



Floyd Valley Healthcare
Administrative
Policies and Procedures

Subject: Financial Assistance & Collections Policy

Policy: #801

Effective: January 13, 2015

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Revised: February 1, 2017

(Includes Attachments)

Approved By:

Date: 02/01/2017

Michael T. Donlin, Administrator

PURPOSE: Floyd Valley Hospital dba/Floyd Valley Healthcare will apply uniform billing practices to patients who are without health insurance, or otherwise show a demonstrated inability to pay for healthcare services received and may qualify for financial assistance. Floyd Valley Healthcare is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for government programs or otherwise unable to pay for medically necessary care based on their individual financial situation.

POLICY:

1. Financial assistance is not a substitute for personal responsibility. Patients are expected to cooperate with Floyd Valley Healthcare's procedures for obtaining financial assistance and to contribute to the cost of their care based on their ability to pay. Individuals and/or families with the financial capacity to purchase health insurance are 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 and/or family assets.
2. Floyd Valley Healthcare will maintain an open door policy to provide emergency and medically necessary medical care to the community within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd) (EMTALA).
3. This policy is specifically targeted at low-income, uninsured and underinsured patients who meet certain eligibility requirements and is not intended to be applied to insured or self-insured patients who have the means to accept the responsibility for their incurred charges.
4. Financial assistance applicant shall not be denied assistance based on race, creed, sex, national origin, handicap or age. The financial assistance program is designed to meet all Federal, and State requirements.
5. Floyd Valley Healthcare has the discretion to weigh any extenuating circumstances when determining eligibility for financial assistance and when determining discount levels. Any such determinations must meet the parameters of this policy at a minimum such that eligibility may become easier for a patient to meet or discount levels are greater than prescribed in this policy.



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6. Financial assistance application will be considered when all efforts to obtain 3rd party reimbursement have been exhausted.
7. Financial assistance is available to qualifying hospital patients for services that are medical necessary. This is defined as health care services that a prudent physician would provide to a patient for the purpose of preventing, diagnosing, or treating an illness, injury, disease or its symptoms in a manner that is in accordance with generally accepted standards of medical practice. Assistance is not offered for services that are investigational or primarily for the convenience of the patient. Additionally this financial assistance will apply to services provided in physician clinics, including the Floyd Valley Clinics in Le Mars, Remsen and Marcus. Park Place Estates Assisted Living is primarily a residential living facility and as such the services provided at Park Place Estates are not eligible as covered services under this policy. Providers who lease space at the Floyd Valley Healthcare campus and bill the patient directly for services provided will not be eligible for assistance on those direct billed charges.
8. Patients with valid health care coverage through a provider network that Floyd Valley Healthcare does not participate with may be required to access their primary network before being considered for financial assistance.
9. An approved application is valid for six months following the date of initial approval, unless facility personnel have reason to believe the patient no longer meets criteria.
10. After receiving a 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 their eligibility determination within a reasonable period of time.
11. Floyd Valley Healthcare will widely communicate the availability of financial assistance to all patients and the community served. Examples of communication include:
 - a. Posting this policy and the application for financial assistance on the hospital website
 - b. Placing a note on the health care bill and statements regarding how to request information about financial assistance.
 - c. Staff members who interact with patients will be instructed to provide patients with information regarding this financial assistance policy and an application if applicable.
 - d. Including signage or information regarding this financial assistance policy in patient waiting rooms.
 - e. A summary of this policy will be made available to patients as part of the registration process.



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12. Any discounts to and write-offs due to bad debt shall not count as financial assistance.
 - a. Bad debt is defined as those amounts that are uncollectible and do not meet the financial assistance eligibility criteria. Bad debt is a result of unsuccessful collection efforts on accounts of patient unwilling to pay.
 - b. Floyd Valley Healthcare will use all methods legally available to collect on accounts of patients who have the means, yet are unwilling to pay.
 - c. Accounts will be classified as bad debt at the time they are submitted to an outside collection agency for collection efforts. At this time, the debt may be reported to a credit bureau or credit reporting agency.
 - d. Accounts will not be turned over to outside collection agencies until 120 days after the first billing statement has been sent following registration (notification period) to allow for time to determine if patient is in need of financial assistance. An application for financial assistance will be considered up to 240 days after the 1st billing statement is sent (application period), at which time collection efforts will cease until a determination is made. After the 240 day application period has expired, an application for financial assistance will no longer be considered.
 - e. Collection efforts shall not include wage garnishments or other legal process seizures without the approval of hospital administrator or CFO. 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.

13. Presumptive Eligibility includes patients who qualify and are receiving benefits from the following programs. Patients who meet presumptive eligibility criteria under this section may be considered for financial assistance without completing the financial assistance application if they are unable to complete the application.
 - a. Homeless
 - b. No income
 - c. Eligibility for other state or local assistance programs that is un-funded such as Medicaid spend-down.
 - d. Low income/subsidized housing is provided as a valid address
 - e. Patient is deceased with no known estate
 - f. Patient/Guarantor is incarcerated, has no assets and is not eligible for parole with the next 18-months.

14. An applicant may be denied if the financial assistance application shows high assets in excess of liabilities and the household has sufficient resources to pay or ability to borrow funds to pay for qualifying healthcare expenses. Assets include items such as cash, savings, stocks & bonds, individual retirement accounts, trust funds, real estate and motor vehicles. This list is not intended to be inclusive.



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15. Income guideline criteria:

- a. Financial assistance will be based on the U.S. Department of Health & Human Services Poverty Income Guidelines, which are updated annually and published in the Federal Register in February of each year.
- b. Income guidelines will be based on household income. Household income may include other dependents living at the same residence such as dependent relatives and unmarried couples living together.
- c. Criteria for determining the amount of assistance shall be as follows:

Income as a % of poverty guidelines	Percent of assistance granted
Less than 150%	100% *
151% to 175%	80%
176% to 200%	60%
201% to 225%	40%
226% to 250%	20%
Greater than 250%	0%

*All patients will be responsible to pay a minimum of \$50.00 per visit after the determination of assistance level, or amounts generally billed (AGB), whichever is less.

16. Amounts charged by the hospital for emergency and other medically necessary 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 may be based on either the best, or an average of the three best, negotiated commercial rates, or Medicare rates. Gross charges will not be used to calculate such amounts.

- a. Floyd Valley Healthcare will establish a collection rate based on the three best commercial historically negotiated rates.
- b. For uninsured patients who qualify for financial assistance, the total billed charges will be reduced by the applicable adjustment prior to application of any financial assistance to the bill.
- c. The adjustment will be determined annually at the end of each fiscal year and applied to all financial assistance applications during the next fiscal year.
- d. Uninsured patients who do not qualify for financial assistance may receive a 20% prompt pay discount for accounts paid in full.

ATTACHMENT I: Floyd Valley Financial Assistance Application (2 pages)

ATTACHMENT II: Floyd Valley Financial Assistance Application in Spanish (3 pages)

REVIEWED/APPROVED BY BOARD OF TRUSTEES: January 13, 2015

REVIEWED/APPROVED BY BOARD OF TRUSTEES: October 20, 2015