

SUBJECT: FINANCIAL ASSISTANCE POLICY

ORIGINATING DEPT: Patient Financial Services

DISTRIBUTION DEPTS: 7530, 8805 8991, 9027,
7535

ACCREDITATION/REGULATORY STANDARDS:

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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 need emergency or medically necessary treatment and have a household income that meet the income-based criteria.

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, taking into consideration an individuals’ family size, income, expenses, and extenuating circumstances.

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 patient responsibility for their medically necessary services based on information included on the completed community care application. These patients are expected to pay their remaining balance for care and may work with our Patient Account Representatives 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:

- **Community 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. Refer to section 2 of this Financial Assistance Policy (FAP) for the method of AGB calculation.
- **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.
- **Federal Poverty Guidelines (FPG)** – The FPG establishes the levels of annual income for poverty as determined by the United States Department of Health and Human Services and are updated annually in the Federal Register.
- **Family** – Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, adoption, or considered a dependent on an income tax return.
- **Family Income** – Family income is determined starting with the Census Bureau definition, which uses the following income when computing federal poverty guidelines: Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, disability benefits, pension or retirement income, interest, dividends, rents, royalties, and estates and trusts, educational assistance, alimony, child support, financial assistance from outside the household, and other miscellaneous sources;
 - Noncash benefits (such as food stamps and housing subsidies) will not be used to determine eligibility.
 - Determined on a before-tax basis.
 - Excludes capital gains or losses; and
 - If a person lives with a family, includes the income of all family members. Children of non-married couples who live together, income and tax returns will be required from both parents. Non-relatives, such as housemates, will not be used to determine eligibility.

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 FPG may receive a 100% discount. Individuals with annual household incomes between 200% and 225% FPG will be eligible for 75% discount.

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 will be required to provide 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
- Proof of liquid assets (and spouse if applicable), such as checking and savings accounts, stocks, bonds, certificate of deposit, annuities, and money market accounts
- Copy of most recent federal tax return

Ridgeview Medical Center will take medical bills with current patient responsibility into consideration when determining eligibility for Community Care.

Ridgeview Medical Center considers liquid assets. Any liquid assets in excess of \$20,000 will be considered the same as family income for this calculation.

The Financial Assistance staff reviews submitted applications which are complete, and then determines financial assistance eligibility in accordance with the 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.

Community Care 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). In some circumstances, you may be asked to reapply in a calendar year.

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

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

Refer to Attachment B: *Ridgeview Medical Center Community Care Guidelines* for the current Community Care guidelines based on income and household size.

2. Determining Discount for Amounts Generally Billed

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. The 501(r) regulations require Ridgeview Medical Center to calculate the AGB percentage separately for each hospital it operates.

Refer to Attachment C: *Ridgeview Medical Center AGB per Facility/Entity* for the AGB discount per facility/entity.

Example:

If the gross charge for an outpatient colonoscopy procedure is \$1,000, and the AGB percentage discount is 57%, any patient eligible for financial assistance under this policy will not be personally responsible for paying more than \$430 for an outpatient colonoscopy procedure.

For uninsured/insured patients that qualify for financial assistance under the AGB guidelines, the insurance/uninsured discount applied counts towards to the AGB discount. For example, the insurer provided a discount of 50% on the patients visit. The patient was approved for financial assistance with the AGB discount of 57%. The Community Care Coordinator will add an additional discount of 7% to the account.

3. Applying for Financial Assistance

Copies of the Community Care applications are available to the general public without charge. The information is available in the following ways:

- Electronic copies can be accessed on Ridgeview Medical Center's website at <https://www.ridgeviewmedical.org/patients-visitors/patient-financial-services/>
- Paper copies can be obtained by mail or in person at any Ridgeview entity, including the following locations:
 - Ridgeview Le Sueur Medical Center, 621 South Fourth Street, Le Sueur, MN 56058
 - Ridgeview Medical Center, 500 South Maple Street, Waconia, MN 55387
 - Ridgeview Sibley Medical Center, 601 West Chandler Street, Arlington, MN 55307
 - Western OB/GYN, A Division of Ridgeview Clinics, 560 South Maple Street, Suite 130, Waconia, MN 55387
- By phone:
 - Ridgeview Le Sueur Medical Center by calling 507-665-3375 option 5
 - Ridgeview Medical Center and Clinics by calling 952-442-8054
 - Ridgeview Sibley Medical Center by calling 507-964-2271 option 3
 - Western OB/GYN, A Division of Ridgeview Clinics by calling 952-442-2137
- Completed applications including all required information and documentation should be submitted to Ridgeview Medical Center for eligibility determination:
 - Ridgeview Le Sueur Medical Center, 621 South Fourth Street, Le Sueur, MN 56058
 - Ridgeview Medical Center, 500 South Maple Street, Waconia, MN 55387
 - Ridgeview Sibley Medical Center, 601 West Chandler Street, Arlington, MN 55307
 - Western OB/GYN, A Division of Ridgeview Clinics, 560 South Maple Street, Suite 130, Waconia, MN 55387

Individuals who 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

There are instances when a patient may appear eligible for Community Care, but there is no Community Care application available to make a financial assistance determination. In the event that there is no evidence to support a patient's financial assistance eligibility, Ridgeview Medical Center may make a presumptive eligibility determination. Factors that may support a presumptive eligibility determination for Community Care include but not limited to patient is homeless or patient's valid address is considered low-income or subsidized housing.

