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| <b>Policy Name:</b>  | Financial Assistance to Patients | <b>Policy #:</b> 14  |
| <b>Policy Owner:</b> | Fiscal Management                | <b>Current Review date/result:</b><br>1/21, Revised  |
| <b>Approved by:</b>  | Chief Financial Officer, 1.2021  | <b>Review date(s):</b>   |
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**I. POLICY**

It is the Policy of Insight Hospital and Medical Center (“**Insight**”) to address the need for financial assistance and support of patients for all eligible services provided under applicable state or federal law. Eligibility for financial assistance and support is determined on an individual basis using specific criteria and evaluated on an assessment of the patient’s and/or family’s health care needs, financial resources and obligations.

Insight Health has a consistent approach to providing financial assistance to patients approved at the System governance level, which is implemented across Insight, through system-wide Procedures and Guidelines followed by each Subsidiary. Because of the dynamic nature of the environment, the impact will be closely monitored and revisited as necessary.

Except where State Law supersedes, it is the Policy of Insight to follow Insight Health system-wide Procedures and Guidelines to implement this Policy. Insight Health has adopted and maintains, and all Subsidiaries will follow, system-wide Procedures and Guidelines that address the following six requirements to ensure a consistent approach:

**A. Qualifying Criteria for Financial Assistance**

Insight will follow system-wide Procedures and Guidelines that specify the patients and services eligible for financial support and not eligible for financial support. Insight will establish charges based on amounts generally billed as determined by the Insight Health System Office. Insight will follow system-wide Procedures that address residency requirements and documentation required for establishing income. Insight will follow system-wide Procedures that describe the consideration required for patient assets, including protected assets. Insight will follow system-wide Procedures that describe presumptive support and the required timeline for establishing financial eligibility. Insight will provide levels of financial support, including at a minimum support for Family Income at or below 200% of Federal Poverty Income Guidelines, and for Family Income between 201% and 600% of Federal Poverty Income as required by system-wide Procedures. Insight will follow system-wide Procedures for accounting and reporting for financial support.

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**B. Assisting Patients Who May Qualify for Coverage**

Insight will make affirmative efforts to help patients apply for public and private programs for which they may qualify and that may assist them in obtaining and paying for health care services, including adoption of procedures to help patients determine if they qualify as \_\_\_\_\_ required by system-wide Procedures. Insight may adopt procedures to provide patients with premium assistance in accordance with the Insight Health system-wide Payment of Premiums Assistance Procedure.

**C. Effective Communications**

Insight will follow system-wide Procedures requiring it to provide financial counseling, respond promptly and courteously to patients’ questions, utilize a billing process that is clear, concise, correct and patient friendly, and make available specific information in an understandable format about charges for services. Insight will post signs and display brochures that provide basic information about Insight's Financial Assistance Policy (“FAP”) in public locations in its facilities and list those public locations in Insight's FAP, and make the FAP and a plain language summary and application form available to patients upon request in accordance with system-wide Procedures. Insight will post the FAP, a plain language summary, and an application form on the Insight website.

**D. Implementation of Accurate and Consistent Policies**

As required by the system-wide Procedures and Guidelines, Insight will provide staff education about billing, financial assistance, collection policies and practices, and treatment of all patients with dignity and respect regardless of their insurance status or their ability to pay for services.

**E. Fair Billing and Collection Practices**

Insight will implement billing and collection practices for the patient payment obligations that are fair, consistent and compliant with state and federal regulations, and make available to all patients who qualify a short term interest free payment plan with defined payment time frames based on the outstanding account balance as required by system-wide Procedures. Insight will also offer a loan program for patients who qualify. Insight will have written procedures outlining authority for approval of external debt collection activities. Insight will follow system-wide Procedures that identify debt collection activities that may be pursued by Insight or by a collection agent on their behalf. Insight (or a collection agent on its behalf) may



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NOT pursue action against the debtor’s person, such as arrest warrants or “body attachments.” Insight may have a Insight Health approved arrangement with a collection agency, provided that such agreement meets criteria established by Insight Health.

**F. Other Discounts**

Insight will coordinate Financial Assistance to Patients with prompt pay, self-pay and other discounts as provided in system-wide Procedures.

**State law shall supersede the system-wide procedures and Insight shall act in conformance with applicable state law.**

**II. DEFINITION(S)**

**Application Period** begins the day that care is provide and ends the later of 240 days after the first post-discharge billing statement is provided to the patient or either:

- A. the end of the 30 day period that patients who qualified for less than the most generous assistance available based upon presumptive support status or prior FAP eligibility are provided to apply for more generous assistance.
- B. the deadline provided in a written notice after which ECAs may be initiated.

