POLICY:
It is the policy of MercyOne Northeast Iowa to provide access to medically necessary health care services to people in the communities it serves, including individuals without means or with limited ability to pay for medically necessary health care services. In order to continue its mission to serve the health care needs of the communities it serves, however, MercyOne understands that the level of financial assistance provided by MercyOne must be balanced to ensure MercyOne’s on-going financial viability. Accordingly, MercyOne has created its Community Care Program to ensure a fair and consistent process for financially eligible patients to request and obtain financial assistance for medically necessary health care services from MercyOne Northeast Iowa.

RATIONALE:
Faithfulness to our Mission calls us to provide health care services with a special regard for the underserved. Our Value Integrity compels us to treat all individuals with compassion and dignity in all our interactions with them, including matters involving payment. Our Value of Stewardship obliges us to provide access to health care services for all individuals in a manner that considers the financial viability of the organization.

SCOPE:
This policy applies to patients receiving services at all MercyOne Northeast Iowa owned and/or operated facility.

PROCEDURE:
Financial Assistance
Financial assistance, in the form of a discount (meaning a deduction made from the provider's standard charge), is available for medically necessary health care services at MercyOne facilities through a patient’s participation in the Community Care Program. All patients requesting financial assistance through the Community Care Program are required to participate in the Eligibility Determination Process described below. All patients requesting financial assistance will be treated fairly, with dignity, compassion and respect.

MercyOne's Community Care program applies to medically necessary services at MercyOne Waterloo Medical Center, MercyOne Oelwein Medical Center, MercyOne Cedar Falls Medical Center, MercyOne Northeast Iowa Clinic and MercyOne Waterloo Home Medical Equipment. It does not apply to services at MercyOne owned retail pharmacy locations or MercyOne Waterloo Home Health Care.

Residency Status Not Required
Residency status is not a consideration for eligibility in MercyOne's Community Care Program.

Providers not included in Community Care Program
Providers not employed by MercyOne Northeast Iowa do not participate in MercyOne's Community Care program. A listing of providers that may provide medically necessary services in our facilities is located on our website. www.mercyone.org/financialassistance The listing indicates whether or not the provider participates in the Community Care Program.

Eligibility for Participation in the Community Care Program
Patients shall be eligible for financial assistance for emergency and medically necessary services through their participation in the Community Care Program. Patients are eligible to participate in the Community Care Program to the extent that each of the following requirements is satisfied as determined through the Eligibility Determination Process described in this policy:
1. **Medical Necessity of Services:** MercyOne must determine that the financial assistance requested is for medically necessary services. Financial assistance under the Community Care Program is not available for non-medically necessary or otherwise elective services. Financial assistance is not available for Bariatric and cosmetic procedures.

   Medical necessity for MercyOne Northeast Iowa hospital and related services is determined by the physician and/or Vice President of Medical Affairs, using established utilization review criteria. Nothing in this policy shall be interpreted as reducing or limiting MercyOne's obligations under applicable law to provide emergency medical treatment as required by EMTALA.

2. **Uninsured or Underinsured:** MercyOne Northeast Iowa must verify that the patient is uninsured or underinsured and does not have access to other governmental or other third-party coverage.

   Patients without insurance coverage will first be screened for eligibility into an existing governmental program and appropriate network (Medicare, Medicaid, etc.). If the patient qualifies for a governmental program, a staff member will assist in the enrollment process.

   Patients determined to have potential eligibility in governmental programs but fail to comply with completing the appropriate paperwork associated with those programs will not be eligible for the Community Care Program.

   Patients eligible for government programs whose eligibility status is not established for the period during which the medically necessary MercyOne medical services were rendered may qualify for retroactive participation in the MercyOne Community Care Program for those services.

   Similarly, patients who meet the Federal Poverty Level (FPL) but fail to provide requested information to potential non-governmental third-party payers may not be eligible for the Community Care Program.

   Patients that do not elect affordable coverage offered by their employer may not be eligible for the Community Care Program.

3. **Inability to Pay:** The patient must demonstrate an inability to pay in accordance with the income criteria as established by the current Federal Poverty Income Guideline sliding scale, as described further below.

