

Title: Financial Assistance Program

Policy #: EHADM7003

Approval Body: Essentia Health Board of Directors

Last Review Date: 7/18/2023

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Review Cycle: Every year

Scope: This policy applies to Essentia Health and its Affiliates.

Purpose:

- I. Consistent with our mission to deliver compassionate, high quality, and affordable health care services, Essentia Health is committed to providing financial assistance to eligible patients who are uninsured or underinsured, who meet the income-based and asset eligibility criteria and for whom it would be a financial hardship to pay the full out-of-pocket expenses for Medically Necessary Services.

Definitions:

- I. **Amounts Generally Billed (“AGB”):** the gross charges generally billed for emergency or other Medically Necessary Services to individuals who have insurance covering such care.
- II. **Application Period:** Application period means the period during which a hospital facility must accept and process an application for financial assistance.
- III. **Federal Poverty Guidelines (“FPG”):** Income guidelines published annually by the U.S. Department of Health and Human Services that are used for determining financial eligibility for certain programs. Guidelines vary by family size. Essentia Health FAP income guidelines will be updated at the beginning of each fiscal year (July) based upon the prevailing FPG.
- IV. **Financial Assistance Program (“FAP”):** A program for rendering free or discounted care to persons who would incur financial hardship in order to fully pay for their medical care. Patients will qualify by meeting income and asset guidelines.
- V. **Gross Charge:** The established price for medical care that is consistently and uniformly charged to all patients before applying any contractual allowances, discounts, or deductions.
- VI. **Guarantor:** An individual who is responsible for payment of the medical bill. The guarantor may or may not be the same as the patient.
- VII. **Liquid Assets:** an asset that can be converted into cash in a short time, with little or no loss in value.
- VIII. **Medically Necessary Services:** Services or supplies that are needed to diagnose or treat your medical condition and that meet accepted standards of medical practice. **Patient:** The individual who received medical services and who may be responsible for payment of the medical bill.
- IX. **Plain Language Summary:** “Helping You Pay Your Medical Bills” brochure summarizes the financial assistance policy, in an easy to read format, and provides information on how and when to apply for financial assistance.
- X. **Underinsured:** the state of an individual having some form of health insurance that does not offer complete financial protection. This results in the underinsured individual to therefore lack the ability to cover out of pocket healthcare expenses.
- XI. **Uninsured Discount:** A discount to an uninsured patient’s billed charges for medically necessary inpatient/outpatient’s hospital services and hospital-based clinic services.

Policy:

- I. Financial assistance will be considered for those Patients who are uninsured, Underinsured and/or unable to pay for their care based upon a determination of financial need in accordance with this FAP policy and consistent with the mission and values of Essentia Health, an applicable agreement between Essentia Health and the Minnesota Attorney General, and with applicable state, federal and local laws and regulations.
- II. Patients seeking emergent or medically necessary care at Essentia Health shall be treated without regard to their ability to pay for such care. Financial assistance will be based on financial need and shall not take into account

race, color, ethnicity, national origin, religion, creed, gender, age, social or immigration status, residency, disability, sexual orientation or insurance status.