**Amounts Generally Billed (“AGB”)** means the amounts generally billed for emergency or other medically necessary care to patients who have insurance covering such care. Insight's acute and physician AGB will be calculated utilizing the look back methodology of calculating the sum of paid Medicare claims divided by the total or “gross” charges for those claims by the System Office or Insight annually using twelve months of paid claims with a 30 day lag from report date to the most recent discharge date.

**Discounted Care** means a partial discount off the amount owed for patients that qualify under the FAP.

**Eligible Assets** means those assets in excess of 600% of the then-current Federal Poverty Guidelines which may be exempt from the annual maximum collectible amount of 25%, except those assets which are exempt as established by 210 ILCS 89/10(c)(4), such as Eligible Patient's primary residence.

**Eligible Patient** means: 1) any patient; 2) who is an Illinois resident; 3) is uninsured or underinsured; and 4) has a family income of not more than 600% of the federal poverty income guidelines and who: a) informs Insight on subsequent encounters that he/she received a discount and b) continues to meet the insurance and family income status.

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**Eligible Period** means the 12 month period commencing on the first date that the Eligible Patient receives health care services from Insight.

**Emergent medical services** are those needed for a condition that may be life threatening or the result of a serious injury and requiring immediate medical attention. This medical condition is generally governed by the Emergency Medical Treatment and Active Labor Act (EMTALA).

**Executive Leadership Team (“ELT”)** means the group that is composed of the highest level of management at Insight .

**Extraordinary Collection Actions (“ECA”)** include the following actions taken by Insight (or a collection agent on its behalf):

- A. Deferring or denying, or requiring a payment before providing, medically necessary care because of a patient’s nonpayment of one or more bills for previously provided care covered under the hospital facility’s FAP. If Insight requires payment before providing care to an individual with one or more outstanding bills, such a payment requirement will be presumed to be because of the individual’s nonpayment of the outstanding bill(s) unless Insight can demonstrate that it required the payment from the individual based on factors other than, and without regard to, his or her nonpayment of past bills.
- B. Reporting outstanding debts to Credit Bureaus.
- C. Pursuing legal action to collect a judgment (i.e. garnishment of wages, debtor’s exam).
- D. Placing liens on property of individuals.

**Family** (as defined by the U.S. Census Bureau) is a group of two or more people who reside together and who are related by birth, marriage, or adoption. If a patient claims someone as a dependent on their income tax return, according to the Internal Revenue Service rules, they may be considered a dependent for the purpose of determining eligibility under Insight's FAP.

**Family Income** means a person’s Family Income includes the Income of all adult Family members in the household, less payments made for child support. For patients under 18 years of age, Family Income includes that of the parents and/or step-parents, or caretaker relatives’ annual Income from the prior 12 month period or the prior tax year as shown by recent pay stubs or income tax returns and other information. Proof of earnings may be determined by annualizing the year-to-date Family Income, taking into consideration the current earnings rate.

**Financial Assistance Policy (FAP)** means a written policy and procedure that meets the requirements described in §1.501(r)-4(b).

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**Financial Assistance Policy (“FAP”) Application** means the information and accompanying documentation that a patient submits to apply for financial assistance under this Procedure. Insight may obtain information from an individual in writing or orally (or a combination of both).

**Financial Support** means support (charity, discounts, etc.) provided to patients for whom it would be a hardship to pay for the full cost of medically necessary services provided by Insight who meet the eligibility criteria for such assistance.

**Free Care** means a full discount off the amount owed for patients that qualify under the FAP.

**Illinois Resident** means a person who lives in Illinois and who intends to remain living in Illinois indefinitely. Any person who relocates to Illinois for the sole purpose of receiving health care benefits does not qualify as an Illinois Resident. See 210 ILCS 89/5.

**Income** includes wages, salaries, salary and self-employment income, unemployment compensation, worker’s compensation, payments from Social Security, public assistance, veteran’s benefits, alimony, survivor’s benefits, pensions, retirement income, regular insurance and annuity payments, income from estates and trusts, rents received, interest/dividends, and income from other miscellaneous sources.

**Medical Necessity** means any inpatient or outpatient hospital service, including pharmaceuticals or supplies provided by Insight, covered under Title XVIII of the federal Social Security Act for beneficiaries with the same clinical presentation as the Patient. However, the term "Medical Necessity" does not include non-medical services, such as: (1) social and vocational services; or (2) elective cosmetic surgery, unless such surgery is plastic surgery designed to correct disfigurement caused by injury, illness or congenital defect or deformity. See 210 ILCS 89/5.

