



Setting: Hospital	Area/Department(s): Fiscal
Title: Financial Assistance Program Policy	
Category/Chapter: 26 CFR 1.501(r); 210 ILCS 89/1 et seq; 77 Ill. Admin Code 4500	

KEYWORDS: charity, charity care, discount, assistance, uninsured, underinsured, eligibility

I. PURPOSE:

To establish a financial assistance program that applies to all Emergency Care and Medically Necessary Services provided by Illinois Valley Community Hospital (the “Hospital”) consistent with the requirements set forth in Internal Revenue Code Section 501(r) and corresponding regulations (26 CFR 1.501(r)) (“IRS Regulations”), the Illinois Hospital Uninsured Patient Discount Act (210 ILCS 89/1 et seq) and the Illinois Fair Patient Billing Act and corresponding regulations (77 Ill. Admin Code 4500) (“Illinois Regulations”), all as may be amended from time to time. The provision of financial assistance may now, or in the future, be subject to change in accordance with federal, state and local law.

II. POLICY:

Illinois Valley Community Hospital is dedicated to providing exceptional care through a commitment to clinical excellence and compassion for every patient, every day. We will provide Emergency Care and Medically Necessary Services (defined below), within our capacity, to our patients regardless of their ability to pay. Any individual seeking additional information regarding the Hospital’s financial assistance program may contact Patient Financial Services or Billing by phone at (815) 780-3418 or at its physical address of 925 West Street, Peru, IL 61354.

III. SCOPE:

This policy applies to all patients of the Hospital and to all employees of the Hospital who communicate with patients regarding the Hospital’s charity care or financial assistance policies.

IV. RESPONSIBILITY:

It is the responsibility of the Hospital's Patient Financial Services department ("Department") to administer this policy.

V. DEFINITIONS:

Amount Generally Billed (AGB) means amounts generally billed to individuals who have insurance covering such care. AGB is calculated using the look-back method by multiplying the gross charges for the care provided to the individual by the applicable "AGB Percentage", as described in IRS Regulations. Patients may obtain information regarding the AGB Percentage and how the Hospital calculates it free of charge upon request from the Department by calling (815) 780-3418. The Hospital begins applying the AGB Percentage by the forty-fifth (45th) day after the end of the twelve (12) month period the Hospital used in calculating the AGB Percentage.

Application means the form provided by the Hospital and used by patients to apply for financial assistance.

Application Period means the two hundred and forty (240) day period which begins on the date the first billing statement is sent to the patient.

Collection Action means any referral of a bill to a collection agency or law firm to collect payment for Hospital services from a patient or a patient's guarantor.

Emergency Care means care for "Emergency Medical Conditions" as defined under the Emergency Medical Treatment & Labor Act ("EMTALA") and Hospital's EMTALA Policy, both as may be amended from time to time.

Family means a group of two or more people who reside together and who are related by birth, marriage, or adoption. Additionally, if the patient claims someone as dependent on his or her income tax return, the person may be considered a dependent for purposes of provision of financial assistance.

Family Income means the sum of a Family's earnings and cash benefits from all sources before taxes, less payments made for child support.

Federal Poverty Income Guidelines or “FPG” means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of 42 U.S.C. 9902(2).

Medically Necessary Services or Medically Necessary Care means any inpatient or outpatient hospital service provided by the Hospital to a patient, including pharmaceuticals or supplies, covered under Title XVIII of the federal Social Security Act (“Medicare”) for beneficiaries with the same clinical presentation as an individual not eligible for financial assistance under this policy. Medically Necessary Services do not include:

1. Non-medical services such as social and vocational services; or
2. Elective cosmetic surgery (In contrast, plastic surgery designed to correct disfigurement caused by injury, illness, or congenital defect or deformity qualifies as Medically Necessary Care).

Plain Language Summary means a written statement that notifies an individual that the Hospital offers financial assistance pursuant to this policy and provides the additional information required by IRS Regulations in language that is clear, concise and easy to understand.

Presumptive Eligibility Criteria means the following categories identified as demonstrating financial need on the part of an Uninsured Patient:

1. Homelessness;
2. Deceased with no known estate;
3. Mental incapacitation with no one to act on the patient’s behalf; and
4. Eligible for Medicaid, but not on the date of service or for non-covered service.

Qualifying Services means Emergency Care and/or Medically Necessary Care provided to Uninsured Patients and Emergency Care provided to Underinsured Patients.

Reasonable Payment Plan means one offered by the Hospital that takes into account the patient’s available income and assets, the amount owed, and any prior payments. The terms and conditions of the payment plan must be reasonable and appropriate.

