

## Osceola Regional Health Center Financial Assistance Policy

### **Purpose:**

This policy is established to provide the framework within which Osceola Regional Health Center will provide financial assistance.

### **Definitions:**

**Amounts Generally Billed:** The average amount billed to an individual who has insurance covering their emergency medical care and other medically necessary care. This “AGB limit” is calculated as explained in this policy.

**Total Income:** The estimated total income of an individual and all working adults who reside with them. Estimated total income is based on total income from a person’s most recent tax return or the annualized income as calculated from their two most recent pay stubs. If those two sources have a significant difference, the pay stubs will be used to determine Total Income. Hospital reserves the right to adjust this calculation if Hospital obtains evidence that an individual’s current and future income is substantially different than indicated in those documents.

- (a) For an employed individual, the amount reported in Form 1040, Line 9.
- (b) For a farmer, income is total income from Form 1040, Line 9 plus any depreciation claimed in Form 1040, Schedule F.
- (c) For a self-employed individual, income is total income from Form 1040, Line 9 plus any depreciation claimed in Form 1040, Schedule C.

**Emergency Medical Care:** Treatment of an emergency medical condition as defined in section 1867(e)(1) of the Social Security Act as “a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in

- (a) Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,
  - (b) Serious impairment to bodily functions, or
  - (c) Serious dysfunction of any bodily organ or part;
- Or with respect to a pregnant woman who is having contractions,
- (a) that there is inadequate time to effect a safe transfer to another hospital before delivery, or
  - (b) that transfer may pose a threat to the health or safety of the woman or the unborn child.”

Medically Necessary Care: All procedures offered by the Hospital are considered medically necessary, except for the following, which Hospital deems not medically necessary: massage, wellness memberships, elective procedures, home care, and respite care.

**Policy:**

An individual must have limited income to qualify for financial assistance. Hospital's criteria for financial assistance will follow the Federal Poverty Guidelines ("FPG") issued by the United States government. See Attachment A for the currently applicable Federal Poverty Guidelines. Attachment A will be updated at least annually to maintain accuracy.

- If an individual's total income is less than or equal to 100% of Federal Poverty Guidelines, the individual will qualify for 100% financial assistance. The individual's remaining liability will be \$0.
- If an individual's total income is greater than 100% of FPG but less than 200% of FPG, the individual will qualify for 50% partial financial assistance.
- If an individual's total income is greater than 200% of FPG, they will not qualify for financial assistance.

If an individual's household owns recreational vehicles that do not have a business purpose, the household may be required to sell the recreational vehicles to pay the individual's medical liability to Hospital before the individual will qualify for financial assistance. Recreational vehicles include, but are not limited to, motor homes, all-terrain vehicles ("ATV"s), snowmobiles, motorcycles, boats, and jet skis. Hospital may require evidence of a valid business purpose for each recreational vehicle. Hospital will not require a recreational vehicle to be sold if the outstanding debts on a vehicle are greater than its fair market value.

All Hospital charges related to emergency medical conditions and other medically necessary care are eligible for financial assistance. The financial assistance discount will apply to the individual responsibility after any insurance payments. See Attachment B for further information about those providers who are eligible for financial assistance under this policy. Attachment B will be updated at least quarterly to maintain accuracy.

A financial assistance application will be considered complete if it includes all of the following documents.

1. Completed and Signed Financial assistance Application
2. Most recently filed Form 1040, 1040A or 1040-EZ
3. Two most recent Pay Stubs, if applicable
4. Verification of asset values
5. Verification of current liability amounts
6. Proof that you are not eligible for a bank loan.

Financial assistance applications may be submitted by the patient, a guarantor, or any person acting on behalf of a patient or guarantor. Hospital does not use third-party information to make presumptive determinations of financial assistance eligibility.

Completed financial assistance applications and other documents should be submitted to Patient Financial Services. Acceptable methods of submission are:

- Mail – “Osceola Regional Health Center, Attn: Business Office, PO Box 258, 600 9<sup>th</sup> Ave N., Sibley, IA 51249”
- In-person delivery – Osceola Regional Health Center Business Office, 600 9<sup>th</sup> Ave North, Sibley, IA 51249
- Fax – “Attention: Business Office”, (712)754-3782

If Hospital has reason to believe that information in the financial assistance application is unreliable or incorrect or that the information was obtained under duress or through the use of coercive practices, Hospital will consider the application incomplete. If this occurs, Hospital will provide the individual with a written explanation of why Hospital has made this determination.

