

## Patients drowning in debt

### Assistance policies fail

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**N**on-profit hospitals in Indianapolis are — in many instances — failing to meet their obligations to patients who qualify for financial assistance. And public health advocates are calling on state officials to investigate.

At issue is how well the four local non-profit hospitals — IU Health, St. Vincent Health, Community Health Network and Sister of St. Francis Health Services — develop and implement the financial assistance policies they are required to maintain by federal and state law.

In short, a new report released Wednesday by the Hospital Accountability Project found some comply better than others, but all could improve their efforts to make people aware of available financial assistance. The project builds on previous research findings that — regardless of whether people have health insurance — hospital-related debt is a major driver of foreclosure and bankruptcy problems across the country.

The project identified numerous instances in which people in need of medical care do not seek it because of the misguided belief that their inability to pay for the services precludes treatment. When cash-strapped patients do obtain care, the report found it common for them to be trapped in bureaucratic black holes where the policies meant to assist them are obstructed while more draconian collections policies are employed.

After the report's release, project organizers will call on Indiana Attorney General Greg Zoeller to investigate complaints identified through the project.

"At best, the inadequacies in the Marion County nonprofit hospitals' charity care programs prevent them from completely fulfilling their charitable missions," the report concludes. "At worst, they are disregarding the law and IRS regulations, cheating taxpayers and putting their nonprofit status at risk."

As part of the hospitals' nonprofit service mission, they are required to provide medical services to all people, regardless of their ability to pay. Nonprofit hospitals are supposed to post their financial assistance policies in high-traffic areas such as emergency rooms and hospital admissions waiting areas.

The report outlines several suggestions that hospitals may employ to address the "glaring disconnect" identified between the conceptualization and actualization of these institutions' written financial assistance pol-

icies. These suggestions include screening incoming patients for financial aid eligibility and assisting those who are qualified in completing the application process.

"Through front-end screening, aggressive notification and implementation, and assistance with the application process hospitals will become more efficient with their resources and patients will avoid unnecessary hardship," the report noted.

Having effective policies is an important step but training the staff to implement those policies is what makes the real difference in effective patient care.

The report's authors note that hospital administrators usually demonstrated "open attitudes and a desire to learn more about ways they may be able to improve their policies and procedures to better protect vulnerable consumers."

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An exception is noted for St. Francis Health Services, however, leading the project organizers to question whether the hospital's out-of-town corporate headquarters might be responsible for "disappointing" interactions between project leaders and hospital staff at the local level. This disconnect also translates to the hospital's communication of its assistance policies to qualifying patients.

"Much of our consumer outreach has been focused on the south side of Indianapolis, St. Francis' main service area, so we have heard numerous horror stories about their harsh collection practices and failure to provide information about financial assistance to those in need," the report notes. "We are concerned that a lack of local decision-making is preventing St. Francis patients in Indianapolis from getting the help they need."

On the flipside, the report recognizes IU Health as having the most comprehensive written financial assistance policies.

And while the authors identify areas of possible improvement for all hospitals, they also note that with the policy revi-