Underinsured Patient means a patient to whom any of the following may apply:

1. Third-party coverage is available, but with limited benefits (i.e., patient has an outstanding balance after insurance);
2. Patient is already eligible for assistance (e.g., Medicaid), but the particular services are not covered;
3. Medicare or Medicaid benefits have been exhausted, and the patient has no further ability to pay; or
4. The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his or her financial abilities.

Uninsured Patient means a patient who is not covered under a policy of health insurance and is not a beneficiary under public or private health insurance, health benefits, or other health coverage program, including high deductible health insurance plans, workers' compensation, accident liability insurance, or other third-party liability insurance.

VI. APPLICATION PROCESS AND FINANCIAL ASSISTANCE:

- A. Overview. The Hospital offers financial assistance ranging from partial discounts to full write-offs for Qualifying Services provided to individuals eligible under this policy. Exceptions to provide for more generous assistance may be made at the sole discretion of the Hospital. However, the granting of 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. Patients unable to pay for services should consult Hospital financial counselors for assistance with identifying available resources to meet financial obligations. Additionally, as further described in Hospital's EMTALA Policy, the Hospital will provide Emergency Care without discrimination to all individuals, regardless of their ability to pay or eligibility under this policy.
- B. Responsibilities of the Hospital and the Patient Regarding Financial Assistance. Both the Hospital and the patient are accountable for their role in the financial assistance process.
 1. Hospital Responsibilities – The Hospital is responsible for:
 - a. Making a reasonable effort to publicize its financial assistance program to residents of the community served by the Hospital and notifying Hospital visitors about the financial assistance program;

- b. Evaluating patient eligibility for financial assistance in a fair, consistent and timely manner, in accordance with this policy; and
 - c. Notifying patients of potential payment options.
2. Patient Responsibilities - The patient is responsible for:
- a. Cooperating with the Hospital to provide the information and documentation necessary to apply for other existing financial resources that may be available to pay for health care, such as third-party liability;
 - b. Promptly, and no later than thirty (30) days after a request, applying for coverage under public programs such as Medicare, Medicaid, AllKids, the State Children's Health Insurance Program, or any other program, if there is a reasonable basis to believe that the Uninsured Patient may be eligible for such program;
 - c. Acting reasonably and cooperating in good faith with the Application and assessment process. This includes, but is not limited to, promptly providing the Hospital with financial and other relevant information and documentation necessary to determine eligibility for financial assistance under this policy as well as to establish Reasonable Payment Plan options. Accurate information and documentation necessary to establish eligibility must be provided by the later of the last day of the Application Period or thirty (30) days after a request for such information;
 - d. Cooperating with the Hospital in establishing a Reasonable Payment Plans and making good-faith efforts to honor the plan, if applicable;
 - e. Promptly, and no later than thirty (30) days following such a change, notifying the Hospital of any change in financial status that may affect the patient's eligibility for financial assistance or ability to abide by the provisions of an agreed upon Reasonable Payment Plan;
 - f. Informing the Hospital, in subsequent inpatient admissions or outpatient encounters, that the patient has previously received health care services from the Hospital and was determined to be eligible for discounted care, if applicable.

C. Eligibility Criteria.

1. Patient is an Uninsured Patient or Underinsured Patient who qualifies for assistance based on financial need as determined under Section VI(F).
2. Patient receives Qualifying Services; and

3. Patient completes an Application as required by Section VI(D).

D. Application.

1. The Hospital shall provide patients with Applications that comply with the requirements set forth in state and federal law. The Applications shall be available in English, Spanish and any other language that is the primary language of at least 5% of the patients served by the Hospital annually.
2. Patients requesting financial assistance will be required to complete the Hospital's Application and submit it to the Department for processing in order to establish eligibility. If a patient demonstrates that he or she meets the Presumptive Eligibility Criteria or is otherwise presumptively eligible by virtue of the patient's Family Income, the patient shall not be required to complete portions of the Application addressing monthly expense information and estimated expense figures. The Presumptive Eligibility Criteria shall be applied to an Uninsured Patient as soon as possible after receipt of Qualified Services and prior to the issuance of any bill for those services by the Hospital.
3. In support of his or her Application, each patient must submit documentation of Family Income. Acceptable documentation shall include any one of the following:
 - a. A copy of the most recent IRS tax return;
 - b. A copy of the most recent W-2 form and 1099 forms;
 - c. Copies of the two most recent pay stubs; or
 - d. Written income verification from an employer if the employee is paid in cash; or
 - e. Copies of recent bank statements.
4. An Uninsured Patient applying for financial assistance may also be required to certify the existence of assets the patient owns and to provide documentation of the value of such assets. Acceptable documentation may include statements from financial institutions or some other third party verification of an asset's value. If no third party verification exists, then the patient shall certify as to the estimated value of the assets. Assets are not considered in determining a patient's eligibility for financial assistance under this policy, except for purposes

of determining the applicability of the 12-month maximum collectible amount described under Section VI(F).

