance.

II. DEFINITIONS

For the purpose of this policy, the terms below are defined as follows:

**Financial assistance**: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Financial assistance results from a provider’s policy to provide healthcare services free to individuals who meet the established criteria.

**Family**: 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 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.

**Family Income**: Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans’ payments, survivor 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) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
• If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

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

**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.

**Emergency medical conditions:** Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

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

**III. PROCEDURES**

**A. Services Eligible Under this Policy.** For purposes of this policy, “financial assistance” refers to healthcare services provided by Johnson County Healthcare Center without charge. The following healthcare services are eligible for financial assistance:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically necessary services, evaluated on a case-by-case basis at Johnson County Healthcare Center’s discretion.

**B. Eligibility for Financial Assistance.** Eligibility for financial assistance will be considered for those individuals who are uninsured, ineligible for any government health care benefit program, 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 an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation. Persons whose family income is at or below 120% of the FPL (Federal Poverty Level) are eligible to receive free care.
C. Method by Which Patients May Apply for Financial Assistance.

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and

- Will include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
- May include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
- May include reasonable efforts by Johnson County Healthcare Center to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
- Will take into account the patient's available assets, and all other financial resources available to the patient; and
- Will include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

2. The determination of the need for financial assistance may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated after each subsequent time of service 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.

3. Requests for financial assistance shall be processed promptly and Johnson County Healthcare Center shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

D. Eligibility Criteria and Amounts Charged to Patients. Once a patient has been determined by Johnson County Healthcare Center to be eligible for financial assistance, that patient shall not receive any future bills for that date of service, based on undiscounted gross charges. If a patient is determined to be eligible to receive financial assistance, then the charges will be reduced by 35% and the remaining balance will be written off.
E. **Communication of the Financial Assistance Program to Patients and Within the Community.** Notification about financial assistance available from Johnson County Healthcare Center, which shall include a contact number, shall be disseminated by Johnson County Healthcare Center by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms. Johnson County Healthcare Center also shall publish and widely publicize a summary of this policy on the facility website. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by Johnson County Healthcare Center, which is English. Referral of patients for financial assistance may be made by any member of the Johnson County Healthcare Center staff or medical staff, including physicians, nurses, social workers, 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.

F. **Relationship to Collection Policies.** Johnson County Healthcare Center management shall develop policies and procedures for internal and external collection practices (including actions the hospital 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 charity, a patient's good faith effort to apply for a governmental program or for financial assistance from Johnson County Healthcare Center, and a patient's good faith effort to comply with his or her payment agreements with Johnson County Healthcare Center. Johnson County Healthcare Center will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for financial assistance under this policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital;
2. Documentation that Johnson County Healthcare Center has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with the hospital's application requirements;
3. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.
H. **Regulatory Requirements.** In implementing this Policy, Johnson County Healthcare Center management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.