

**Administrative Policy**  
**Stewart Memorial Community Hospital**

**POLICY:** Financial Assistance Policy

**POLICY#:** 090-015

Date Initiated: 1977

Date Revised: January 1, 2007; June, 2011; March, 2015; February, 2016

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**PURPOSE:**

Stewart Memorial Community Hospital(SMCH) is a not-for-profit healthcare institution whose mission is “Committed to quality health and wellness for you and your family”. SMCH is committed to providing high quality healthcare for patients who seek services, including those individuals in our service area who lack the means to pay for medically necessary services. This policy sets forth the process and guidelines by which such patients can access Financial Assistance.

**POLICY:**

Stewart Memorial Community Hospital shall fulfill their charitable missions by providing health care services to all individuals without regards to their ability to pay. SMCH shall provide fair financial assistance to low income, underinsured or uninsured patients. SMCH shall use consistent and fair collection practices for all patients. This policy is in effect for dates of service on or after January 1, 2016.

This policy covers medically necessary health care services provided by SMCH. This policy does not include any services provided by outside vendors, including but not limited to non-employed physicians. Patients seeking a discount for such services should be directed to call the physician or outside vendor directly.

The necessity for medical treatment for any patient will be based on the clinical judgment of the provider without regard to the financial status of the patient. All patients will be treated with respect and fairness regardless of their ability to pay.

Income eligibility criteria for free or discounted health care services will be based upon the Federal Poverty guidelines and will be updated annually in conjunction with the published updates by the United States Department of Health and Human Services.

**PROCEDURE:**

SMCH is 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 individuals.

1. **Financial Assistance Guidelines.** Financial assistance will be available for only medically necessary health care services, as defined by Medicaid Guidelines, provided to persons who meet the financial and documentation criteria defined in this policy. Financial Assistance for hospital patients shall be based on the following guidelines:

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

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.

- 1.2 SMCH reserves the right to limit eligibility to a shorter period and/or may require periodic reviews to confirm continuing eligibility.
- 1.3 SMCH reserves the right, on a case by case basis and at the discretion of the CFO or CFO designee, to extend eligibility for financial assistance to patients whose household income exceeds 200% of the FPIG.
- 1.4 *Presumptive Eligibility*: Patients who qualify and are receiving benefits from the following programs may be presumed eligible for 100% financial assistance:

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

- 1.4.2. *Family Investment Program*, under Iowa code Chapter 239B.

- 1.4.3. Limited eligibility – illegal undocumented persons 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 undocumented persons 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. Presumptive eligibility for this category will be considered valid 6 months from the date of the emergent event.

- 1.4.4. 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 program providing energy assistance to applicants who qualify (i.e. LIHEAP State of Iowa Energy Assistance). Accepted programs also include WIC nutrition services.

- 1.4.5. Other programs may be added at the discretion of the facility.

Patients who meet presumptive eligibility criteria under this Section 1.6 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 qualifications, or print screen of a web page listing the patient's eligibility. Unless otherwise noted, an individual who is presumed eligible under these presumptive criteria will continue to remain eligible for the six months following the date of the initial approval, unless facility personnel have reason to believe the patient no longer meets the presumptive criteria.

- 1.5 The Federal Poverty Income Guidelines will be updated annually from updates published by the United States Department of Health and Human Services.
- 1.6 In determining whether a patient meets the eligibility criteria for financial assistance, SMCH 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. SMCH 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.

- 1.7 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 over the age of 19 and who live in the household more than 6 months out of 12 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.)
- 1.8 Waivers or discounts of Medicare or Medicaid copays or deductibles may be granted based on financial need as provided in Section 3 of this policy.
- 1.9 *Medical Indigency*. Financial assistances may be provided to patients who are determined to be medically indigent. “Medically indigent” means patients who are unable to pay some or all of their medical bills because their medical bills exceed a certain percentage of their family or household income or assets (for example, due to catastrophic costs or conditions), even though they have income or assets that otherwise exceed the generally applicable eligibility requirements for free or discounted care under the Financial Assistance Guidelines.
  - 1.9.1 The patient shall apply for financial assistance in accordance with this policy. The patient shall supply documentation to support his/her medically indigent status. Examples of documentation that may be used include but are not limited to, copies of patient medical bills, information related to patient’s drug costs, or other evidence of healthcare costs for which the patient is responsible.

## **2. Hospital Patient Financial Assistance Calculation.**

- 2.1 Amounts charged for hospital emergency or other medically necessary hospital care that is provided to individuals eligible for assistance under this policy may not be more than the amounts generally billed to individuals who have insurance covering such care. Amounts billed to those who qualify for financial assistance will be based on SMCH current Medicare cost to charge ratio. Hospitals may not use gross charges to calculate such amounts.

## **3. Communicating Availability of Charity Care and Financial Assistance.**

- 3.1. Facility Responsibilities. SMCH will have a means of widely communicating the availability of charity care and financial assistance to all patients and within the community served. Examples of mechanisms that SMCH may use to do this include:
  - 3.1.1 Placing signage, information, or brochures in appropriate areas of the facility (i.e., 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 hospital website.
  - 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 per 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 1.3.
  - 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.
5. **Collection Guidelines.** SMCH collection efforts shall not include wage garnishments or other legal process seizures without the prior approval of the CFO and/or designee. 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 the patient's primary residence will occur.

**Emergency Room Patients:**

All patients will be treated in accordance with the requirements of the Emergency Medical Treatment and Active Labor Act. All emergency room patients will receive a medical screening examination by Emergency Department staff and be treated within the capabilities of SMCH prior to registration or obtaining information on insurance coverage.