- III. Guarantors are expected to cooperate with Essentia Health's procedures for obtaining charity or other forms of payment or financial assistance and to contribute to the cost of their care based on their individual ability to pay. Failure to cooperate and/or contribute may result in a patient being deemed ineligible for financial assistance or may delay a determination of such patient's eligibility.
- IV. Amounts **Generally Billed (AGB):**
- A. Calculation of AGB and uninsured discount:
1. Essentia Health will use a look-back method for calculating the AGB and the Uninsured Discount. Each facility's AGB and Uninsured Discount will be calculated separately by including a rolling twelve-(12) month period using a combination of expected reimbursement for Medicaid, Medicare fee-for-service, and all private health insurers based on contracted payers' allowed amount and actual payment, plus settlements, to determine the overall percentage. This analysis will be completed on an annual basis, by hospital site. The analysis will be available upon request to our Patient Financial Services office. The FAP will give 100% write off to patients that qualify for assistance through the FAP. Essentia Health will use the AGB calculations only in instances to determine if a refund needs to be sent to a patient that has paid a portion of his or her outstanding hospital balance within two hundred forty (240) days from the first post-discharge notification. If the patient has made an overpayment, the payment will be reviewed to determine if that payment exceeds the AGB. If the payment does exceed the AGB and is at least Five Dollars (\$5.00), a refund will be requested to be sent to the patient/guarantor. (As long as that refund is more than \$5.00.)
- B. Uninsured Discount:
1. Essentia Health offers discounts to patients who are uninsured and who require medically necessary services (see Attachment A for list of exclusions).
 2. Uninsured Discounts will be extended to all eligible patients regardless of their residency.
 3. The Uninsured Discount will be applied to the Gross Charges billed to the patient.
 4. In the event a facility inadvertently sends a bill to a patient in excess of that which is allowed under this FAP the facility will promptly adjust its charges so as not to exceed the amount allowable under FAP and the facility will promptly notify the patient of the new amount of the bill.
- V. **Patient Refunds due to FAP Approval:** If the patient submits a complete FAP application and they are determined to be FAP-eligible for the care, Essentia Health will refund any amount the patient has paid to Essentia Health after having received their application. This applies to Essentia Health, or any other Essentia Health contracted third party to whom Essentia Health has referred or sold the patient's debt to for their care that exceeds the amount for which the patient is determined to be personally responsible as a FAP-eligible patient, unless such excess amount is less than Five Dollars (\$5.00).
- VI. **Financial Assistance Programs:** Essentia Health offers the following types of financial assistance:
- A. Presumptive Charity Care (Uninsured Patients):
1. Presumptive Charity Care eligibility is the process of proactively classifying eligibility for financial assistance on the basis of limited financial information. A determination that a patient is presumed eligible for financial assistance when adequate information is provided by the patient or through other sources not provided directly by the patient, which allows Essentia Health to presume that the patient qualifies for financial assistance.
 2. Accounts may be reviewed for presumptive eligibility through a third-party data and analytics vendor. The scoring process considers public information and predicts the likelihood that the patient would have qualified for charity care for their self-pay balances.
 3. The patient may be eligible for presumptive charity care based on the determination of the presumptive score from Experian, if $\leq 160\%$

4. For those entities not using the Epic billing system, or otherwise deemed eligible, a patient may be presumed eligible for financial assistance when adequate information is provided by the patient or through other sources not provided directly by the patient (see Presumptive Eligibility Attestation form available on The Source).
5. Patient may follow the billing collection cycle and FAP process, before deemed eligible for presumptive charity care.

B. Traditional Charity Care (All Patients):

1. Charity care is a *complete* write-off of Essentia Health's gross hospital and clinic charges for eligible services. Fully discounted care is based on FPG for patients, or their Guarantors:
 - a. Whose gross income is at or below 200% of FPG.
 - b. Whose Liquid Assets do not exceed Seventy-Five Thousand Dollars (\$75,000) for household of one (1) or One Hundred Fifty Thousand Dollars (\$150,000) for a household of two (2) or more; and
 - c. Adjustments will be applied on all eligible charges for twelve (12) months from the application approval date; and
 - d. Patient, or their Guarantor, will have to meet all Eligibility Criteria described in Section VII (4) of this FAP.

C. Catastrophic Charity Care

1. Catastrophic Charity Care is financial assistance that provides a discount based on an application for traditional charity care and does not qualify but has a balance greater than Five Thousand Dollars (\$5000). Patient, or their Guarantor, may be granted catastrophic charity care assistance for eligible services, if they meet the following criteria:
 - a. Patient or their Guarantor will be required to complete the Financial Assistance Application in its entirety and provide all required documentation as noted on the application.
 - b. There will be no asset test required for catastrophic charity care.
 - c. Patient, or their Guarantor, has met all criteria listed under "Eligibility Criteria" with the exception of household income and asset limits.
 - d. Patient, or their Guarantor will pay no more than 20% of annual income on all eligible charges.
 - e. Patient, or their Guarantor, meeting eligibility criteria for catastrophic charity care, will be limited to once in a lifetime.

D. Eligibility Criteria:

1. Eligibility for charity care will generally be based on a combination of household size, household income, and Liquid Assets.
2. Applicant must cooperate in applying for public and private programs.
3. Applicant must complete the financial assistance application and provide documentation.
4. Patient, or their Guarantor, has exhausted all other payment options including third-party financial settlements, private coverage, federal, state, local medical assistance programs, and other forms of assistance provided by third parties.
5. Patient, or their Guarantor, must follow the rules of their insurance policy which includes responding to all insurance inquiries within time frames allowed by their insurance carrier.
6. Services provided by all facilities within the Essentia Health system, including both facility and professional services will be eligible.
7. If a patient or their Guarantor fails to meet each requirement, their application may be denied.