4. **Cooperation of the Patient:** The patient’s cooperation in providing accurate and timely documentation is required during the Eligibility Determination Process. Patients who appear to meet the eligibility criteria for the Community Care Program, based upon financial screening, but fail to cooperate with the Eligibility Determination Process may be denied future non-emergent and/or non-medically necessary health care services and will be referred to other community health care resources until a reasonable process for payment can be secured and/or their cooperation to the determination process is obtained.

**Eligibility Determination Process**

All patients requesting financial assistance information or identified as potentially eligible for participation in the Community Care Program shall be referred to the appropriate MercyOne staff to assist them in determining eligibility for the program.

Each patient requesting assistance through the MercyOne Community Care Program must complete the Eligibility Determination Process wherein a patient’s financial information is provided, reviewed and validated by MercyOne in accordance with this policy.
Ordinarily, an application should be submitted within one year of the date of service, and preferably before an account is sent to collections, except as approved by the Chief Financial Officer. At the time of application, only accounts with outstanding balances are considered for Community Care. Once an application is approved, any payments over what is owed under the Community Care program will be applied to open balances after the Community Care discount is applied or refunded to the patient if no open balances remain.

Approved applications will be valid for one year, provided that MercyOne has not received notice of a change in the patient’s financial situation. Patients are informed during the application and approval process of their responsibility to notify MercyOne of a change in their financial situation. MercyOne may request confirmation from patients that their situation has not changed.

If extenuating circumstances prevent a patient from completing a Community Care application as part of the Eligibility Determination Process, the patient may still qualify for Community Care through a Presumptive Eligibility process. The criteria used for presuming eligibility for Community Care follows:

- Accounts returned by collection agencies – Accounts that are sent to a professional collection agency are written off as a bad debt. If the collection agency returns any accounts as uncollectible because the patient is unable to pay, these accounts can be reclassified as Community Care. Each professional agency has an established scoring methodology that determines the patient’s ability to pay. If the likelihood regarding the ability to pay is so small that the agency does not want to expend their resources, the accounts will be closed and returned, and reclassified as Community Care. If presumptive eligibility is established using this method, it will be account specific and will not apply to previous or future accounts.
- Bankruptcy – If an account is discharged through bankruptcy, the account can be reclassified as Community Care.
- Patients eligible for Iowa Medicaid – Patients determined to be eligible for Iowa Medicaid may be eligible for retro-active presumptive Community Care eligibility.

Patients initiate the Community Care process by completing an application and returning the application and supporting documents to:

Financial Counseling Office
MercyOne Northeast Iowa
3421 West Ninth Street
Waterloo, Iowa 50702

Financial Assistance Policy and application can be found on our website. www.mercyone.org/financialassistance

1. The Application requires the following information:
   a. Family size
   b. Income
   c. Other sources of income (i.e. unemployment compensation, alimony)
2. Individuals will be asked to attest to the accuracy and completeness of the application and to submit the following materials for verification:
   a. Most recent tax returns
   b. Application for eligible governmental programs
3. Upon review of the application and supporting materials, the application is approved or denied. If additional information is needed to support the application, the patient is notified in writing. Patients will be given 30 days to supply the missing information. During this time, routine billing activities will occur, such as standard patient statements. Extraordinary collections activities will be held for 30 days to allow the patient to respond to the information request.
4. Written notification of Community Care Program eligibility is provided to each applicant, including the appropriate discount, where applicable.
For assistance with the application, patients may contact 319-272-0044 or 800-728-0159 or visit in person at:

Financial Counseling Office
MercyOne Northeast Iowa
3421 West Ninth Street
Waterloo, Iowa 50702

MercyOne Medical Group Financial Counselor
2710 St Francis Drive, Suite 206
Waterloo, Iowa 50702

MercyOne Oelwein Medical Center
Patient Financial Advocate
201 8th Avenue SE
Oelwein, Iowa 50662

Applicable Discounts Under MercyOne Northeast Iowa Community Care Program
If a patient is determined to be eligible for participation in the MercyOne Community Care Program in accordance with the Eligibility Determination Process described above, MercyOne will assess their financial assistance level, using the Federal Poverty Income Guidelines and will classify as either uninsured or underinsured using the following definitions.

- **Uninsured Patient** – A patient for whom there is no insurance coverage or payment from any third-party payer, and patient is not aware of any other source of payment available for the procedure. Discounts for uninsured eligible patients are applied to gross charges. Refer to the website for sliding scale and income limits.

