

Origination: 02/2014

Last Approved: TBD

Effective: TBD

Last Revised: TBD

Next Review: TBD

Required Reviewers: Compliance Operations Committee; Patient Rights and Responsibilities; MercyCare Service Corporation Board of Directors

Owner: Senior Director, Revenue Cycle

Area: Patient Financial Services

Mercy Medical Center FINANCIAL ASSISTANCE POLICY

I. POLICY

Mercy Medical Center (Mercy) is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for government programs, or are otherwise unable to pay for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Mercy strives to ensure that the financial capacity of people who need healthcare services does not prevent them from seeking or receiving care. Mercy will provide, without discrimination, emergency, other medically necessary care, and all care required to be provided under the Emergency Medical Treatment and Labor Act (EMTALA) to individuals regardless of their ability to pay. Mercy will not engage in actions that discourage individuals from seeking emergency medical care.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance – free and discounted care
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the hospital will widely communicate the policy within the community served by the hospital
- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amounts generally billed by (received by) the hospital for commercially insured or Medicare patients
- Describes the information obtained from sources other than an individual seeking financial assistance that the hospital uses to determine eligibility for financial assistance (and how prior eligibility determinations are used to presumptively determine financial assistance eligibility)
- A list of providers delivering emergency or other medically necessary care at Mercy who are covered by this financial assistance policy

Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Mercy's procedures for obtaining other forms of payment or financial assistance, and to contribute to the cost of care based on the individual's ability to pay. Failure to cooperate with Mercy in obtaining payment may result in exclusion from eligibility for financial assistance. Individuals with the financial capacity to purchase health insurance shall be expected to do so as a means of assuring access to healthcare services, for their overall personal health, and for the protection of their individual assets.

In order to manage resources responsibly and to allow Mercy to provide the appropriate level of assistance to the greatest number of persons in need, the MercyCare Service Corporation Board of Trustees establishes the following guidelines for the provision of patient financial assistance.

II. DEFINITIONS

For the purpose of this policy, the terms below are defined as follows:

Amounts generally billed (AGB): The amounts generally billed for emergency or other medically-necessary care to individuals who have insurance covering such care, as provided in 26 CFR 1.501(r)-1.

Financial assistance: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Financial assistance results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family income: Family income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

o Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources

- Non-cash benefits (such as food stamps and housing subsidies) are not included
- Determined on a before-tax basis
- Excludes capital gains or losses
- If a person lives with a family, includes the income of all family members (non-relatives such as housemates do not count)

Uninsured: An individual who does not have benefits for an item or service under a group health plan, group or individual health insurance coverage offered by a health insurance issuer, Federal health care program or other health benefits plan, defined at 45 CFR 149.610(a)(2)(xiii)

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed the patient's financial abilities.

Gross charges: The hospital's full, established price for medical care that the hospital facility consistently and uniformly charges patients before applying any contractual allowances, discounts, or deductions, as provided in 26 CFR 1.501(r)-1.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

Medically necessary: Services or items reasonable and necessary for the diagnosis or treatment of illness or injury, as defined by the Centers for Medicare/Medicaid Services (CMS).

Out-of-pocket expenses: Co-payments, coinsurance, deductibles and services and/or expenses not covered by insurance.

Patient Responsibility: The amount of a medical bill to be paid by the patient (or patient representative), including but not limited to out-of-pocket expenses such as co-payments, coinsurance, deductibles, and services not covered by insurance.

III. PROCEDURES

A. Services Eligible Under This Policy

The following healthcare services are eligible for financial assistance:

1. Emergency medical services provided in an emergency room setting
2. Services for a condition, which if not promptly treated would lead to an adverse change in the health status of an individual
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting
4. Medically necessary services evaluated on a case-by-case basis at Mercy's discretion.

Services that are not eligible for financial assistance include, but are not limited to, elective cosmetic procedures, calcium scoring, bariatric services, massage therapy services, and services where patient or representative has been issued a waiver, Advance Beneficiary Notice (ABN), or Hospital Issue Notice of Non-Coverage (HINN).

In Mercy's sole discretion, the following non-emergent services may be excluded from eligibility for financial assistance:

1. Services provided after a patient (or patient representative) has been determined to have failed to apply or reasonably assist Mercy in applying for state and/or federal health insurance coverage (including Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), the Veterans Health Administration (VHA) program, and the Indian Health Service (IHS) program).
2. Services provided after a patient has been approved for discharge by the patient's clinical care team and the patient (or patient representative) has refused to cooperate with the discharge.
3. Services that are covered by a patient's insurance program at another healthcare provider location, but Mercy is a non-participating provider in the patient's health plan.
4. Services provided to a patient who has been found to have attempted to defraud any insurance company, state or federal health program, or other third-party payor.