**Policy** means a statement of high-level direction on matters of strategic importance to Insight or a statement that further interprets Insight governing documents. System Policies may be either stand alone or Mirror Policies designated by the approving body.

**Plain language summary of the FAP** means a written statement that notifies a patient that the hospital facility offers financial assistance under a FAP and provides the following additional information in language that is clear, concise, and easy to understand:

- A. A brief description of the eligibility requirements and assistance offered under the FAP.
- B. A brief summary of how to apply for assistance under the FAP.
- C. The direct Web site address (or URL) and physical locations where the patient can obtain copies of the FAP and FAP application form.
- D. Instructions on how the patient can obtain a free copy of the FAP and FAP application form by mail.

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- E. The contact information, including telephone number and physical location, of the hospital facility office or department that can provide information about the FAP and provide assistance with the FAP application process.
- F. A statement of the availability of translations of the FAP, FAP application form, and plain language summary of the FAP in other languages, if applicable.
- G. A statement that a FAP-eligible patient may not be charged more than AGB for emergency or other medically necessary care.

**Procedure** means a document designed to implement a Policy or a description of specific required actions or processes.

**Service Area** is the list of zip codes comprising a Insight service market area constituting a “community of need” for primary health care services, however for uninsured and underinsured Patients, the Service Area means applies to any Illinois Resident.

**Standards or Guidelines** mean additional instructions and guidance which assist in implementing Procedures, including those developed by accreditation or professional organizations.

**System Office** means, generally, the corporate office of Insight and may mean, specifically, a department as applicable, the Insight Revenue Department.

**Uninsured Patient** means an Illinois Resident who is a patient of Insight and is not covered under a policy of health insurance and is not a beneficiary under a public or private health insurance, health benefit, or other health plans, worker's compensation, accident liability insurance or other third-party liability source. See 210 ILCS 89/5.

**Urgent** (service level) are medical services needed for a condition that is not life threatening, but requiring timely medical services.

### III. PROCEDURE

#### Qualifying Criteria for Financial Assistance

##### A. Services Eligible for Financial Support:

1. All Medically Necessary services, including medical and support services provided by Insight, will be eligible for Financial Support.
2. Emergency medical care services will be provided to all patients who present to Insight's hospital emergency department, regardless of the patient's ability to pay. Such medical care will continue until the patient's condition has been stabilized — prior to any determination of payment arrangements.

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**B. Services Not Eligible for Financial Support:**

1. Cosmetic services and other elective procedures and services which are not medically necessary.
2. Services not provided and billed by Insight (e.g. independent physician services, private duty nursing, ambulance transport, etc.).
3. As provided in Section II, Insight will proactively help patients apply for public and private programs. Insight may deny Financial Support to those individuals who do not cooperate in applying for programs that may pay for their health care services.
4. Insight may exclude services that are covered by an insurance program at another provider location but are not covered at Insight after efforts are made to educate the patients on insurance program coverage limitations and provided that federal Emergency Medical Treatment and Active Labor Act (EMTALA) obligations are satisfied.

**C. Residency Requirements**

1. Except to the extent that financial support is required to be provided to uninsured and underinsured Patients who are Illinois Residents under the Illinois Uninsured Patient Discount Act, Insight will provide Financial Support to patients who reside within their its Service Area and who qualify under Insight' FAP procedure.
2. Insight may identify its Service Area in its FAP and include Service Area information in procedure design and training Insight with a Service Area residency requirement will start with the list of zip codes provided by System Office Strategic Planning that define Insight's service areas. Insight will verify service areas in consultation with their local Community Benefit department. Eligibility will be determined by Insight using the patient's primary residence zip code.
3. Insight will provide Financial Support to patients from outside its Service Area who qualify under Insight FAP and who present with an Urgent, Emergent or life-threatening condition.
4. Insight will provide Financial Support to patients identified as needing service by physician foreign mission programs conducted by active medical staff for which prior approval has been obtained from Insight's President or designee.



