

**SUBJECT:** FINANCIAL ASSISTANCE POLICY**ORIGINATING DEPT:** Revenue Cycle Services**DISTRIBUTION DEPTS:** 7460, 7530**ACCREDITATION/REGULATORY STANDARDS:****Original Date:** 6/14 (PFS)**Revision Dates:** 3/16**Reviewed Dates:****APPROVAL:**

Administration: \_\_\_\_\_

Director: \_\_\_\_\_

**PURPOSE/OBJECTIVE:**

Consistent with its mission to provide high quality health and wellness services for the community, Ridgeview Medical Center is committed to providing financial assistance to uninsured and underinsured individuals who are in need of emergency or medically necessary treatment and have a household income below 250% of the Federal Poverty Guidelines (FPG).

In accordance with the Affordable Care Act (ACA), any patient eligible for financial assistance under Ridgeview 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.

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. Ridgeview Medical 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 financial counselors 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 (determined as described in section (2) of this policy below).
- **Gross Charges** - The full amount charged by Ridgeview Medical 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**

Ridgeview Medical 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 Ridgeview Medical 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 a household income at or below 200% of the Federal Poverty Guidelines (FPG) (shown in the table below) may receive a 100% discount. Individuals with annual household incomes between 200% and 250% FPG will be eligible for 56% to 75% discount off of gross charges, as illustrated by the table below.

**Financial Assistance Available at Ridgeview Medical Center**

Household income as % of FPG	Discount
Between 225% – 250%	56%
Between 200% – 225%	75%
Less than 200%	100%

Household Size	200% FPG	225% FPG	250% FPG
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 there are more than eight individuals in the family, \$8,320 should be added per each additional

individual.

**Note:** all uninsured patients regardless of income will receive a discount of 44% off gross charges for medically necessary and emergency care that they receive in accordance with the Minnesota Attorney General Agreement with Minnesota Hospitals.

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 hospital financial counselors.

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

## 2. Determining Discount Amount

Once eligibility for financial assistance has been established, Ridgeview Medical 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.

To calculate the AGB, Ridgeview Medical Center uses the "look-back" method described in section 4(b)(2) of the IRS and Treasury's 501(r) final rule.

In this method, Ridgeview Medical Center uses data based on claims sent to Medicare fee-for-service and all private commercial insurers for all care provided over the past year to determine the percentage of gross charges that is typically allowed by these insurers.

The AGB percentage is then multiplied by gross charges for emergency and medically necessary care to determine the AGB. Ridgeview Medical Center re-calculates the percentage each year. In 2016, the AGB percentage for inpatient and outpatient services is a 56% discount.

### Example:

If the gross charge for an outpatient colonoscopy procedure is \$1,000, and the AGB percentage discount is 56%, any patient eligible for financial assistance under this policy will not be personally responsible for paying more than \$440 for an outpatient colonoscopy procedure.

Because the AGB percentages for outpatient and inpatient services is 56%, and because the minimum amount of assistance available under this policy is a 56% discount off gross charges, no patient eligible for financial assistance will be required to pay an amount in excess of AGB.

## 3. Applying for Financial Assistance

To apply for financial assistance, patients must submit a complete application (including supporting documents) to 500 South Maple Street, Waconia, MN 55387 either in person or by mail.

### Applications can be accessed:

- At the facility at 500 South Maple Street, Waconia, MN 55387 at the Main Admitting Desk.
- By mail, if individuals make a request by phone call 952-442-8054 or by mail (send request Attn: PFS Financial Assistance at 500 South Maple Street, Waconia, MN 55387).
- Online at: <https://www.ridgeviewmedical.org/patients-visitors/patient-financial-services/>

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

External, public sources like credit scores may also be used to verify eligibility.

Individuals who do not have any of the documentation listed above; have questions about Ridgeview Medical Center's financial assistance application; or would like assistance with completing the financial assistance application may contact our financial counselors either in person at 500 South Maple Street, Waconia, MN 55387 or over the phone at 952-442-8054.