Hospital will presumptively determine that an individual qualifies for 100% financial assistance if Hospital or its agent obtains evidence of any of the following situations. If a person is presumptively determined to qualify, Hospital will send a written notice informing the individual that their liability has been forgiven and no further payments are due.

- Homeless or received care from a homeless clinic;
- No income;
- Participate in the Women’s, Infant’s and Children’s Program (“WIC”);
- Eligible for food stamps;
- Participate in a subsidized school lunch program;
- Eligible for other state or local assistance programs that are unfunded, such as Medicaid spend-down;
- Family or friends of the individual provide information establishing the individual’s inability to pay;
- Low-income / subsidized housing is provided as a valid address;
- Patient is deceased with no known estate; or
- Patient / grantor is incarcerated, has no assets, and is not eligible for parole within the next 18 months.

Approval of the request will be granted or denied by the Chief Financial Officer or Administrator within 30 days of receipt of a completed application. Hospital will accept a financial assistance application for a specific instance of medical care for 120 days after the first post-discharge billing statement is sent to an individual.

An accepted Financial Assistance Application will stay in effect for six months but can be re-examined at any time new information is available. It is the recipient’s responsibility to notify Patient Financial Services of their accepted application and their inability to pay if further bills are incurred during the accepted six month period.

If a patient does not qualify for financial assistance, a letter will be sent indicating that they have not qualified according to hospital guidelines and explaining the basis for the denial.

If an individual qualifies for a financial assistance discount that is less than 100%, Hospital will provide the individual with an updated billing statement that indicates the remaining amount the individual owes, how that amount was determined, and how the individual can obtain information about their AGB limit.

An individual who qualifies for financial assistance will not be required to pay more for emergency medical conditions and other medically necessary care than the amounts generally billed to individuals who have insurance covering such care (the "AGB limit"). Hospital will calculate this AGB limit for a patient using the Look-back Method and including individuals covered by Medicare, Medicaid and all commercial payers. The AGB limit will be calculated annually using the 12-month period July 1– June 30 and will be implemented by July 1. See attachment C for the AGB limit currently in effect.

Hospital may require co-payment for a non-emergency medical procedure prior to receiving the care. However, in no instance will this pre-payment be more than the AGB limit for the care.

Hospital has a separate Billing and Collections Policy. The Billing and Collections Policy includes the actions Hospital may take in the event of nonpayment of the remaining liability owed by an individual who has qualified for financial assistance. Copies of the Billing and Collections Policy are available to the public through all of the same methods by which this financial assistance policy are available, as stated within this policy.

An individual who has questions about financial assistance or would like help with the application process can contact Osceola Regional Health Center, Business Office 600 9<sup>th</sup> Ave North, Sibley, IA 51249, 712-754-2574.

Hospital will inform the public about the availability of financial assistance through the following methods.

- Hospital will have conspicuous public displays that inform patients about the financial assistance program. Such displays will be located in the emergency room and all admissions areas that include the following information.
  - a. Financial assistance is available under Hospital's financial assistance policy.
  - b. Information about how or where to obtain information about the financial assistance policy and application process.
  - c. Information about how or where to obtain copies of this financial assistance policy, a plain language summary of this financial assistance policy, and the financial assistance application.
- Hospital will offer a paper copy of the plain language summary of this financial assistance policy to all patients as part of the intake and/or discharge process.
- Hospital will include the following information on all billing statements.
  - a. Financial assistance is available under Hospital's financial assistance policy.

- b. The telephone number of a Hospital office or department that can provide information about the financial assistance policy and process.
- c. The direct website address (URL) on which this financial assistance policy, a plain language summary of this financial assistance policy, and the financial assistance application are available.

The written notice on billing statements will be conspicuously placed and of sufficient size to be clearly readable.