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**D. Documentation for Establishing Income**

1. Insight's application for Financial Assistance will comply with the minimum requirements set forth in the implementing regulations of the Illinois Uninsured Patient Discount Act.
2. Insight will list the supporting documentation such as payroll stubs, tax returns, and credit history required to apply for financial assistance in the FAP or FAP application. Insight may not deny Financial Support based on the omission of information or documentation that is not specifically required by the FAP or FAP application form.
3. Insight will provide patients that submit an incomplete FAP application a written notice that describes the additional information and/or documentation that must be submitted within 30 days from the date of the written notice to complete the FAP application. The notice will provide contact information for questions regarding the missing information. Insight may initiate Extraordinary Collection Actions or ECA's if the patient does not submit the missing information and/or documentation within the 30 day resubmission period and it is at least 120 days from the date Insight provided the first post-discharge billing statement for the care. Insight must process the FAP application if the patient provides the missing information/or documentation during the 240-day application period (or, if later, within the 30-day resubmission period).

**DI. Presumptive Support**

1. Insight recognizes that not all patients are able to provide complete financial information. Therefore, approval for Financial Support may be determined based on limited available information. When such approval is granted it is classified as "Presumptive Support."
2. The predictive model is one of the reasonable efforts that will be used by Insight to identify patients who may qualify for financial assistance prior to initiating collection actions, i.e. write-off of a patient account to bad debt and referral to collection agency. This predictive model enables Insight to systematically identify financially needy patients.
3. Examples of presumptive cases include:
  - a. Deceased patients with no known estate
  - b. Homeless patients
  - c. Unemployed patients
  - d. Patient bankruptcies
  - e. Members of religious organizations who have taken a vow of poverty and have no resources individually or through the religious order.

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f. Enrollment in one or more of the following public aid programs:

- Women, Infants and Children Nutrition Program (WIC);
- Supplemental Nutrition Assistance Program (SNAP);
- Illinois Free Lunch and Breakfast Program; or
- Low Income Energy Assistance Program (LIHEAP).
- Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low income financial status as a criterion for membership.
- Receipt of grant assistance for medical services.

For patients who are non-responsive to the FAP application process, other sources of information, if available, should be used to make an individual assessment of financial need. This information will enable Insight to make an informed decision on the financial need of non-responsive patients.

4. For the purpose of helping financially needy patients, a third-party may be utilized to conduct a review of patient information to assess financial need. This review utilizes a health care industry-recognized, predictive model that is based on public record databases. These public records enable Insight to assess whether the patient is characteristic of other patients who have historically qualified for financial assistance under the traditional application process. In cases where there is an absence of information provided directly by the patient, and after efforts to confirm coverage availability are exhausted, the predictive model provides a systematic method to grant presumptive eligibility to financially needy patients.
5. In the event a patient does not qualify under the predictive model, the patient may still provide supporting information within established timelines and be considered under the traditional financial assistance application process.
6. Patient accounts granted presumptive support status will be adjusted using Presumptive Financial Support transaction codes at such time the account is deemed uncollectable and prior to referral to collection or write-off to bad debt. The discount granted will be classified as Financial Support; the patient's account will not be sent to collection and will not be included in Insight's bad debt expense.
7. Insight will notify patients determined to be eligible for less than the most generous assistance available under the FAP that he or she may apply for more generous assistance available under the FAP within 30 days of the notice. The determination of a patient being eligible for less than the most generous assistance is based on presumptive support status or a prior FAP eligibility determination. Additionally,

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Insight may initiate or resume ECAs if the patient does not apply for more generous assistance within 30 days of notification if it is at least 120 days from the date Insight provided the first post-discharge billing statement for the care. Insight will process any new FAP application that the patient submits by the end of the 240 day application period or, if later, by the end of the 30-day period given to apply for more generous assistance.

#### F. Timeline for Establishing Financial Eligibility

1. Every effort should be made to determine a patient’s eligibility for Financial Support prior to or at the time of admission or service. FAP Applications must be accepted any time during the application period. The application period begins the day that care is provided and ends the later of 240 days after the first post-discharge billing statement to the patient or either:
  - a. the end of the period of time that a patient that is eligible for less than the most generous assistance available, based upon presumptive support status or a prior FAP eligibility determination, and who has applied for more generous financial assistance; or
  - b. the deadline provided in a written notice after which ECAs may be initiated.

Insight may accept and process an individual’s FAP application submitted outside of the application period on a case-by-case basis as authorized by Insight's established approval levels.
2. Insight (or other authorized party) will refund any amount the patient has paid for care that exceeds the amount he or she is determined to be personally responsible for paying as a FAP-eligible patient, unless such excess amount is less than \$5 (or such other amount set by notice or other guidance published in the Internal Revenue Bulletin). The refunds of payments is only required for the episodes of care to which the FAP application applies.
3. Determinations of Financial Support will be made after all efforts to qualify the patient for governmental financial assistance or other programs have been exhausted.
4. Insight will make every effort to make a Financial Support determination in a timely fashion. If other avenues of Financial Support are being pursued, Insight will communicate with the patient regarding the process and expected timeline for determination and shall not attempt collection efforts while such determination is being made.
5. Once qualification for Financial Support has been determined, subsequent reviews for continued eligibility for subsequent services should be made after a reasonable time period as determined by Insight.