- **Underinsured Patient** – A patient who has a form of insurance that does not satisfy coverage for the entire cost of the medically necessary care (i.e., a high-deductible plan). Discounts for underinsured eligible patients are applied to patient balances after insurance. Refer to the website for sliding scale and income limits.

Eligible patients will not be charged more than the amounts generally billed to individuals with insurance coverage for emergency or medically necessary care. The financial assistance percentage is determined annually based upon reimbursement received from all claims billed to all insurance carriers, also known as the “look back method”. Refer to the website for the current financial assistance discounts.

www.mercyone.org/financialassistance

Based on the above determinations, a corresponding financial assistance discount on the MercyOne medically necessary services will be extended to the patient as follows:

1. **Uninsured patients whose income is at or below 400% of the Federal Poverty Income Guidelines** - Based on the Federal Poverty Income Guidelines, a sliding scale discount on medically necessary MercyOne services will be provided. In addition, for patients in this category, the maximum out of pocket liability for medically necessary services shall not exceed 15% of gross household income.

2. **Underinsured patients whose income is at or below 300% of the Federal Poverty Income Guidelines** – Based on the Federal Poverty Income Guidelines, a sliding scale discount on medically necessary MercyOne services will be provided to offset the patient's balance outstanding after insurance coverage is applied. Patients in this category will be required to satisfy the requirements of their existing insurance plan to ensure that maximum coverage is extended by the plan prior to receiving financial assistance through the Community Care Program.
Any applicable discount for underinsured patients in this category is applied only to the patient/member liability portion of the patient’s bill. Discounts in this category take into consideration the fact that reductions from total charges have already been applied to the patient’s bill by virtue of insurance coverage. Any remaining balance due reflects the reduction already extended to the patient’s insurance carrier.

If the patient’s insurance plan deems a medically necessary service to be non-covered by the plan, the patient will be considered uninsured for that service and a discount consistent with category 1 above will apply. Persons in this category are eligible for the 15% out of pocket maximum liability described above.

3. **Medically Indigent.** A patient will be recognized as “Medically Indigent” if their income is below 600% of the Federal Poverty Income Guidelines and their patient responsibility payments specific to medical care at MercyOne providers for a 120-day retroactive period from the date of request exceeds 20% of their gross household income. Any patient determined to be Medically Indigent will not be responsible for the amount of financial liability that exceeds 20% of his/her gross household income ("Medically Indigent Discount"). The Medically Indigent Discount will be classified as Community Care. In order to qualify for a discount under this section, MercyOne must make a determination that the MercyOne services are “medically necessary” as defined herein. In addition, MercyOne must determine that the patient is cooperating in good faith with the determination process including but not limited to, accurately and timely completing the documentation as may be requested.

**Patients who are not eligible for the Community Care Program**

Patients who have insurance that does not satisfy coverage for the entire cost of medically necessary care and whose income exceeds 300% of the Federal Poverty Income Guidelines will not receive any further financial assistant discount as patients in this category have already been extended a discount from total charges through their insurance carrier.

If the patient’s insurance plan deems a medically necessary service to be non-covered by the plan, the patient’s eligibility for Community Care of other financial assistance will be evaluated. Persons in this category are not eligible for the 15% out of pocket maximum liability described above.

Uninsured patients whose income exceeds 400% of Federal poverty income guidelines will receive the standard MercyOne Self Pay discount as outlined in the Revenue Operations Policy. This discount is not classified as charity.

**Actions taken for Non-Payment**

Please refer to the Revenue Operations Policy and Procedure, which describes the timing and actions taken when patient balances become overdue. A copy of the policy is available on the MercyOne Northeast Iowa website, or by contacting the Financial Counseling office at the address and phone number provided above. MercyOne will not engage in collection actions before making a reasonable effort to determine whether a patient is eligible for financial assistance.

**REFERENCES:** Revenue Operations Policy

**SEE ALSO:**

**DATE OF ORIGIN:** 02/25/99

**REVIEWED:** 01/17; 04/18

**REVISED:** 12/99; 09/01; 08/04; 12/06; 03/10; 03/12; 07/16; 02/19; 10/19; 02/20

**ATTACHMENT:** Providers; Application; Income limits and sliding scale discounts; Amounts Generally Billed; Financial Assistance Policy Summary

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**OTHER COMMITTEE REVIEW / APPROVAL:**

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**FINANCE & OPERATIONS COMMITTEE**