- This financial assistance policy, a plain language summary of this financial assistance policy, and the financial assistance application will be available at all times on Hospital's website.
- Paper copies of this financial assistance policy, a plain language summary of this financial assistance policy, and the financial assistance application will be made available upon request and without charge by mail, in Hospital's emergency room, and in all admissions areas.
- Hospital will take reasonable efforts to notify and inform community members about this financial assistance policy in a manner that is reasonably calculated to reach those individuals who are most likely to need financial assistance.
- If any population with limited English proficiency comprises more than 5% of the population in Hospital's community or more than 1,000 individuals, then all communication methods described in this policy will also be followed in the primary language of that population.

EFFECTIVE DATE: 1/23/2025

Form: Application for Financial assistance

## Attachment A

### Federal Poverty Guidelines

Federal Poverty Guidelines (“FPG”) are published annually in the Federal Register by the U.S. Department of Health and Human Services. This information is available online at <https://aspe.hhs.gov/poverty-guidelines>.

This table is applicable for calendar year 2025

<b>Family Size</b>	<b>100% of FPG</b>	<b>200% of FPG</b>
1	\$15,650	\$31,300
2	\$21,150	\$42,300
3	\$26,650	\$53,300
4	\$32,150	\$64,300
5	\$37,650	\$75,300
6	\$43,150	\$86,300
7	\$48,650	\$97,300
8	\$54,150	\$108,300
For each additional person, add:	\$5,500	\$11,000

Last updated: [01/23/2025]

Updated by: [Rhonda Weg]

## Attachment B

### Providers That Operate Within Osceola Regional Health Center

Medical service expenses for a patient can generally be categorized as either hospital fees or provider fees. All hospital fees for emergency medical care and other medically necessary care are eligible for financial assistance under this policy. However, not all provider fees are eligible for financial assistance under this policy.

The following information is provided to assist the public in understanding which provider fees are eligible for financial assistance under this policy. If this information is unclear, you may contact the Business Office at the Osceola Regional Health Center at 712-754-2574.

Hospital defines a “provider” as a physician or similarly credentialed individual. Providers do not include nurses or technicians.

The following providers are not eligible for financial assistance under this policy.

- Avera Medical Group Sibley
- Osceola County Ambulance
- Dr. Braaksma
- Heath Reinke (Dr. Braaksma’s office)
- Dr. Jorgensen
- Dr. In’t Veld
- Dr. Espelund
- Dr. Bellezza
- Dr. Rierson
- Amanda Ten Napel
- Samantha Sheffield

Any provider that is not listed here is eligible for financial assistance under this policy.

Last updated: January 23, 2025

Updated by: Rhonda Weg

Approved by: Andrea Johnson, CFO

## Attachment C

### Amounts Generally Billed Calculation

An individual who qualifies for financial assistance will not be required to pay more for emergency medical conditions and other medically necessary care than the amounts generally billed to individuals who have insurance covering such care (the “AGB limit”).

Hospital uses the Look-back Method as defined in Reg. 1.501(r)-5(b)(3) to calculate the amount generally billed (“AGB”) to individuals who have insurance covering medically necessary care. An individual who is determined to be eligible for financial assistance under this policy shall not be required to pay more than the amounts generally billed to individuals who have insurance covering such care.

Hospital calculates a single AGB limit to apply to all individuals who qualify for financial assistance. The AGB limit currently in effect is 51%, based on an average discount of 49%.

The AGB limit was calculated using the following formula:

$$\frac{\text{Total Allowed Claims and Other Payments}}{\text{Gross Charges}}$$

In the AGB calculation, “Total Allowed Claims” are those claims that have been submitted by Hospital and were paid under Medicare Parts A and B, Medicaid, and all private health insurers over the 12-month period, July 1, 2023 to June 30, 2024. Hospital uses all claims for medical care in this calculation, rather than just those allowed for emergency and other appropriate hospital-based medical services.

“Other payments” are co-payments, co-insurance, deductibles, and any other payments made in relation to a claim included in Total Allowed Claims.

“Gross Charges” are the total charges of the services for those claims included in Total Allowed Claims.

Last updated: January 23, 2025

Updated by: Rhonda Weg

Approved by: Andrea Johnson, CFO