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**G. Level of Financial Support**

1. As a general principal, Insight's intent is to offer Financial Assistance in a manner which is compliant with 501 (r) of the Internal Revenue Code, with the Illinois Uninsured Discount Act as well as Insight Health policy. Therefore, Insight will apply the most generous discount available under either source of law or policy, as applicable.
2. Family Income at or below 200% of the Federal Poverty Level Guidelines:
3. A 100% discount for all charges will be provided for uninsured and underinsured Patients whose Family's Income is at or below 200% of the most recent Federal Poverty Level Guidelines.
4. Family Income between 201% and 600% of the Federal Poverty Level Guidelines:
  - a. For Uninsured and underinsured Patients whose Family Income is between 201% and 600% of the Federal Poverty Level Guidelines, a discount off of charges equal to the greater of: 1) the average acute care contractual adjustment for Medicare or 2) for charges exceeding \$300.00 per outpatient encounter or inpatient admission, 135% of Insight's costs to provide care, or the tiered discount under Insight Health Policy.
  - b. Insight's acute and physician contractual adjustment amounts for Medicare will be calculated utilizing the look back methodology of calculating the sum of paid claims divided by the total or "gross" charges for those claims by the System Office or Insight's annually using twelve months of paid claims with a 30 day lag from report date to the most recent discharge date.
  - c. Notwithstanding the discounts above, during any Eligible Period, Insight will not seek to collect from any Eligible Patient for health care services Insight provides and who remains an Eligible Patient during the Eligible Period any amount that is in excess of 25% of the Eligible Patient's family income, except to the extent that the Eligible Patient has assets in Eligible Assets in excess of 600% of FPL. See 210 ILCS 89 et seq.
5. Patients with Family Income up to and including 200% of the Federal Poverty Level Guidelines will be eligible for Financial Support for co-pay, deductible, and co-insurance amounts provided that contractual arrangements with the patient's insurer do not prohibit providing such assistance.
6. Medically Indigent Support / Catastrophic: Financial support is also provided for medically indigent patients. Medical indigence occurs when a person is unable to pay some or all of their medical bills because their medical expenses exceed a certain percentage of their Family or household Income (for example, due to catastrophic costs or conditions), regardless of whether they have Income or assets that otherwise exceed the financial eligibility requirements for Free Care or Discounted Care under this

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Procedure. Catastrophic costs or conditions occur when there is a loss of employment, death of primary wage earner, excessive medical expenses or other unfortunate events. Medical indigence/catastrophic circumstances will be evaluated on a case-by-case basis. If an insured patient claims catastrophic circumstances and applies for financial assistance, medical expenses for an episode of care that exceed 20% of Income will qualify the insured patient’s co-pays and deductibles for catastrophic charity care assistance. Discounts for medically indigent care for the uninsured and underinsured will not be less than the Insight's average contractual adjustment amount for Medicare for the services provided or an amount to bring the patients catastrophic medical expense to Income ratio back to 20%. Medically indigent and catastrophic financial assistance will be approved by the Insight's Vice President of Finance and reported to the System Office Chief Financial Officer.

7. While Financial Support should be made in accordance with Insight's established written criteria, it is recognized that occasionally there will be a need for granting additional Financial Support to patients based upon individual considerations. Such individual considerations will be approved by Insight's Vice President of Finance and reported to the System Office Chief Financial Officer.

**H. Accounting and Reporting for Financial Support**

1. In accordance with the Generally Accepted Accounting Principles, Financial Support provided by Insight Health is recorded systematically and accurately in the financial statements as a deduction from revenue in the category “Charity Care.” For the purposes of Community Benefit reporting, charity care is reported at estimated cost associated with the provision of “Charity Care” services.
2. The following guidelines are provided for the financial statement recording of Financial Support:
  - a. Financial Support provided to patients under the provisions of the “Financial Assistance Program”, including the adjustment for amounts generally accepted as payment for patients with insurance, will be recorded under “Charity Care Allowance.”
  - b. Write-off of charges for patients who have not qualified for Financial Support under this Procedure and who do not pay for the services received will be recorded as “Bad Debt.”
  - c. Prompt pay discounts will be recorded under “Contractual Allowance.”
  - d. Accounts initially written-off to bad debt and subsequently returned from collection agencies where the patient is determined to have met the Financial Support criteria based on information obtained by the collection agency will be reclassified from “Bad Debt” to “Charity Care Allowance”.