For additional information, please contact the Mercy Revenue Cycle Department at 701 Tenth Street SE, Cedar Rapids, IA 52403 or (319) 369-4505.

B. Eligibility for Financial Assistance

Eligibility for financial assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government healthcare benefit program, and who are unable to pay for their care based upon a determination of financial need in accordance with this policy. The granting of financial assistance shall be based on an individualized determination of financial need and shall not take into account age, race, color, religion, sex, national origin, handicap, disability, or source of payment.

Financial assistance eligibility is contingent upon patient cooperation and submission of all information that Mercy deems necessary to determine eligibility. Individuals may not decline to submit charges to insurance in order to qualify for financial assistance.

Financial assistance eligibility determinations shall be effective for one (1) year following the date of initial approval, unless hospital personnel have reason to believe the patient no longer meets eligibility criteria. Financial assistance will also be applied to all services provided within 240 days prior to either the date of the financial eligibility determination or submission of the financial assistance application, whichever is earlier. Patients are required to notify Mercy of a material change in their financial situation. Mercy reserves the right to request confirmation from patients showing that their financial situation has not meaningfully changed. Mercy does not use prior financial assistance eligibility determinations to presumptively determine eligibility for future financial assistance.

Following a determination of FAP eligibility the amount that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance will be limited to amounts generally billed by (received by) the hospital for commercially insured or Medicare patients, as outlined in Section E of this policy.

C. Method by Which Patients May Apply for Financial Assistance

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need and may:
 - a. Include an application process, in which the patient or the patient's guarantor or representative are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need. Such documentation may include, but is not limited to: income tax returns, w2s, paystubs, and bank statements.
 - b. Include the use of external, publicly available, data sources that provide information on a patient's or a patient's guarantor's ability to pay (this will exclude credit scoring)
 - c. Include reasonable efforts by Mercy to explore appropriate alternative sources of payment and coverage from public and private payment programs and to assist patients in applying for such programs
 - d. Take into account the patient's liquid assets and all other financial resources available to the patient, which shall include but are not limited to, cash, savings, checking accounts, certificates of deposit, stocks and bonds, real estate, and motor vehicles. A patient's primary residence, any land less than 4.00 acres, retirement accounts and one vehicle shall be excluded from consideration.
 - e. Include a review of the patient's or patient's guarantors outstanding accounts receivable for prior services rendered and their payment history

2. It is preferred, but not required, that a request for financial assistance and a determination of financial need occur prior to rendering of non-emergent medically-necessary services. However, to qualify for financial assistance an individual application must be received within 240 days from date of the first statement post-discharge.

3. Mercy's values of human dignity and stewardship shall be reflected in the application process, financial need determination, and granting of financial assistance. Requests for financial assistance shall be processed promptly. Mercy shall notify the patient or applicant regarding eligibility in writing within 30 days of receipt of a completed application.

4. Patients and families wishing to apply may submit an application and supporting documentation to the Mercy Revenue Cycle. The financial assistance application can be found on the Mercy website (www.mercycare.org). Alternatively, printed copies of the hospital's Financial Assistance Policy or its Plain Language Summary may be obtained at no extra costs by visiting or calling the Revenue Cycle Department or hospital registration or cashier office. Patients may contact the Revenue Cycle Department for a copy of the application and to discuss any questions. The Revenue Cycle Department is located at 701 Tenth Street SE, Cedar Rapids, IA 52403, and can be reached at (319)369-4505.

D. Presumptive Financial Assistance Eligibility

Patients who meet presumptive eligibility criteria under this Section may be granted financial assistance without completing the financial assistance application. There are instances when a patient may appear eligible for financial assistance, but there is no financial assistance application on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, Mercy will use third-party agencies in of determining financial assistance eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances which may include:

1. Participation in state-funded prescription programs
2. Homelessness or previous care provided from a free clinic
3. Participation in Women, Infants and Children (WIC) programs
4. Food stamp eligibility
5. Subsidized school lunch program eligibility
6. Eligibility for other state or local assistance programs that are unfunded
7. Low income/subsidized housing is provided as a valid address
8. Patient is deceased with no known estate

E. Eligibility Criteria and Amounts Charged to Patients

Services eligible under this policy will be made available to the patient on a sliding-fee scale in accordance with financial need as determined in reference to the Federal Poverty Levels (FPL) in effect at the time of determination per the [Department of Health and Human Services - Federal Poverty Guidelines](#). Once a patient has been determined by Mercy to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. Mercy uses the look-back method, described at 26 C.F.R. § 1.501(r)-5(b)(3), (using Medicare fee for service and all private health insurers) for computing the amounts generally billed (AGB). Our current look-back discount rate is 74 percent. Individuals may obtain a more detailed description of this calculation by contacting the Mercy Revenue Cycle at 701 Tenth Street SE, Cedar Rapids, IA 52403 or (319) 369-4505.

