

MINNESOTA VALLEY HEALTH CENTER, INC.

SUBJECT: FINANCIAL ASSISTANCE POLICY

ORIGINATING DEPT: Financial Services

Original Date: July 2015

Revision Dates:

Jan 2016, May 2018

PURPOSE/OBJECTIVE:

Consistent with its mission to provide the highest quality community-based health care in an environment that fosters dignity, respect and excellence, Minnesota Valley Health Center, Inc. is committed to providing financial assistance to eligible patients who are uninsured and underinsured, who are in need of emergency or medically necessary treatment and have a household income that meet the income-based criteria and for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for medically necessary services.

In accordance with the Affordable Care Act (ACA), any patient eligible for financial assistance under Minnesota Valley Medical Center's financial assistance policy will not be charged more for emergency or medically necessary care than the amount generally billed (AGB) to insured patients.

This policy will NOT apply the Minnesota Valley Health Center's skilled nursing facility and independent living apartments.

Additionally, *Attachment A: Financial Assistance Policy — Plain Language Summary* is included for a condensed version of the following policy and is located at the end of this document.

POLICY:

Financial assistance is provided only when care is deemed medically necessary and after patients have been found to meet all financial criteria. Minnesota Valley Health Center offers financial assistance depending on individuals' family size and income.

Patients seeking assistance may first be asked to apply for other external programs (such as Medicaid or insurance through the public marketplace) as appropriate before eligibility under this policy is determined. Additionally, any uninsured patients who are believed to have the financial ability to purchase health insurance may be encouraged to do so to help ensure healthcare accessibility and overall well-being.

Uninsured and underinsured patients who do not qualify for 100% discount will receive a discount off the gross charges for their medically necessary services based on their family income as a percent of the Federal Poverty Guidelines. These patients are expected to pay their remaining balance for care, and may work with a financial services representative to set up a payment plan based on their financial situation.

DEFINITIONS:

The following terms are meant to be interpreted as follows within this policy:

- **Charity Care** - Medically necessary services rendered without the expectation of full payment to patients meeting the criteria established by this policy.
- **Medically Necessary** - Hospital services or care rendered, both outpatient and inpatient, to a patient in order to diagnose, alleviate, correct, cure, or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity.
- **Emergency Care** - Immediate care that is necessary to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions, and/or serious dysfunction of any organs or body parts.

- **Urgent Care** - Medically necessary care to treat medical conditions that are not immediately life-threatening, but could result in the onset of illness or injury, disability, death, or serious impairment or dysfunction if not treated within 12-24 hours. Care typically treated in an Urgent Care Center.
- **Uninsured** - Patients with no insurance or third-party assistance to help resolve their financial liability to healthcare providers.
- **Underinsured** - Insured patients whose personal resources are inadequate to cover their out-of-pocket medical costs.
- **Amount Generally Billed (AGB)** - The amount generally billed to insured patients for emergent or medically necessary care.
- **Gross Charges** - The full amount charged by Minnesota Valley Health Center for items and services before any discounts, contractual allowances, or deductions are applied.
- **Presumptive Eligibility** - The process by which the hospital may use previous eligibility determinations and/or information from sources other than the individual to determine eligibility for financial assistance.

PROCEDURE:

1. Eligibility

Minnesota Valley Health Center will not charge patients who are eligible for financial assistance more for emergency or medically necessary care than the amounts generally billed to insured patients. Services eligible for financial assistance include: emergency or urgent care, services deemed medically necessary by Minnesota Valley Health Center, and in general, care that is non-elective and needed in order to prevent death or adverse effects to the patient's health.

Patients who are uninsured or underinsured and have submitted a complete financial assistance application may be eligible to have their bills reduced if their income falls between the guidelines listed below:

Household Size	100% Discount if Income is less than:	75% Discount if income is less than:	50% Discount if income is less than:
1	\$23,540	\$26,482	\$29,425
2	\$31,860	\$35,842	\$39,825
3	\$40,180	\$45,202	\$50,225
4	\$48,500	\$54,562	\$60,625
5	\$56,820	\$63,922	\$71,025
6	\$65,140	\$73,282	\$81,425
7	\$73,460	\$82,642	\$91,825
8*	\$81,780	\$92,002	\$102,225

*If you have additional household members, add \$8,320 for each additional member.

