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## FINANCIAL ASSISTANCE POLICY (FAP)

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### Hutchinson HEALTH

Date Reviewed/Revised:	10/10/2017	by:	Patient Financial Services Manager (LW)
Date Approved:		by:	Patient Financial Services Manager (LW)
Origination Date:	12/30/2015	by:	Audit/Compliance Committee of the Board

#### OBJECTIVE:

Consistent with its mission to advance health with our community, Hutchinson Health is committed to providing free or discounted care to uninsured and underinsured individuals who are in need of medically necessary treatment.

#### POLICY:

Financial assistance is provided only when care is deemed medically necessary and after patients have been found to meet all financial criteria. Hutchinson Health offers both free care and discounted care, depending on individuals' family size, income and assets.

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 free care are expected to pay their remaining balance for care, and may work with a Patient Financial Advocate 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:** Inpatient and outpatient hospital and clinic services rendered 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 and that meet accepted standards of medicine. Medically Necessary care includes emergency 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.
- Uninsured:** Patients with no insurance or third-party assistance to help resolve their financial liability to Hutchinson Health.
- Underinsured:** An individual with private or other insurance coverage who receives services that are not covered by a plan, contract, or policy which provides coverage through or is issued to the patient by : (1) a health plan company; (2) a self-funded employee benefit plan; (3) any government program; (4) any other type of health insurance, health maintenance, or health plan coverage; (5) any other type of insurance coverage including but not limited to no-fault automobile coverage, workers' compensation coverage, or liability coverage.

5. **Amount Generally Billed (AGB):** The amount generally billed to insured patients for emergent or medically necessary care (determined as described in Procedures section C) of the policy below.
6. **Gross Charges:** The full amount charged by Hutchinson Health for items and services before any discounts, contractual allowances, or deductions are applied.

## **PROCEDURES:**

Services eligible for financial assistance include all services deemed Medically Necessary by Hutchinson Health, and in general, care that is non-elective and needed in order to prevent death or adverse effects to the patient's health. A list of services that are not considered Medically Necessary is included in Appendix A.

When determining patients' eligibility, Hutchinson Health does not take into account race, gender, age, sexual orientation, religious affiliation, and social or immigrant status.

All completed applications will be reviewed and final determination made within 30 days of receipt. Determination will be communicated to applicant within 5 days of the final determination.

### **A. Eligibility for Charity Care**

Patients who are uninsured or underinsured must meet the following criteria to qualify for Charity Care:

- Have received Medically Necessary services delivered through Hutchinson Health that are covered under this program.
- Cooperate with the rules of their insurance policy (if any) which includes responding to all insurance inquiries within time frames allowed by their insurance carrier(s).
- If uninsured, have applied for Medical Assistance and provided proof of eligibility or denial
- Have an annual household income at or below 400% of the Federal Poverty Level (FPL)
- Have assets under \$20,000
- Have completed the financial assistance application (including all documentation required by the application) and have met or had discussion with a Hutchinson Health Patient Financial Advocate as requested
- The accounts of deceased patients who have no known estate and no surviving spouse will be determined uncollectible and eligible for the Charity Care without the completion of an application
- Free care will be provided to individuals qualifying for Charity Care whose family has an annual gross income at or below 200% of the FPL
- A 50% discount from Gross Charges will be provided to individuals qualifying for Charity Care whose family has an adjusted gross income at or below 400% of the FPL

**Financial Assistance Available at Hutchinson Health**

<b>2018 Income Level Eligibility Guidelines for the Charity Care Program</b>			
		<b>Free Care if income is not more than</b>	<b>50% discount if income is not more than</b>
<b>Family Size</b>	<b>Annual Gross Income at 100% of FPL</b>	<b>Annual Gross Income at 200% of FPL</b>	<b>Annual Gross Income at 400% of FPL</b>
1	\$12,140	\$24,280	\$48,560
2	\$16,460	\$32,920	\$65,840
3	\$20,780	\$41,560	\$83,120
4	\$25,100	\$50,200	\$100,400
5	\$29,420	\$58,840	\$117,680
6	\$33,740	\$67,480	\$134,960
7	\$38,060	\$76,120	\$152,240
8	\$42,380	\$84,760	\$169,520
*	\$4,320	\$8,640	\$17,280
*For families/households with more than 8 persons, add \$4,320.00 and \$8,640.00 and \$17,280.00 respectively to the annual incomes listed above for each additional member.			