The basis for the amounts Mercy will charge patients qualifying for financial assistance is as follows:

- Patients whose family income is at or below 200 percent of the FPL and liquid assets less than \$50,000 qualify for 100 percent discount from Patient Responsibility
- Patients whose family income is 201 percent to 400 percent of the FPL and liquid assets less than \$50,000 qualify for 75 percent discount from Patient Responsibility

In addition, patients may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances such as catastrophic illness or medical indigence, at Mercy's discretion.

Mercy offers a Self-Pay Discount to patients who do not have health insurance and are not eligible for financial assistance.

F. Communication of the Financial Assistance Program to Patients and Within the Community

Notification about financial assistance available from Mercy, including a contact phone number, will be disseminated to patients and within the community through various means. Copies of the financial assistance policy, financial assistance application and Plain Language Summary are available without charge by mail, on Mercy's website, and in person at the hospital. These documents are available in English and in any other language in which limited English proficiency (LEP) populations constitute the lesser of 1,000 persons or more than 5% of the community served by Mercy. Mercy utilizes a patient-friendly billing process that provides notice of Mercy's financial assistance program. Mercy posts signs and display brochures that provide basic information about the financial assistance policy in public locations including the emergency department, registration and admission areas, patient financial services offices, and other public locations as Mercy may elect. Mercy notifies and informs members of the community it serves about the financial assistance policy in a manner reasonably calculated to reach those members most likely to require financial assistance from Mercy.

Referral of patients for financial assistance may be made by any member of the Mercy staff or medical staff. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

G. Relationship to Collection Policies

Mercy shall develop policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance from Mercy, and a patient's good faith effort to comply with payment agreements with Mercy.

Mercy will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for discounted services under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital
2. Documentation that Mercy has or has attempted to offer the patient the opportunity to apply for financial assistance pursuant to this policy and that the patient has not complied with the hospital's application requirements

3. Documentation that the patient does not qualify for financial assistance on a presumptive basis
4. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan

Mercy Revenue Cycle Department is responsible for following this financial assistance policy and determining that the hospital has made a reasonable effort to determine whether an individual is eligible for financial assistance.

The actions Mercy may take with respect to non-payment by a patient are described in Mercy's Billing and Collections policy. If patients wish to receive a free copy of Mercy's Billing and Collections policy, please visit <https://www.mercycare.org/patients/billing-insurance/financial-assistance/> or contact Mercy's Financial Advocate group, located at 701 10th Street SE Cedar Rapids, IA 52403, at (319)369-4505 or via MyChart message.

Patients eligible for assistance under this Policy who remit payment to Mercy in excess of their patient responsibility for care included in the Application will be alerted to the overpayment as promptly after discovery as is reasonable given the nature of the overpayment. Patients with an outstanding account balance due to Mercy on a separate account not eligible for assistance under this Policy will have their refund applied to the outstanding balance. Patients without an outstanding account balance described above will be issued a refund for their overpayment as soon as technically feasible, unless the overpayment is less than \$5, as required by law.

H. Regulatory Requirements

In implementing this policy, Mercy shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

I. Physicians included and excluded from Mercy Financial Assistance Program:

See Exhibit A

This listing can be updated by facilities management and approved by an officer of Mercy as needed.

J. Related Documents:

Billing and Collections Policy
 Emergency Examination Treatment and Transfer (EMTALA) Policy
 Mercy Medical Center Financial Assistance Application

Financial Assistance Policy Plain Language Summary
 Self-Pay Discount Policy

Created: February 2014

Revised: June 2025

Exhibit A
Financial Assistance

Revised: 6/27/25

Physicians included and excluded from Mercy Medical Center Financial Assistance Program:

- a. Included:
 - i. Mercy Professional Services – HPCC, Mercy Pulmonology, Mercy General Surgery Clinic, Mercy Cardiology Clinic, Mercy Healing/Wound Center, Mercy Pediatrics/Pediatric Hospitalists/Pediatric Cardiology, Mercy NICU, Dr Alan Whitters (Inpatient Behavioral Health Services), Mercy Family Counseling, Mercy Palliative Care, Mercy Hospice Providers, Mercy Integrative Health, Mercy Surgical Oncology Clinic, Mercy ENT Clinic and Mercy Urology Clinic
- b. Excluded:
 - i. Linn County Emergency Medicine, PC
 - ii. Sound Physicians
 - iii. Radiology Consultants of Iowa, PLC
 - iv. Linn County Anesthesia
 - v. Physicians’ Clinic of Iowa
 - vi. Unity Point Physicians
 - vii. Dr. Chad Abernathy
 - viii. Radiation Oncology of Cedar Rapids of PC
 - ix. Mercycare Community Physicians
 - x. Mercy Physician Associates
 - xi. Cogent-Hospitalist Medicine Physicians of Linn County, PLLC
 - xii. Cedar Valley Pathology
 - xiii. Weland Clinical Laboratories, P.C.
 - xiv. Linn County Medical Society
 - xv. Allergy & Asthma Clinic, P.C.
 - xvi. Allergy Partners of Cedar Rapids
 - xvii. Hawkeye Anesthesia
 - xviii. Linn County Anesthesiologists, PC and LCA, P.L.C.
 - xix. East Central Iowa Acute Care
 - xx. Affiliates of Family Practice
 - xxi. Amana Family Practice Clinic
 - xxii. Cedar Rapids Medical Education Foundation
 - xxiii. Family Medicine Specialists, PC
 - xxiv. Family Physicians of Cedar Rapids, PC
 - xxv. Dr Richard Louvar
 - xxvi. Metropolitan Family Medicine & Chiropractic
 - xxvii. Partners in Medicine, P.C.
 - xxviii. Mary Nelson, M.D., P.C.
 - xxix. Piper Family Medicine, P.C.
 - xxx. Regional Family Health
 - xxxi. Urbana Family Medical Clinic
 - xxxii. Van Horne Family Medical Clinic
 - xxxiii. Veterans Medical Clinic
 - xxxiv. Vinton Family Medical Clinic
 - xxxv. St. Luke’s Hospital Family Health Center
 - xxxvi. Gastroenterologists, P.C.

- xxxvii. Messerly Surgical Care
- xxxviii. Helen G. Nassif Community Cancer Center of Iowa
- xxxix. Cedar Valley Hand Surgery
 - xl. The Ghosh Center for Oncology & Hematology, LLC
 - xli. Daniel E. McGrail, M.D.
 - xliv. Richard T. Pope, M.D.
 - xlvi. Ahn Clinic
 - lxviii. St. Lukes's Hospital Physical Medicine & Rehabilitation
 - lxv. Cedar Rapids Neurologists, PC
 - lxvi. Cedar Centre Psychiatric Group
 - lxvii. Cedar Rapids Memory Clinic
 - lxviii. The Winslow Clinic, PLLC
 - lxix. Cedar Neurological Surgeons, PC
 - l. Loren Mouw, M.D.
 - li. Eastern Iowa Brain & Spine Surgery, PLLC
 - lii. Darin W. Smith, MD, PLC
 - liii. Cedar Rapids OB Gyn Specialists, P.C.
 - liv. Eastern Iowa Health Center
 - lv. OB/GYN Associates, P.C.
 - lvi. Robin G. Brown, M.D.
 - lvii. Fox Eye Laser & Cosmetic Institute
 - lviii. Iowa Eye Center
 - lix. Iowa Retina Consultants
 - lx. Wolfe Eye Clinic
 - lxi. Cedar Rapids Oral Surgery, P.C.
 - lxii. Larry A McCray, D.D.S.
 - lxiii. Morgan & Morio OMFS
 - lxiv. David S. Tearse, M.D. LLC
 - lxv. Patricia M. McGuire, M.D.
 - lxvi. Pediatric Center, P.C.
 - lxvii. Progressive Rehabilitation Medicine, PLC
 - lxviii. A John Vander Zee, M.D.
 - lxix. Charles E Grado, M.D., F.A.C.S.
 - lxx. Eastern Iowa Foot Specialists, PC
 - lxxi. Foot & Ankle Specialists of Iowa
 - lxxii. Marion Foot & Ankle Specialists, PC
 - lxxiii. Podiatry Associates, PC
 - lxxiv. Abbe Center for CMH
 - lxxv. Associates for Behavioral Healthcare
 - lxxvi. Corridor Health Care
 - lxxvii. Eastern Iowa Psychiatric Services, PC
 - lxxviii. Tanager Place Clinic
 - lxxix. Respiratory and Critical Care Associates
 - lxxx. Radiation Oncology of Cedar Rapids, PC
 - lxxxii. Eastern Iowa Sleep Center
 - lxxxiii. UIHC
 - lxxxiv. Mayo Hospital & Clinics
 - lxxxv. Virginia Gay Hospital & Clinics
 - lxxxvi. Wheaton Franciscan Health System
 - lxxxvii. Mercy Integrative Health

- lxxxvii. Access Telecare PLC
- lxxxviii. Steindler Orthopedic Clinic