E. Special Circumstances:

1. Essentia Health recognizes that it is not feasible, or in some instances not necessary, for patients to complete the financial assistance application or provide all requested documentation.
 - a. Life Changes: Certain patients may be granted eligibility for assistance based on individual life circumstances. For example, deceased patients with no known estate, homeless patients with no insurance coverage and members of religious organizations who have taken a vow of poverty and have no resources individually or through the religious organization.

- b. Attestation Form: There are certain circumstances which, when known and formally documented by the designated Essentia Health employee, will permit the patient to be presumed to have qualified for financial assistance (see Presumptive Eligibility Attestation form available on The Source).
- c. Missing Financial Documentation: If patients do not have an income source, they should supply a letter of support stating their need for consideration based on their current financial situation. Letter should at a minimum, state that the patient has no supporting documentation to supply.
- d. Foreign National Patients: A patient who is (1) residing in the United States but is not a citizen (2) is sponsored by a provider's family, and/or (3) is receiving services at any Essentia Health facility may be granted eligibility for assistance based on market president approval.

VII. **Informing Patients about Financial Assistance:**

- A. Essentia Health will make this FAP Policy, application and Plain Language Summary available upon request by a patient and at no cost to the patient.
 - 1. Information about Essentia Health's FAP will be available on the Essentia Health website (www.essentiahealth.org, select Patients & Visitors, select Billing and Financial Assistance).
 - a. Notices on the availability of financial assistance will be conspicuously posted in emergency room departments and admission areas.
 - b. Paper copies of the FAP application, this Policy and the FAP Plain Language Summary will be available upon request at any EH facility.
 - 2. The patient will be notified of the FAP Plain Language Summary at the time of registration on site or prior to discharge.
 - a. At the time of registration and if the patient has not received the FAP Plain Language Summary within the last ninety (90) days, staff will provide the patient with a free paper copy of the FAP Plain Language Summary.
 - b. If the patient has not been provided the FAP Plain Language Summary at the time of registration and the patient has been discharged, staff will mail a paper copy of the FAP plain language summary to the patient.
 - 3. Financial Assistance Applications, FAP policy and FAP Plain Language Summary will be in English, and in any other language that is a prominent language of the communities in each hospital service area (lesser of 1,000 individuals or 5% limited English proficiency in the area). Interpreter services will be available upon request as needed to discuss the program further with patients or their Guarantors.
 - a. Essentia Health will annually review the patient demographics to determine if the Financial Assistance Application, this Policy and FAP Plain Language Summary needs to be provided in additional language formats.
 - 4. Information about the Essentia Health FAP will be included in all collection letters and patient statements.
- B. FAP information and/or applications will be made available to appropriate community health services agencies and other organizations that assist people in need.
 - 1. Insure Duluth
 - 2. MN Sure's Help Center on-line (Mn Residents)
 - 3. Lake Superior Community Health – Duluth
 - 4. Lake Superior Community Health – Superior
 - 5. Indian Health Services – Detroit Lakes
 - 6. Mahube Community Council – Detroit Lakes
 - 7. Lutheran Social Services – Brainerd
 - 8. The Village – Fargo

Essentia Health will provide a listing of all departments and types of services provided by all Essentia Health physicians, credentialed providers and locums that are employed by Essentia Health and not covered under the FAP. This list of providers can be found on the website under Financial Assistant Program, Services & Providers Not Covered. Free paper copies of the provider listing will be provided upon request.

- C. Essentia Health will provide yearly training to staff and associated vendors.

VIII. **Application Process:**

- A. All applicants must fill out then-applicable FAP application form available at www.essentiahealth.org Patient & Visitors\Billing and Financial Assistance and provide requested documents when applying for assistance.
- B. Financial assistance will be denied if the patient or Guarantor supplies false information regarding their income, household size, assets, or other resources available that might indicate a financial means to pay for care.
- C. Financial assistance applications are available at no cost in offices in Duluth, Brainerd, and Fargo. Completed FAP applications shall be submitted to Essentia Health for review. Completed applications should be mailed/emailed or emailed to the address listed on the application or given to a financial counselor.