5. The Hospital may also obtain a credit report or use other external publically available data for the purpose of identifying additional expenses, obligations, and income to assist in developing a full understanding of the patient's financial circumstances.
6. An Uninsured Patient will not be required to submit a Social Security Number in order to qualify for financial assistance under this policy. However, a Social Security Number may be requested to assist in determining the patient's eligibility for public programs such as Medicare or Medicaid.

E. Process for Submission and Review of Applications.

1. Financial Assistance Application forms may be submitted to the Department at any time during the Application Period.
2. Requests for financial assistance may be submitted by a variety of sources, including the patient, a family member, a community organization, a church, a collection agency, caregiver, Hospital administration and others. Requests received from a third party will be sent to the Department, which will obtain the patient's consent before working with the third party on the patient's behalf. The Department will work with the third party to provide available resources to assist the patient in the Application process.
3. The Department will review the completed Application and supporting documentation in accordance with the guidelines set forth in this policy and the Application, make a determination of eligibility for financial assistance and approve or deny the Application.
4. Following the eligibility determination, the patient will be notified in writing of the Hospital's determination, and, if applicable, the assistance for which he or she is eligible. The determination notification will include the basis for the outcome. A patient may contact the Department to confirm his or her account status.
5. Eligible patients will be provided with a billing statement indicating the amount the patient owes and instructing the patient as to how he or she can obtain additional information regarding the calculation of the AGB/the AGB percentage

and the patient's financial assistance determination. Following review, the approved financial assistance amount, determined in accordance with Section VI(F), will be applied to the patient account by the Department.

6. If an incomplete Application is submitted, the Hospital shall provide written notice to the patient describing the additional information and documentation required to complete the Application, inform the patient of the completion deadline and any Collection Action that may be taken against him or her if the Application is not completed and enclose a Plain Language Summary. The patient must then complete the Application by the later of the last day of the Application Period or thirty (30) days after written notice is provided under this Section.
7. Eligibility for financial assistance will be re-assessed periodically, but not more frequently than with each subsequent medical encounter.

F. General Guidelines for Determining the Amount of Financial Assistance.

1. For individuals eligible for financial assistance under this policy, the Hospital shall not charge amounts in excess of AGB for Emergency Care or Medically Necessary Services, and it shall not charge gross charges for all other medical care.
2. Uninsured Patients and Underinsured Patients that have Family Income at or below 150% of the current FPG receive a reduction equal to 100% of the charges for Qualifying Services. If a patient demonstrates that he or she meets the Presumptive Eligibility Criteria, the patient shall receive a reduction equal to 100% of the charges for Medically Necessary Services.
3. Uninsured patients and Underinsured Patients that have Family Income exceeding 150%, but less than or equal to 300% of the FPG will be eligible for significant discounts on gross charges as further set forth on Attachment A and in accordance with the Illinois Hospital Uninsured Patient Discount Act.
4. Provided the following conditions are met, the maximum amount the Hospital may collect for Medically Necessary Care in a twelve (12) month period from an Uninsured Patient with Family Income less than or equal to 300% of FPG is 25% of the Family Income:

- a. The patient informs the Hospital in subsequent inpatient admissions or outpatient encounters that he or she previously received a discount and continues to be eligible for the discount;
- b. The patient maintains continued eligibility for this benefit; and
- c. The patient does not have assets with a value in excess of 300% of FPG. The Hospital reserves the right to exclude such patients from the application of this benefit. The assets listed below shall not be counted in this calculation.
 - i. Primary residence.
 - ii. Personal property exempt from judgment under Section 12-1001 of the Code of Civil Procedure.
 - iii. Any amounts held in a pension or retirement plan, provided, however, that distributions and payments from pension or retirement plan may be included as income.

G. Review of Unusual/Extenuating Circumstances – The Department is authorized to approve exceptions to this policy that are more favorable to a patient on a case-by-case basis due to unusual or extenuating circumstances. The Department shall document why such assistance is granted and maintain supporting documentation.

