MERCYONE SM
Clive Rehabilitation Hospital
1401 Campus Dr.
Clive, IA 50323

POLICY
It is the policy of MercyOne Clive Rehabilitation Hospital, to provide, without discrimination, Rehabilitation Care to all patients, without regard to a patient's financial ability to pay.

PRINCIPLES
The following principles are consistent with MercyOne Clive Rehabilitation Hospital's mission to deliver compassionate, high-quality, affordable healthcare services and to advocate for those who are poor and vulnerable. MercyOne Clive Rehabilitation Hospitals strive to ensure that the financial ability of people who need health care services does not prevent them from seeking or receiving care.

Other Medically Necessary Care - MercyOne Clive Rehabilitation Hospital are committed to providing Financial Assistance to persons who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for non-emergent Medically Necessary Care provided in MercyOne Clive Rehabilitation Hospital.

APPLICATION
This Policy applies to:

- All charges for Rehabilitation Care provided in a Hospital Facility by MercyOne Clive Rehabilitation Hospital.
- All charges for Rehabilitation Care provided by a physician or APC who is employed by a Substantially Related Entity that occurs within a Hospital Facility.
- Collection and recovery activities conducted by the Hospital Facility or a designated supplier of billing and collections services (Designated Supplier), or its third-party collection agents (whether debt is referred or sold) of a Hospital Organization to collect amounts owed for Rehabilitation Care described above. All third-party agreements governing such collection and recovery activities must include a provision requiring compliance with this Policy and indemnification for failures as a result of its noncompliance. This includes, but is not limited to, agreements between third parties who subsequently sell or refer debt of the Hospital Facility.

PURPOSE
The purpose of this Policy is to describe the conditions under which a Hospital Facility provides Financial Assistance to its patients. In addition, this Policy describes the actions a Hospital Facility may take with respect to delinquent patient accounts.

DEFINITIONS
Amounts Generally Billed (AGB) means the amounts generally billed for Rehab Care to individuals who have insurance covering such care. The Hospital Facility determines AGB using the Prospective Medicare method. However, a patient eligible for Financial Assistance will only be extended free care under this Policy. Thus, no FAP eligible individual will be charged in excess of AGB for Rehabilitation Care. Therefore, it is not considered necessary to take additional measures to determine if a patient is responsible for more than AGB for Rehabilitation Care.

Application Period means the time provided to patients by the MercyOne Clive Rehabilitation Hospital to complete the Financial Assistance application. It begins on the first day care is provided and ends on the 240th day after the Hospital Facility provides the individual with the first post-discharge billing statement for the care provided.

Eligibility Determination Period - For purposes of determining Financial Assistance eligibility, a Hospital Facility will review annual household income from the prior six-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 household income, taking into consideration the current earnings rate.

Eligibility Qualification Period - After submitting the Financial Assistance application and supporting documents, patients approved to be eligible shall be granted Financial Assistance prospectively, for a period of six months from the determination date. Financial Assistance will also be applied to all eligible accounts incurred for services received six months prior to determination date. If eligibility is approved based on Presumptive Eligibility criteria, Financial Assistance will be applied to all eligible accounts incurred for services received six months prior to the determination date.

Extraordinary Collection Actions (ECAs) - The Hospital Facility will not engage in ECAs against an individual prior to making a reasonable effort to determine eligibility under this Policy. An ECA may include any of the following actions taken in an effort to obtain payment on a bill for care:

- Selling an individual's debt to another party except as expressly provided by federal tax law;
- Certain actions that require a legal or judicial process as specified by federal tax law; and
- Reporting adverse information about the individual to consumer credit bureaus.

ECAs do not include any lien that a Hospital Facility is entitled to assert under state law on the proceeds of a judgment, or compromise owed to an individual (or his or her representative) as a result of personal injuries for which the Facility provided care.

Family means (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 his or her income tax return, that person may be considered a dependent for purposes of the provision of Financial Assistance. If IRS tax documentation is not available, family size will be determined by the number of dependents documented on the Financial Assistance application and verified by the Hospital Facility.

Family Income is determined consistent with the Census Bureau definition, which uses the following when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, Worker's 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, on a before-tax basis;
- Excludes noncash benefits (such as food stamps and housing subsidies);

- Excludes capital gains or losses; and
- Includes the income of all family members, if a person lives with a family, but excludes non-relatives, such as housemates.

Federal Poverty Guidelines (FPG) are updated annually in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code. Current guidelines can be referenced at http://aspe.hhs.gov/poverty-guidelines.

Financial Assistance means assistance provided to patients for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for Rehabilitation Care provided in a Hospital Facility and who meet the eligibility criteria for such assistance. Financial Assistance is offered to insured patients to the extent allowed under the patient's insurance carrier contract.

Guarantor means an individual other than the patient who is legally responsible for payment of the patient's bill.

Hospital Facility (or Facility) means a healthcare facility that is required by a state to be licensed, registered or similarly recognized as a hospital and that is operated by MercyOne Clive Rehabilitation Hospital.