Ridgeview Medical Center uses Change Healthcare 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's early-out and bad debt vendor, MARS & PSB, uses a proprietary presumptive eligibility tool to help determine eligibility for financial assistance. Ridgeview Sibley Medical Center's bad debt vendor, Colltech, uses a proprietary presumptive eligibility tool to help determine eligibility for financial assistance.

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 apply for further financial assistance.

6. Uninsured Discount

Patients receiving uninsured treatments as defined by the Ridgeview Le Sueur Medical Center, Ridgeview Medical Center, and Ridgeview Sibley Medical Center agreements with the Attorney General's Office will be eligible for a discount.

- **Eligibility for Discount:**
Uninsured patients will be identified during the pre-registration, registration, or admission process, or at other points in the billing and collections process. Uninsured patients, including, but not limited to, all uninsured patients with a household income equal to or below \$125,000, who receive medically necessary treatment will be eligible for an uninsured discount equivalent to Ridgeview Medical Center's highest revenue private payer contracted rate.
- **Discount Exclusions:**
 - Patients who are not residents of Minnesota at the time of service are not eligible for the uninsured discount
 - Patients who receive cosmetic, elective, experimental, or other non-medically necessary services are not eligible for the uninsured discount.
- **Discount to Billed Charges:**
Discount levels will be established at the beginning of each year. The discount will be based on the average reimbursement rate provided to each Ridgeview Medical Center's highest revenue private payer for hospital-based services.

Ridgeview Medical Center will calculate the Uninsured Discount separately for the following facilities:

- Ridgeview Le Sueur Medical Center
- Ridgeview Medical Center and Clinics
- Ridgeview Sibley Medical Center

Refer to Attachment D: *Ridgeview Medical Center Uninsured Discount per Facility/Entity* for the current Uninsured Discount rates per facility/entity.

7. 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 and Clinics
- Ridgeview Rehab Services

- Ridgeview Clinics
- Ridgeview Specialty Clinics
- Ridgeview Sibley Medical Center
- Ridgeview Homecare and Hospice
- Ridgeview Home Medical Equipment
- Ridgeview CRNA
- Western OB/GYN, A Division of Ridgeview Clinics
- Ridgeview Le Sueur Medical Center
- Ridgeview Arlington Clinics
- Ridgeview Henderson Clinic
- Ridgeview Gaylord Clinic
- Ridgeview Winthrop Clinic

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. Billed received by any provider other than the organizations listed above will NOT be eligible for the discounts described in this financial assistance policy.

- Ridgeview Le Sueur Nursing Home and Rehab Center
- Sunrise Plaza
- 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, LTD
- Children's Hospitals and Clinics of Minnesota
- Mankato Clinic
- Mayo Health Systems and Clinics
- Orthopedic and Fracture Clinic
- Park Nicollet Clinic – Pathology
- Xygent, Inc
- Quest Labs
- MN Oncology
- Chu Vision
- Southwest Eye Care
- 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 RMC, 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 completed FAP application (including related documentation/information), and who are determined to be eligible for financial assistance based on income guidelines based on household size.

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 Patient Financial Services at 952-442-8054.
- Request an application by mail to Ridgeview Medical Center, Patient Financial Services, 500 S Maple St, Waconia, MN 55387.
- Download an application online at: <https://www.ridgeviewmedical.org/patients-visitors/patient-financial-services/>

Mail completed applications (with all documentation/information specified in the application instructions) to Ridgeview Medical Center, Attn: Patient Financial Services, 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

NOTE: If no Family income is reported, information will be required to show how daily expenses are covered. The Financial Assistance staff reviews submitted applications which are complete, and then determines financial assistance eligibility in accordance with the 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: **Patient Financial Services at 952-442-8054, M-F – 8:00 AM to 4:30 PM**

Ridgeview Medical Center Community Care Guidelines

Household Size	200% FPG 100% Discount	225% FPG 75% Discount	250% FPG AGB Discount Per Site
1	\$25,760	\$28,980	\$32,200
2	\$34,840	\$39,195	\$43,550
3	\$43,920	\$49,410	\$54,900
4	\$53,000	\$59,625	\$66,250
5	\$62,080	\$69,840	\$77,600
6	\$71,160	\$80,055	\$88,950
7	\$80,240	\$90,270	\$100,300
8*	\$89,320	\$100,485	\$111,650

*For family units with more than 8 members, add \$9,080 for each additional person at 200% FPG

Ridgeview Medical Center AGB per Facility/Entity

Facility/Entity	AGB for 2021	AGB Discount for 2021
Ridgeview Le Sueur Medical Center	50%	50%
Ridgeview Medical Center and Clinics including Western OB/GYN A Division of Ridgeview Clinics	40%	60%
Ridgeview Sibley Medical Center	68%	32%

Ridgeview Medical Center Uninsured Discount per Facility/Entity

Facility/Entity	Uninsured Discount for 2021
Ridgeview Le Sueur Medical Center	11%
Ridgeview Medical Center and Clinics	46%
Ridgeview Sibley Medical Center	34%