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**I. Assisting Patients Who May Qualify for Coverage**

1. Insight will make affirmative efforts to help patients apply for public and private programs for which they may qualify and that may assist them in obtaining and paying for health care services. Premium assistance may also be granted on a discretionary basis according to Insight Health’s “Payment of QHP Premium and Patient Payables” procedure.
2. Insight will have understandable, written procedures to help patients determine if they qualify for public assistance programs or Insight’s FAP.

**II. Effective Communications**

1. Insight will provide financial counseling to patients about their health care bills related to the services they receive from Insight and will make the availability of such counseling known.
2. Insight will respond promptly and courteously to patients’ questions about their bills and requests for financial assistance.
3. Insight will utilize a billing process that is clear, concise, correct and patient friendly.
4. Insight will make available information about charges for services they provide in an understandable format.
5. Insight will post signs and display brochures that provide basic information about their FAP in public locations (at a minimum, in the registration and admission areas and emergency room (if any)) in Insight and list those public locations in Insight’s FAP. At a minimum, the sign will read ***"You may be eligible for financial assistance under the terms and conditions the hospital offers to qualified patients. For more information contact Financial Counseling Office at 312 248 3499 ."*** The sign will be in English and in any other language that is the primary language of at least 5% of the patients served by Insight annually. See 210 ILCS 88/15(a).
6. Out-of-Network Providers. During a patient admission or as soon as practicable thereafter, Insight will proved an insured patient with written notice that:
  - a. The patient may receive separate bills for services provided by health care professionals affiliated with Insight;
  - b. If applicable, some of the hospital medical staff members may not be participating providers in the same insurance plans and networks as the hospital;

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- c. If applicable, the patient may have a greater financial responsibility for services provided by health care professionals at Insight who are not under contract with the patient's health care plan; and
  - d. Questions about coverage or benefit levels should be directed to the patient's health care plan and the patient's certificate of coverage. See 210 ILCS 88/50.
7. Insight will make available a paper copy of the plain language summary of the FAP to patients as part of the intake or discharge process. Insight will not have failed to widely publicize its FAP because an individual declines a plain language summary that was offered on intake or before discharge or indicates that he or she would prefer to receive a plain language summary electronically.
  8. Insight will make the FAP, a plain language summary of the FAP and the FAP application form available to patients upon request, in public places (at a minimum, the emergency room (if any) and admission areas) in Insight, by mail and on Insight website. Any individual with access to the Internet must be able to view, download and print a hard copy of these documents. Insight must provide any individual who asks how to access a copy of the FAP, FAP application form, or plain language summary of the FAP online with the direct website address, or URL, where these documents are posted.
  9. Insight will list the names of individual doctors, practice groups, or any other entities that are providing emergency or medically necessary care in Insight's facility by the name used either to contract with the hospital or to bill patients for care provided. Alternately, Insight may specify providers by reference to a department or a type of service if the reference makes clear which services and providers are covered under Insight's FAP.
  10. These documents will be made available in English and in the primary language of any population with limited proficiency in English that constitutes the lesser of the 1,000 individuals or 5 percent of the community served by Insight.
  11. Insight will take measures to notify members of the community served by Insight about the FAP. Such measures may include, for example, the distribution of information sheets summarizing the FAP to local public agencies and nonprofit organizations that address the health needs of the community's low income populations.
  12. Insight will include a conspicuous written notice on billing statements that notifies and informs recipients about the availability of financial assistance under Insight's FAP and includes the telephone number of Insight's department that can provide information about the FAP, the FAP application process and the direct Web site address (or URL) where copies of the FAP, FAP application form, and plain language summary of the FAP may be obtained.