VII. BILLING PRACTICES:

- A. The Hospital must provide an insured patient (which, for these purposes, does not include a patient covered under any government-funded program such as Medicare or Medicaid, workers' compensation or accident liability insurance) written notice containing the following information during the admission process or as soon as practicable thereafter: i) the patient may receive separate bills for services by health care professionals affiliated with the Hospital but some may not be participating providers in the same insurance plans and networks at the Hospital; ii) if applicable, the patient may have a greater financial responsibility for the services outlined above; and iii) questions about coverage or benefit levels should be directed to the patient's insurance carrier and the patient's certificate of coverage.
- B. All patient bills sent until one hundred twenty (120) days after the date of the first billing statement shall inform patients that financial assistance is available when eligibility

criteria is met. The bills must include the following information: i) date(s) of service; ii) description of service; iii) amount owed; iv) Hospital billing contact (i.e. telephone number); v) statement on how the patient may apply for consideration for financial assistance under the Hospital's financial assistance policy; and vi) notice of how to obtain an itemized bill upon request.

- C. All patient bills and collection notices must include a contact telephone number that patients may call to address inquiries about, and disputes over, their Hospital bill. The Hospital must promptly return calls made by a patient, but in no event later than two (2) business days after the call is made. If the Hospital provides for a process that involves correspondence, the Hospital must respond within ten (10) business days of receipt of the patient's letter.

VIII. PAYMENT PLANS AND COLLECTION ACTIVITY:

- A. Before pursuing Collection Action against an individual, the Hospital must make reasonable efforts to determine whether the individual is eligible for assistance under this policy and, if applicable, provide the individual an opportunity to avail himself or herself of a Reasonable Payment Plan.
- B. Patients receiving partial financial assistance who are unable to pay the full amount of any self-pay balance in one payment will be offered a Reasonable Payment Plan. Such plans for patients receiving partial discounts will be developed on a case-by-case basis with the patient. No interest will accrue to the account balance on any such account while payments are being made, unless the patient has voluntarily chosen to participate in a long-term payment arrangement that bears interest applied by a third-party financial agent.
- C. The Hospital shall not pursue a Collection Action against an Uninsured Patient that has clearly demonstrated he or she does not have sufficient income or assets to meet his or her financial obligations provided the patient has cooperated reasonably and in good faith with the Hospital in showing such inability, including providing relevant information to determine eligibility under this policy and Reasonable Payment Plan options. The patient must notify the Hospital of any material change that may affect such determinations.
- D. All Collection Action on a patient account, including those accounts referred to a third party for collection, shall be suspended for those patients who have submitted an

Application prior to the expiration of the Application Period while the Application is being reviewed and considered.

- E. All third-party agents that submit or collect bills on behalf of the Hospital shall be required, by written agreement, to comply with this policy, the Hospital's Collection Policy and applicable federal, state and local law.
- F. The Hospital does not report information about patient debt to consumer credit reporting agencies or credit bureaus; however, a third party collection agency to which debt is referred may report this information, subject to the restrictions applicable to the Hospital.
- G. The terms of the Hospital's collections activity are further described in the Hospital's Billing and Collections Policy. A copy of the Billing and Collections Policy may be obtained free of charge from registration and admission areas and from the Department or by calling (815) 780-3418.

IX. PUBLICATION OF THE FINANCIAL ASSISTANCE POLICY:

- A. The Hospital must make reasonable efforts i) to notify and inform patients of its financial assistance program; ii) identify eligible patients; and iii) publicize this policy within the community served by the Hospital in print and television media, wherever practicable.
- B. This policy, a Plain Language Summary and the Application shall be available on the Hospital's website. Paper copies shall be available upon request and without charge in public locations of the Hospital such as admission and registration areas, and by mail. These items shall be available in English, Spanish and any other language that is the primary language of at least 5% of the patients serviced by the Hospital annually.
- C. Signage shall be posted at all points of admission and registration in the Hospital (including the Emergency Department) informing visitors that the Hospital provides financial assistance in accordance with this policy. The signage shall contain the following language: "You may be eligible for financial assistance under the terms and conditions Illinois Valley Community Hospital offers to qualified patients. For more information, you may contact us at (815) 780-3418." Signage shall be in English, Spanish and any other language that it the primary language of at least 5% of the patients serviced by the Hospital annually.
- D. The Hospital's pre-registration and registration procedures shall be designed to promote the identification of patients who may be eligible for financial assistance. The Hospital's

financial counselors will attempt to contact known registered Uninsured Patients and Underinsured Patients during their Hospital stay to assess financial needs, where indicated.