Note: all uninsured patients regardless of income will receive a discount of 3% off gross charges for medically necessary and emergency care that they receive in accordance with the Minnesota Attorney General Agreement with Minnesota Hospitals. This discount is based on the contract adjustment taken for the largest commercial insurance, based on their volume and is applied to the bill prior to it being mailed out.

Determinations for financial assistance eligibility will require patients to submit a completed financial assistance application (including all documentation required by the application) and may require appointments or discussion with a financial services representative.

When determining patients' eligibility for financial assistance, Minnesota Valley Health Center does not take into account race, gender, age, sexual orientation, religious affiliation, social or immigrant status.

The financial assistance application is mailed out to all uninsured patients with the initial billing for services. This form is also included in the discharge instructions packet for all patients.

2. Determining Discount Amount

Once eligibility for financial assistance has been established, Minnesota Valley Health Center will not charge patients who are eligible for financial assistance more than the amounts generally billed (AGB) to insured patients for emergency or medically necessary care.

Once eligibility has been met, the financial assistance discount will be applied to current unpaid accounts and the discount will remain in effect for 6 months going forward.

3. Applying for Financial Assistance

To apply for financial assistance, patients must submit a complete application (including supporting documents) to 621 South Fourth Street, Le Sueur, MN 56058 either in person or by mail.

Applications can be accessed:

- At the facility at 621 South Fourth Street, Le Sueur, MN 56058 at the Financial Services office by the Main Admitting Desk.
- By mail, if individuals make a request by phone call 507-665-8699 or by mail (send request Attn: Financial Services, 621 South Fourth Street, Le Sueur, MN 56058).
- Online at: <https://www.mvhc.org>

To be considered eligible for financial assistance, patients must cooperate with the hospital to explore alternative means of assistance if necessary, including SSI, Disability, Medicare and Medicaid. Patients will be required to provide necessary information and documentation when applying for hospital financial assistance or other private or public payment programs.

In addition to completing an application, individuals should be prepared to supply the following documentation:

- Bank statements
- Proof of income for applicant (and spouse if applicable), such as recent pay stubs, unemployment insurance payment stubs, or sufficient information on how patients are currently financially supporting themselves
- Copy of most recent federal tax return
- Payment history of any outstanding accounts for prior hospital services
- Documentation of qualification for other means tested programs
- In some cases, information on available assets or other financial resources

Individuals who do not have any of the documentation listed above; have questions about Minnesota Valley Health Center's financial assistance application; or would like assistance with completing the financial assistance application may contact our financial services department either in person at 621 South Fourth Street, Le Sueur, MN 56058 or over the phone at 507-665-8699.

Financial Services Department hours are Monday through Friday, 8:00am to 4:30pm.

Minnesota Valley Health Center's Financial Assistance Program (FAP) Policy is publicized on its website, statements, letters and community events.

4. Actions in the Event of Non-Payment

The collection actions Minnesota Valley Health Center may take if a financial assistance application and/or payment is not received are described below.

In brief, Minnesota Valley Health Center will make efforts to provide patients with information about our financial assistance policy before we or our agency representatives take certain actions to collect your bill (these actions may include civil actions).

For more information on the steps Minnesota Valley Health Center will take to inform uninsured patients of our Financial Assistance Policy and the collection activities we may pursue, please see Minnesota Valley Health Center's Billing and Collections Policy.

You can request a free copy of this full policy in person at 621 South Fourth Street, Le Sueur, MN 56058, by calling us at 507-665-8699, or mailing a request to 621 South Fourth Street, Le Sueur, MN 56058.