**B. Eligibility for Uninsured/Underinsured Discount**

Uninsured and Underinsured patients with an annual gross income in excess of 400% of the federal poverty level will receive a discount of 42% on Gross Charges for Medically Necessary care. For Uninsured patients, the discount will be automatically applied as an adjustment against medically necessary services on the patient’s billing statement. Underinsured patients may receive a bill for the Gross Charges, but the discount will be applied once the patient establishes that they qualify for the Underinsured discount with respect to the treatment or services billed.

**C. Determining Discount Amount**

Once eligibility for financial assistance has been established, Hutchinson Health will not charge patients who are eligible for financial assistance more than the amount generally billed to insured patients for Medically Necessary care.

To calculate the AGB, Hutchinson Health uses the “look-back” method described in Treasury Regulation section 1.501(r)-5(b)(3).

In this method, Hutchinson Health uses data based on claims sent to Medicare fee-for-service and all private commercial insurers for all medical care provided during the prior 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. Hutchinson Health re-calculates the percentage each year. In 2016 the AGB percentage is 58%.

**Example**

If the gross charge for an outpatient colonoscopy procedure is \$1,000, and the AGB percentage is 58%, any patient eligible for financial assistance under this policy will not be personally responsible for paying more than \$580 for an outpatient colonoscopy procedure.

**D. Applying for Financial Assistance**

To apply for financial assistance, patients must submit a completed application (including supporting documents) by one of the following methods:

In Person	Present application to a Patient Financial Advocate located at Hutchinson Health - 1095 Hwy 15 S - Hutchinson MN 55350 (directions can be obtained at the main entrance desk or any registration desk)
By Mail	Send to: Hutchinson Health - Attn: Patient Financial Advocate - 1095 Hwy 15 S - Hutchinson MN 55350
By Telephone	Call 320-484-4493 or 800-454-3903 to reach a Patient Financial Advocate

The financial assistance application and instructions can be accessed using any of the following methods:

In Person	Present application to a Patient Financial Advocate located at Hutchinson Health - 1095 Hwy 15 S - Hutchinson MN 55350 (directions can be obtained at the main entrance desk or any registration desk)
By Telephone	Call 320-484-4493 or 800-454-3903 to reach a Patient Financial Advocate
Internet	<a href="https://hutchhealth.com/patients-visitors/billing-and-insurance/">https://hutchhealth.com/patients-visitors/billing-and-insurance/</a>

To be considered eligible for financial assistance, patients must cooperate with Hutchinson Health to explore alternative means of assistance if necessary, including Medicare, Medicaid, and other third-party coverages. Patients will be required to provide necessary information and documentation when applying for financial assistance or other private or public payment programs.

Individuals, who have questions about Hutchinson Health’s financial assistance application or would like assistance with completing the financial assistance application, may get assistance in one of the following ways:

In Person	Present application to a Patient Financial Advocate located at Hutchinson Health - 1095 Hwy 15 S - Hutchinson MN 55350 (directions can be obtained at the main entrance desk or any registration desk)
By Telephone	Call 320-484-4493 or 800-454-3903 to reach a Patient Financial Advocate

Patient Financial Advocates are available M-F 8-4:30 or by appointment.

## E. Actions in the Event of Non-Payment

The collection actions Hutchinson Health may take if a financial assistance application and/or payment are not received are described in the Hutchinson Health Billing & Collection policy.

In brief, Hutchinson Health will make certain efforts to provide patients with information about our financial assistance policy before we or our agency representatives take certain actions to collect your bill as described in our separate policy.