- E. The Department shall make reasonable efforts to inform known Uninsured Patients and Underinsured Patients of this policy during all oral communications regarding the amount due for care and offer such patients an Application at the time of discharge.
- F. Information regarding the financial assistance program shall be contained within patient bills, as further set forth in Section VII of this policy.
- G. When it is known or suspected by a Hospital employee that a current patient may require assistance in paying his or her Hospital bill, the Department should be immediately notified. If the patient is discharged and this becomes known, the Department should be notified to contact the patient.

X. RECORDKEEPING:

- A. The Hospital shall maintain documentation reflecting its determination regarding financial assistance along with a copy of the Application submitted.
- B. The financial assistance report prescribed by Illinois Regulations will be filed annually with the Illinois Office of Attorney General in conjunction with the Hospital's Community Benefit Report, all in accordance with Illinois law.

XI. REFERENCES:

210 ILCS 89/ Hospital Uninsured Patient Discount Act. Retrieved from <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=3001&ChapterID=21>

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ILLINOIS VALLEY COMMUNITY HOSPITAL
FINANCIAL ASSISTANCE POLICY ADMINISTRATION
CALENDAR YEAR 2017

Family Size 1		
Poverty Level	\$ 12,060	
Discount %	Family Income Range	
100		\$ 18,090
90	\$ 18,091	\$ 21,105
80	\$ 21,106	\$ 24,120
70	\$ 24,121	\$ 27,135
60	\$ 27,136	\$ 30,150
50	\$ 30,151	\$ 33,165
40	\$ 33,166	\$ 36,180

Family Size 2		
Poverty Level	\$ 16,240	
Discount %	Family Income Range	
100		\$ 24,360
90	\$ 24,361	\$ 28,420
80	\$ 28,421	\$ 32,480
70	\$ 32,481	\$ 36,540
60	\$ 36,541	\$ 40,600
50	\$ 40,601	\$ 44,660
40	\$ 44,661	\$ 48,720

Family Size 3		
Poverty Level	\$ 20,420	
Discount %	Family Income Range	
100		\$ 30,630
90	\$ 30,631	\$ 35,735
80	\$ 35,736	\$ 40,840
70	\$ 40,841	\$ 45,945
60	\$ 45,946	\$ 51,050
50	\$ 51,051	\$ 56,155
40	\$ 56,156	\$ 61,260

Family Size 4		
Poverty Level	\$ 24,600	
Discount %	Family Income Range	
100		\$ 36,900
90	\$ 36,901	\$ 43,050
80	\$ 43,051	\$ 49,200
70	\$ 49,201	\$ 55,350
60	\$ 55,351	\$ 61,500
50	\$ 61,501	\$ 67,650
40	\$ 67,651	\$ 73,800

Family Size 5		
Poverty Level	\$ 28,780	
Discount %	Family Income Range	
100		\$ 43,170
90	\$ 43,171	\$ 50,365
80	\$ 50,366	\$ 57,560
70	\$ 57,561	\$ 64,755
60	\$ 64,756	\$ 71,950
50	\$ 71,951	\$ 79,145
40	\$ 79,146	\$ 86,340

Family Size 6		
Poverty Level	\$ 32,960	
Discount %	Family Income Range	
100		\$ 49,440
90	\$ 49,441	\$ 57,680
80	\$ 57,681	\$ 65,920
70	\$ 65,921	\$ 74,160
60	\$ 74,161	\$ 82,400
50	\$ 82,401	\$ 90,640
40	\$ 90,641	\$ 98,880

Family Size 7		
Poverty Level	\$ 37,140	
Discount %	Family Income Range	
100		\$ 55,710
90	\$ 55,711	\$ 64,995
80	\$ 64,996	\$ 74,280
70	\$ 74,281	\$ 83,565
60	\$ 83,566	\$ 92,850
50	\$ 92,851	\$ 102,135
40	\$ 102,136	\$ 111,420

Family Size 8		
Poverty Level	\$ 41,320	
Discount %	Family Income Range	
100		\$ 61,980
90	\$ 61,981	\$ 72,310
80	\$ 72,311	\$ 82,640
70	\$ 82,641	\$ 92,970
60	\$ 92,971	\$ 103,300
50	\$ 103,301	\$ 113,630
40	\$ 113,631	\$ 123,960

Each additional person in the family adds \$4,180 to the base poverty level

Range of discount is 100% discount with income at 150% of Federal Poverty Level. A 40% discount is available with income up to 300% of Federal Poverty Level.

Updated: February 6, 2017
Effective Date: February 6, 2017