Medically Necessary Care means any procedure reasonably determined to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.

Presumptive Financial Assistance means the determination of eligibility for Financial Assistance that may rely on information provided by third-party vendors and other publically available information. A determination that a patient is presumptively eligible for Financial Assistance will result in free Rehab Care for the period during which the individual is presumptively eligible.

Substantially-Related Entity means, with respect to a MercyOne Clive Rehabilitation Hospital, an entity treated as a partnership for federal tax purposes in which the Hospital Organization owns a capital or profits interest, or a disregarded entity of which the Hospital Organization is the sole member or owner, that provides Rehabilitation Care in a state licensed Hospital Facility, unless the provision of such care is an unrelated trade or business described in IRC Section 513 with respect to the Hospital Organization.

Uninsured means an individual having no third-party coverage by a commercial third-party insurer, an ERISA plan, a Federal Health Care Program (including without limitation Medicare, Medicaid, SCHIP and CHAMPUS), Worker's Compensation, or other third-party assistance to assist with meeting his or her payment obligations.

Underinsured means an individual with private or public insurance coverage, for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for Rehabilitation Care covered by this Policy.

ELIGIBILITY FOR FINANCIAL ASSISTANCE

Financial Assistance Available for Rehabilitation Care

Financial Assistance shall be provided to patients who meet the eligibility requirements as described herein and reside within the CHI Entity Service Area as defined by the most recent Hospital Facility CHNA. A patient who qualifies for Financial Assistance will receive free Rehabilitation Care, and as such will never be responsible for more than AGB for Rehabilitation Care.

Financial Assistance Not Available for Other Than Rehabilitation Care

Financial Assistance is not available for care other than Rehabilitation Care. In the case of other than Rehabilitation Care, no patient will be responsible for more than the net charges for such care (gross charges for such care after all deductions and insurance reimbursements have been applied).

Eligibility for Financial Assistance will be considered for those individuals who are Uninsured, Underinsured, ineligible for any government health care 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 any potential discriminatory factors such as age, ancestry, gender, gender identity, gender expression, race, color, national origin, sexual orientation, marital status, social or immigrant status, religious affiliation, or any other basis prohibited by federal, state, or local law.

Unless eligible for Presumptive Financial Assistance, the following eligibility criteria must be met in order for a patient to qualify for Financial Assistance:

- The patient must have a minimum account balance of thirty-five dollars ($35.00) with MercyOne Clive Rehabilitation Hospital. Multiple account balances may be combined to reach this amount. Patients/Guarantors with balances below thirty-five dollars ($35) may contact a financial counselor to make monthly installment payment arrangements.
- The patient's Family Income must be at or below 300% of the FPG.
- The patient must comply with Patient Cooperation Standards as described herein.
- The patient must submit a completed Financial Assistance application.

Patient Cooperation Standards

A patient must exhaust all other payment options, including private coverage, federal, state and local medical assistance programs, and other forms of assistance provided by third-parties prior to being approved. An applicant for Financial Assistance is responsible for applying to public programs for available coverage. He or she is also expected to pursue public or private health insurance payment options for care provided by MercyOne Clive Rehabilitation Hospital within a Hospital Facility. A patient's and, if applicable, any Guarantor's cooperation in applying for applicable programs and identifiable funding sources, including COBRA coverage (a federal law allowing for a time-limited extension of employee healthcare benefits), shall be required. If a Hospital Facility determines that COBRA coverage is potentially available, and that a patient is not a Medicare or Medicaid beneficiary, the patient or Guarantor shall provide the Hospital Facility with information necessary to determine the monthly COBRA premium for such patient, and shall cooperate with Hospital Facility staff to

determine whether he or she qualifies for Hospital Facility COBRA premium assistance, which may be offered for a limited time to assist in securing insurance coverage. A Hospital Facility shall make affirmative efforts to help a patient or patient's Guarantor apply for public and private programs.

THE METHOD FOR APPLYING FOR FINANCIAL ASSISTANCE

All patients must complete the MercyOne Clive Rehabilitation Hospital's Financial Assistance Application (FAA) to be considered for Financial Assistance, unless they are eligible for Presumptive Financial Assistance. The FAA is used by the Hospital Facility to make an individual assessment of financial need.

To qualify for assistance, at least one piece of supporting documentation that verifies household income is required to be submitted along with the FAA. Supporting documentation may include, but is not limited to:

- Copy of the individual's most recently filed federal income tax return;
- Current Form W-2;
- Current paystubs; or
- Signed letter of support.

The Hospital Facility may, at its discretion, rely on evidence of eligibility other than described in the FAA or herein. Other evidentiary sources may include:

- External publically available data sources that provide information on a patient/Guarantor's ability to pay;
- A review of patient's outstanding accounts for prior services rendered and the patient/Guarantor's payment history;
- Prior determinations of the patient's or Guarantor's eligibility for assistance under this Policy, if any; or
- Evidence obtained as a result of exploring appropriate alternative sources of payment and coverage from public and private payment programs.