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13. Insight will refrain from initiating ECA(s) until 120 days after providing patients the first post-discharge billing statement for the episode of care, including the most recent episodes of care for outstanding bills that are aggregated for billing to the patient. Insight will also ensure all vendor contracts for business associates performing collection activity will contain a clause or clauses prohibiting ECA(s) until 120 days after providing patients the first post-discharge billing statement for the episode of care, including the most recent episodes of care for outstanding bills that are aggregated for billing to the patient.
14. Insight will provide patients with a written notice that indicates financial assistance is available for eligible patients, identifies the ECA(s) that Insight (or other authorized party) intends to initiate to obtain payment for the care, and states a deadline after which such ECA(s) may be initiated that is no earlier than 30 days after the date that the written notice is provided. Insight will include a plain language summary of the FAP with the written notice and make a reasonable effort to orally notify the patient about Insight's FAP and about how the patient may obtain assistance with the FAP application process.
15. In the case of deferring or denying, or requiring a payment for providing, medically necessary care because of an individual's nonpayment of one or more bills for previously provided care covered under Insight's FAP, Insight may notify the individual about its FAP less than 30 days before initiating the ECA. However, to avail itself of this exception, Insight must satisfy several conditions:
  - a. Provide the patient with an FAP application form (to ensure the patient may apply immediately, if necessary) and notify the patient in writing about the availability of financial assistance for eligible individuals and the deadline, if any, after which the hospital facility will no longer accept and process an FAP application submitted by the patient for the previously provided care at issue. This deadline must be no earlier than the later of 30 days after the date that the written notice is provided or 240 days after the date that the first post-discharge billing statement for the previously provided care was provided. Thus, although the ECA involving deferral or denial of care may occur immediately after the requisite written (and oral) notice is provided, the patient must be afforded at least 30 days after the notice to submit an FAP application for the previously provided care.
  - b. Notify the patient about the FAP by providing a plain-language summary of the FAP and by orally notifying the patient about Insight's FAP and about how the patient may obtain assistance with the FAP application process.
  - c. Process the application on an expedited basis, to ensure that medically necessary care is not unnecessarily delayed if an application is submitted.
16. The modified reasonable efforts discussed above are not needed in the following cases:



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- a. If 120 days have passed since the first post-discharge bill for the previously provided care and Insight has already notified the patient about intended ECAs.
  - b. If Insight has already determined whether the patient was FAP-eligible for the previously provided care at issue based on a complete FAP application or had presumptively determined the patient was FAP-eligible for the previously provided care.
17. Insight will provide written notification that nothing is owed if a patient is determined to be eligible for Free Care.
  18. Insight will provide patients that are determined to be eligible for assistance other than Free Care, with a billing statement that indicates the amount the patient owes for care as a FAP-eligible patient. The statement will also describe how that amount was determined or how the patient can get information regarding how the amount was determined.

**K. Fair Billing and Collection Practices**

1. Insight will implement billing and collection practices for patient payment obligations that are fair, consistent and compliant with state and federal regulations.
2. Insight will make available to all patients who qualify a short term interest free payment plan with defined payment time frames based on the outstanding account balance. Insight will also offer a loan program for patients who qualify.
3. Insight will have written procedures outlining when and under whose authority a patient debt is advanced for external collection activities that are consistent with this Procedure.
4. The following collection activities may be pursued by Insight or by a collection agent on their behalf:
  - a. Communicate with patients (call, written correspondence, fax, text, email, etc.) and their representatives in compliance with the Fair Debt Collections Act, clearly identifying Insight. The patient communications will also comply with HIPAA privacy regulations.
  - b. Solicit payment of the estimated patient payment obligation portion at the time of service in compliance with EMTALA regulations and state laws.
  - c. Provide low-interest loan program for payment of outstanding debts for patients who have the ability to pay but cannot meet the short-term payment requirements.
  - d. Report outstanding debts to Credit Bureaus only after all aspects of this Procedure have been applied and after reasonable collection efforts have been made in conformance with Insight's FAP.

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- e. Pursue legal action for individuals who have the means to pay, but do not pay, or who are unwilling to pay. Legal action also may be pursued for the portion of the unpaid amount after application of Insight's FAP. An approval by Insight Health or Insight's President or Vice President of Finance, or, if/when applicable, the functional leader for System Office Patient Financial Services, must be obtained prior to commencing a legal proceeding or proceeding with a legal action to collect a judgment (i.e. garnishment of wages, debtor's exam).
  - f. Place liens on property of individuals who have the means to pay, but do not pay, or who are unwilling to pay. Liens may be placed for the portion of the unpaid amount after application of Insight's FAP. Placement of a lien requires approval by Insight Health or Insight's President or Vice President of Finance, or the functional leader for Patient Financial Services for Insight, if utilizing the Insight shared service center. Liens on primary residence can only be exercised upon the sale of property and will protect certain asset value in the property as documented in the Procedure. Insight Health recommends protecting 50% of the equity up to \$50,000.
5. Insight (or a collection agent on its behalf) shall not pursue action against the debtor's person, such as arrest warrants or "body attachments." System Office recognizes that a court of law may impose an arrest warrant or other similar action against a defendant for failure to comply with a court's order or for other violations of law related to a collection effort. While in extreme cases of willful avoidance and failure to pay a justly due amount when adequate resources are available to do so, a court order may be issued; in general, Insight will first use its efforts to convince the public authorities not to take such an action and, if not successful, consider the appropriateness of ceasing the collection effort to avoid an action against the person of the debtor.
  6. Insight (or a collection agent on their behalf) will take all reasonably available measures to reverse ECAs related to amounts no longer owed by FAP-eligible patients.
  7. Insight may have a System Office approved arrangement with a collection agency, provided that such agreement meets the following criteria:
    - a. The agreement with a collection agency must be in writing;
    - b. Neither Insight nor the collection agency may at any time pursue action against the debtor's person, such as arrest warrants or "body attachments;"
    - c. The agreement must define the standards and scope of practices to be used by outside collection agents acting on behalf of Insight, all of which must be in compliance with this Procedure;

