

What consumers need to know

Nonprofit hospitals and the Affordable Care Act

The Affordable Care Act spells out new requirements for nonprofit hospitals to help patients who have trouble paying their bills. To maintain tax-exempt status, a hospital must:

1. Have a written financial assistance (FA) policy

- State whether FA includes free or discounted care
- Explain eligibility criteria and how to apply
- Describe basis for determining charges
- Include debt collection policy
- *Alabama law:* Provide FA information on posters, bill inserts and hospital website



2. Limit what it charges FA patients

- For emergency and medically necessary services, charge qualifying patients only amounts generally billed to insured patients for the same care

3. Practice fair billing and collection

- Make an effort to determine eligibility for FA before pursuing debt collection through wage garnishments, high-interest plans, liens, etc.



4. Conduct community needs assessments

- Get input from the whole community
- Make results available to the public
- Develop and carry out strategies to meet the identified needs
- Repeat process every three years