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

Ridgeview Medical Center's Financial Assistance Program (FAP) Policy is widely publicized on its website, social media channels, statement, letters and community events.

#### **4. Actions in the Event of Non-Payment**

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

In brief, Ridgeview Medical 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 Ridgeview Medical Center will take to inform uninsured patients of our Financial Assistance Policy and the collection activities we may pursue, please see Ridgeview Medical Center's Billing and Collections Policy.

You can request a free copy of this full policy in person at 500 South Maple Street, Waconia, MN 55387, by calling us at 952-442-8054, or mailing a request to 500 South Maple Street, Waconia, MN 55387.

#### **5. Presumptive Eligibility**

If patients fail to supply sufficient information to support financial assistance eligibility, Ridgeview Medical 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

Ridgeview Medical Center also uses RelayHealth Clearance, an eligibility vendor, to help identify patients who may be eligible for financial assistance under this policy or through other public and private programs.

Ridgeview Medical Center may also use previous 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. Financial assistance applications on file at Ridgeview Medical Center will be used during the calendar year (Jan – Dec) the application was submitted. A new application will be needed for each calendar year (Jan – Dec).

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

In addition to care delivered by Ridgeview Medical Center, emergency and medically necessary care delivered by the providers listed below is also covered under this financial assistance policy.

- Ridgeview Medical Center
- Ridgeview Rehab Services
- Ridgeview Clinics
- Ridgeview Specialty Clinics
- Ridgeview Sibley Medical Center
- Ridgeview Homecare and Hospice
- Ridgeview Home Medical Equipment
- Ridgeview CRNA

***Care provided by any of the providers listed below at a Ridgeview Medical Center facility will NOT be covered under this policy since they are not employed by Ridgeview Medical Center.*** As such, the bills received by Ridgeview Medical Center patients for care provided by any of the following providers will NOT be eligible for the discounts described in this financial assistance policy.

- Lakeview Clinic
- Twin Cities Orthopedics
- Allina Health
- Edina Eye Physicians & Surgeons
- Interventional Spine and Pain Physicians
- Kottemann Orthodontics
- Minneapolis Heart Institute® at Ridgeview Heart Center
- Northland Counseling Services
- OBGYN West
- PrairieCare
- South Lake Pediatrics
- St. Francis Health Services – Specialty Clinic
- Tailwind Pediatric Dentistry
- Wayzata Children's Clinic
- Two Twelve Surgery Center
- Anesthesiology Providers
- Consulting Radiologists
- Children's Hospitals and Clinics of Minnesota
- Other non-Ridgeview Providers

Patients concerned about their ability to pay for services or who would like to learn more about financial assistance should contact the Patient Financial Services Department at 952-442-8054.

## **Ridgeview Medical Center**

### **Financial Assistance Policy – Plain Language Summary**

Ridgeview Medical Center (RMC) 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 RMCHospital, and all owned clinics of RMC. The services only apply to services billed by RMC. 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 RMC Financial Assistance Staff.

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

- Obtain an application at any RMC registration desk.
- Request an application be mailed to you, by calling RMC Patient Assistance Staff at 952-442-8054.
- Request an application by mail/or visiting in person: mail request to RMC PFS/Financial Assistance Staff, 500 S Maple St, Waconia, MN 55387. Visiting in person, go to any RMC registration desk.
- Download an application from the RMC website online at: <https://www.ridgeviewmedical.org/patients-visitors/patient-financial-services/>

Mail completed applications (with all documentation/information specified in the application instructions) to RMC PFS/Financial Assistance Staff, 500 S Maple St, Waconia, MN 55387.

#### **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 56%.

**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 RMC Financial Assistance Staff reviews submitted applications which are complete, and then determines Financial Assistance Eligibility in accordance with the RMC 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: **RMC Patient Assistance Staff at 952-442-8054, M-F – 8:00 AM to 4:30 PM**