In the event no income is evidenced on a completed FAA, a written document is required which describes why income information is not available and how the patient or Guarantor supports basic living expenses (such as housing, food, and utilities). Financial Assistance applicants who participate in the National Health Services Corps (NHSC) Loan Repayment Program are exempt from submitting expense information.

PRESUMPTIVE ELIGIBILITY

MercyOne Clive Rehabilitation Hospitals recognize that not all patients and Guarantors are able to complete the FAA or provide requisite documentation. Financial counselors are available at each Hospital Facility location to assist any individual seeking application assistance. For patients and Guarantors who are unable to provide required documentation, a Hospital Facility may grant Presumptive Financial Assistance based on information obtained from other resources. In particular,

presumptive eligibility may be determined on the basis of individual life circumstances that may include:

- Recipient of state-funded prescription programs;
- Homeless or one who received care from a homeless clinic;
- Participation in Women, Infants and Children programs (WIC);
- Food stamp eligibility;
- Subsidized school lunch program eligibility;
- Eligibility for other state or local assistance programs (e.g., Medicaid spend-down);
- Low income/subsidized housing is provided as a valid address; or
- Patient is deceased with no known estate.

This information will enable Hospital Facilities to make informed decisions on the financial needs of patients, utilizing the best estimates available in the absence of information provided directly by the patient. A patient determined eligible for Presumptive Financial Assistance will receive free Rehabilitation Care for the period during which the individual is presumptively eligible.

If an individual is determined to be presumptively eligible, a patient will be granted Financial Assistance for a period of six months ending on the date of presumptive eligibility determination. As a result, Financial Assistance will be applied to all eligible accounts incurred for services received six months prior to the determination date. The presumptively eligible individual will not receive financial assistance for Rehabilitation Care rendered after the date of determination without completion of a FAA or a new determination of presumptive eligibility.

For patients, or their Guarantors, who are non-responsive to a Hospital Facility's application process, other sources of information may be used to make an individual assessment of financial need. This information will enable the Hospital Facility to make an informed decision on the financial need of non-responsive patients, utilizing the best estimates available in the absence of information provided directly by the patient.

For the purpose of helping financially needy patients, a Hospital Facility may use a third party to review a patient's, or the patient's Guarantor's, information to assess financial need. This review utilizes a healthcare industry-recognized, predictive model that is based on public record databases. The model incorporates public record data to calculate a socio-economic and financial capability score. The model's rule set is designed to assess each patient based upon the same standards and is calibrated against historical Financial Assistance approvals by the Hospital Facility. This enables the Hospital Facility to assess whether a patient is characteristic of other patients who have historically qualified for Financial Assistance under the traditional application process.

When the model is utilized, it will be deployed prior to bad debt assignment after all other eligibility and payment sources have been exhausted. This allows a Hospital Facility to screen all patients for Financial Assistance prior to pursuing any ECAs. The data returned from this review will constitute adequate documentation of financial need under this Policy.

In the event a patient does not qualify for presumptive eligibility, the patient may still provide requisite information and be considered under the traditional FAA process.

Patient accounts granted presumptive eligibility status will be provided free care for eligible services for retrospective dates of service only. This decision will not constitute a state of free care as available through the traditional application process. These accounts will be treated as eligible for Financial Assistance under this Policy. They will not be sent to collection, will not be subject to further collection action, and will not be included in Hospital Facility bad debt expense. Patients will not be notified to inform them of this decision.

Presumptive screening provides a community benefit by enabling a MercyOne Clive Rehabilitation Hospital to systematically identify financially needy patients, reduce administrative burdens, and provide Financial Assistance to patients and their Guarantors, some of whom may have not been responsive to the FAA process.

NOTIFICATION ABOUT FINANCIAL ASSISTANCE

Notification about the availability of Financial Assistance from MercyOne Clive Rehabilitation Hospitals shall be disseminated by various means, which may include, but not be limited to:

- Conspicuous publication of notices in patient bills;
- Notices posted in emergency rooms, urgent care centers, admitting/registration departments, business offices, and at other public places as a Hospital Facility may elect; and
- Publication of a summary of this Policy on the Hospital Facility's website, www.mercydesmoines.org/financialassistance, and at other places within the communities served by the Hospital Facility as it may elect.

Such notices and summary information shall include a contact number and shall be provided in English, Spanish, and other primary languages spoken by the population served by an individual Hospital Facility, as applicable.

Referral of patients for Financial Assistance may be made by any member of the MercyOne Clive Rehabilitation Hospital non-medical or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

MercyOne Clive Rehabilitation Hospitals will provide financial counseling to patients about their bills related to Rehab Care and will make the availability of such counseling known. It is the responsibility of the patient or the patient's Guarantor to schedule consultations regarding the availability of Financial Assistance with a financial counselor.

POLICY APPROVAL

This Policy is subject to periodic review every three (3) years or earlier, as required by changes in applicable law. Any changes to the Policy must be approved by the Mercy Clive Rehabilitation Hospital's Board of Managers (BOM).

ATTACHMENTS

A Financial Assistance Application (FAA)