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- d. No legal action may be undertaken by the collection agency without the prior written permission of Insight;
- e. Insight Legal Department must approve all terms and conditions of the engagement of attorneys to represent Insight in collection of patient accounts;
- f. All decisions as to the manner in which the claim is to be handled by the attorney, whether suit is to be brought, whether the claim is to be compromised or settled, whether the claim is to be returned to , and any other matters related to resolution of the claim by the attorney shall be made by Insight in consultation with Insight Legal Department ;
- g. Any request for legal action to collect a judgment (i.e., lien, garnishment, debtor’s exam) must be approved in writing and in advance with respect to each account by the appropriate authorized Insight's representative as detailed in section (IV)(d)(v);
- h. Insight must reserve the right to discontinue collection actions at any time with respect to any specific account; and
- i. The collection agency must agree to indemnify Insight for any violation of the terms of its written agreement with Insight.

**L. Implementation of Accurate and Consistent Policies**

1. Representatives of Insight's Patient Financial Services and Patient Access departments will educate staff members who work closely with patients (including those working in patient registration and admitting, financial assistance, customer service, billing and collections, physician offices) about billing, financial assistance, collection policies and practices, and treatment of all patients with dignity and respect regardless of their insurance status or their ability to pay for services.
2. Insight will honor Financial Support commitments that were approved under previous financial assistance guidelines.

**LI. Other Discounts**

1. Prompt Pay Discounts: Insight may develop a prompt pay discount program which will be limited to balances equal to or greater than \$200.00 and will be no more than 20% of the balance due. The prompt pay discount is to be offered at the time of service and recorded as a contractual adjustment and cannot be recorded as charity care on the financial statements.

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2. Self-Pay Discounts: Insight will apply a standard self-pay discount off of charges for all registered self-pay patients that do not qualify for financial assistance (e.g., >601% of FPL) based on the highest commercial rate paid.
3. Additional Discounts: Adjustments in excess of the percentage discounts described in this Procedure may be made on a case-by-case basis upon an evaluation of the collectability of the account and authorized by Insight's established approval levels.

#### IV. REFERENCE(S)

Finance Policy No. 1: Financial Assistance to Patients (“FAP”)

Finance Policy No. 7: Payment of QHP Premiums and Patient Payables

Patient Protection and Affordable Care Act: Statutory Section 501(r) Internal Revenue Service Schedule H (Form 990)

Department of Treasury, Internal Revenue Service, Additional Requirements for Charitable Hospitals; Final Rule: Volume 79, No. 250, Part II, 26 CFR, Part 1

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**V. ATTACHMENT(S)**

2023 Federal Poverty Guidelines

The U. S. Department of Health and Human Services [released](#) the annual updated federal poverty guidelines, which are used to establish financial eligibility for various federal programs. These guidelines are **effective Jan. 19 , 2023** .

The 2023 poverty guidelines for Illinois are:

| Family size | Poverty Guideline |
|-------------|-------------------|
| 1           | \$14,580          |
| 2           | \$19,720          |
| 3           | \$24,860          |
| 4           | \$30,000          |
| 5           | \$35,140          |
| 6           | \$40,280          |
| 7           | \$45,420          |
| 8           | \$50,560          |

For families/households with more than eight people, add \$5,140 for each additional person. For Medicaid and the Children’s Health Insurance Program, the federal poverty guidelines in place “at the time of application” are used to determine eligibility. However, Medicaid agencies have flexibility as to when they adopt the new federal poverty guidelines.