For more information on the steps Hutchinson Health will take to inform uninsured and underinsured patients of our financial assistance policy and the collection activities we may pursue, please see Hutchinson Health's Billing and Collections Policy.

You can request a free copy of this full policy in using any of the following methods:

In Person	Present application to a Patient Financial Advocate located at Hutchinson Health - 1095 Hwy 15 S - Hutchinson MN 55350 (directions can be obtained at the main entrance desk or any registration desk)
By Mail	Send to: Hutchinson Health - Attn: Patient Financial Advocate - 1095 Hwy 15 S - Hutchinson MN 55350
By Telephone	Call 320-484-4493 or 800-454-3903 to reach a Patient Financial Advocate
Internet	<a href="https://hutchhealth.com/patients-visitors/billing-and-insurance/">https://hutchhealth.com/patients-visitors/billing-and-insurance/</a>

## F. Eligible Providers

In addition to medically necessary care delivered by Hutchinson Health hospital and clinics, medically necessary care delivered by the provider specialties listed below is also covered under this financial assistance policy.

- Audiology
- Certified Nurse Anesthetists (CRNA)
- Ear/Nose/Throat (ENT)
- Emergency Department Providers
- Family Medicine
- General Surgery provided by Dr. Joshua Knudtson and Dr. Christina Moses
- Hospitalists
- Mental Health (including chemical dependency services)
- Obstetrics/Gynecology
- Oncology
- Orthopedics
- Pediatrics
- Podiatry
- Sleep
- Urology

Care provided by any of the provider specialties listed below at a Hutchinson Health facility will **NOT** be covered under this policy since these providers are not employed or billed for by Hutchinson Health. As such, the bills received by Hutchinson Health patients for care provided by any of the following providers will **NOT** be eligible for the discounts described in this financial assistance policy.

- Allergist
- Ambulance
- Cardiologist
- Radiologist
- Dentist
- General Surgery provided by Dr. Chad Robbins, Dr. Nora Burkart, Dr. Kellie Newman, and Dr. Karl Papierniak
- Nephrologist
- Neurologist
- Ophthalmologist
- Pathologist
- Physical Medicine and Rehabilitation Providers
- Spine Surgeons

**Patients concerned about their ability to pay for services or who would like to learn more about financial assistance should contact a Patient Financial Advocate at 320-484-4493.**

**REFERENCES:**

None.

**ATTACHMENTS:**

[PFS Charity Care Application and Instructions Form 4246](#)

[PFS Charity Care Application and Instructions - Spanish Form 4247](#)

[PFS Billing and Collection Policy](#)

[PFS Billing and Collection Policy \(Spanish\)](#)

[PFS Financial Assistance Policy \(FAP\) \(Spanish\)](#)

[PFS Financial Assistance Policy \(FAP\) - Plain Language Summary](#)

[PFS Financial Assistance Policy \(FAP\) - Plain Language Summary \(Spanish\)](#)

## APPENDIX A

Services **EXCLUDED** From Hutchinson Health's Financial Assistance Program include, but are not limited to, the following:

- Cosmetic Procedures
  - Face Lift
  - Liposuction
  - Rhinoplasty
  - Botox for aging/elective
  - Facial Implants
  - Buttock Lift
  - Tattoo Removal
  - Eye Lift
- Reproductive Management Services
  - Services to achieve pregnancy and/or surrogate motherhood
  - Voluntary sterilization procedures such as Vasectomy and Tubal Ligation
  - Reversal of voluntary sterilization procedures
  - Voluntary Circumcisions
  - Contraceptive management services
  - IUD Maintenance
  - Birth Control
- Other
  - Durable Medical Equipment and supplies not covered in the hospital or clinic setting
  - Take Home medications
  - Travel vaccines
  - Cardiac Rehab III services
  - Out of network insurance denials
  - DOT/Flight Physicals
  - Sports (school) physicals
  - Adoption services
  - Baseline Concussion Testing
  - Post Injury Impact Testing
  - Hearing Aids