5. Presumptive Eligibility

If patients fail to supply sufficient information to support financial assistance eligibility, Minnesota Valley Health Center may refer to or rely on external sources and/or other program enrollment resources to determine eligibility when:

- Patient is homeless
- Patient is eligible for other unfunded state or local assistance programs
- Patient is eligible for food stamps or subsidized school lunch program
- Patient is eligible for a state-funded prescription medication program
- Patient's valid address is considered low-income or subsidized housing
- Patient receives free care from a community clinic and is referred to hospital for further treatment

Minnesota Valley Health Center may also use previously approved financial assistance eligibility determinations as a basis for determining eligibility in the event that the patient does not provide sufficient documentation to support an eligibility determination. Approved financial assistance applications on file at Minnesota Valley Health Center will be used for 6 months going forward from when the application was approved. A new application will be needed at the end of 6 months if the patient has open accounts at that time.

All patients presumptively determined to be eligible for less than the most generous amount of assistance available under this policy (100% discount) will be informed about how the discount amount was calculated and given a reasonable amount of time to submit an application for further financial assistance.

6. Eligible Providers

Care delivered by Minnesota Valley Health Center staff and emergency room providers for services in the emergency room, urgent care services and other medically necessary care are covered under this financial assistance policy.

Care provided by any other provider listed below will NOT be covered under this policy since they are not employed by Minnesota Valley Health Center. Bills received by any provider other Minnesota Valley Health Center will NOT be eligible for the discounts described in this financial assistance policy:

- Minneapolis Heart Institute,
- Mankato Clinic,
- Mayo Clinic,
- Orthopedic and Fracture Clinic
- Any fees such pathology fees from an outside provider
- Any radiology fees from consulting radiologists
- Other non-Minnesota Valley Health Center providers.

Attachment A

Minnesota Valley Health Center

Financial Assistance Policy — Plain Language Summary

Minnesota Valley Health Center (MVHC) Financial Assistance Policy/Program (FAP) exists to provide eligible patients, partially or fully — discounted emergent or medically necessary care. Patients that will be seeking Financial Assistance must apply for the program, which is summarized below.

Eligible Services — Emergent and / or medically necessary healthcare services provided by MVHC, (this does NOT include the skilled nursing facility or the independent living apartments). The services only apply to services billed by MVHC. Other services such as Pathology and Radiology are examples of services that are not eligible under the FAP.

Eligible Patients — Patients receiving eligible services, who submit a complete FAP Application (including related documentation/information, and who are determined to be eligible for Financial Assistance by MVHC Financial Assistance Staff.

How to Apply — Financial Assistance Applications may be obtained/completed/submitted as follows:

- Obtain an application from any MVHC Financial Services Staff.
- Request an application be mailed to you, by calling MVHC Financial Services staff at 507-665-8699.
- Request an application by mail/or visiting in person: mail request to MVHC/Financial Services Department, 621 South Fourth Street, Le Sueur, MN 56058.
- Download an application from the MVHC website online at: <https://www.Mvhc.org>

Mail/or drop off completed applications (with all documentation/information specified in the application instructions) to MVHC Financial Services Department, 621 South Fourth Street, Le Sueur MN 56058.

Determination of Financial Assistance Eligibility

Generally, eligible persons are eligible for Financial Assistance, using a sliding scale, when their Family Income is at or below 250% of the Federal Government's Federal Poverty Guidelines(FPG); Eligibility for Financial Assistance, means that Eligible Persons will have their care fully or partially covered, and they will not be billed more than "Amounts Generally Billed"(AGB) to insured persons(AGB, as defined by IRS Section 501(r)). Financial Assistance levels based solely on Family income and FPG, are:

- Family Income at 0 to 200% of FPG - Eligible for 100% discount
- Family Income at 201 to 225% of FPG - - Eligible for 75% discount
- Family Income at 226 to 250% of FPG - - Eligible for AGB Discount — Presently this discount is 3%

IMPORTANT NOTE: Other criteria beyond FPG are also considered (i.e., availability of cash or other assets that may be converted to cash, and excess monthly income relative to monthly household expenses), which may result in exceptions to the preceding. If no Family income is reported, information will be required to show how daily expenses are covered. The MVHC Financial Services Staff reviews submitted applications which are complete, and then determines Financial Assistance Eligibility in accordance with the MVHC Financial Assistance Policy. Any applications that are incomplete will not be considered, but applicants will be notified and given an opportunity to submit the required documentation/information.

For help, or questions, please call: MVHC Financial Service Department at 507-665-8699, M-F — 8:00 AM to 4:30 PM