IX. **Financial Assistance Determination and Notice:**

- A. Essentia Health staff will review the application and make a determination of financial assistance that may be offered. The application review process takes approximately forty-five (45) business days. Once a decision has been made for financial assistance, a letter will be sent to the applicant advising the decision.
- B. If denied financial assistance, the patient or patient's Guarantor, may re-apply at any time there has been a change of income, status or additional information is provided.

X. **Appeals and Dispute Resolution:**

- A. The dispute or appeal should be in writing and submitted within three (3) months of the patient's determination date of their financial assistance eligibility (see Attachment B).

Attachments:

To view additional attachments for this policy, visit [www.essentiahealth.org/patients-visitors/billing/financial assistance](http://www.essentiahealth.org/patients-visitors/billing/financial-assistance):

Attachment A: List of exclusions for Financial Assistance Program and Uninsured Discount

Attachment B: Contact Information for the Essentia Health Financial Assistance Program

Attachment C: Legal Entities Covered by FAP

Associated Form Numbers:

- I. N/A

Standard Work-Related Documents:

- I. For a complete listing of all Essentia/Market Affiliates, see SW-EH-16141

References:

- I. N/A

Retired Policy #: EHA0014;

This Section for Policy Administrators Only

Origination Date: 3/12/2014

Amendment Dates: 06/30/2016; 6/20/2017; 6/2/2020; 2/16/2021, minor revisions 7/18/2023

Approval Dates:

EH Board 2/16/2021

EHLT 2/9/21

APC 10/26/2020



List of Exclusions for the Essentia Health Financial Assistance Program and Uninsured Discounts

Services excluded from the **Essentia Health** Financial Assistance Program and Uninsured Discounts include, but are not limited to:

- Assisted Living Facilities
- Cardiac Rehab III
- Cosmetic Services
- E-Visits
- Home Health and Hospice care not performed by a skilled provider
- Prescription Medications/Retail Pharmacy
- Reproductive Management Services
- Skilled Nursing Facilities

Retail Services – such as:

- Durable Medical Equipment and Supplies that do not meet Medicare's medical necessity guidelines
- Eyeglasses / Contacts
- Hearing Aids/Batteries/Inserts/Repair

Services:

- DOT/Flight Physical
- Immigration exams
- Lasik Eye Surgery
- Massage Therapy Services
- Sports (School) Physical
- Travel Vaccines

Additional Exclusion under Financial Assistance:

- Master Level Providers for Behavioral Health Services

Additional Exclusion under Uninsured Discount:

- Convenience Care

* Services excluded from the Essentia Health Uninsured Discount are considered cosmetic, not medically necessary, or retail services exempt from the AG agreement



Contact Information for the Essentia Health Financial Assistance Program

For questions regarding our Financial Assistance Program or to speak with someone in person, refer to phone numbers listed below:

East Market	Phone: 218-786-3333 Toll-free: 800-985-4675 Website: www.essentiahealth.org
Central Market	Phone: 218-828-7589 Toll-free: 855-817-9702 Website: www.essentiahealth.org
West Market	Phone: 701-364-8608 Toll-free: 855-269-1326 Website: www.essentiahealth.org

**Mail applications for the East, Central and West Markets to
Essentia Health
Attn: BSC Financial Assistance
400 E Third Street, Duluth MN 55805**

For disputes and appeals regarding a determination of eligibility or denial, submit request to:

Essentia Health
 Patient Financial Services Manager; BSC
 400 East 3rd Street
 Duluth, Minnesota 55805



Legal Entity Names covered by the Essentia Health Financial Assistance Program

Legal Entity Name	DBA Name
Central Region	
Brainerd Lakes Integrated Health System	Essentia Health Central
Brainerd Medical Center, Inc.	Essentia Health Brainerd Specialty Clinic
St. Joseph's Medical Center	Essentia Health St. Joseph's Medical Center
East Region	
St. Mary's Duluth Clinic Health System	Essentia Health East
Deer River Healthcare Center, Inc.	Essentia Health Deer River
The Duluth Clinic, Ltd	
Essentia Health Moose Lake	
Essentia Health Virginia, LLC	Essentia Health Virginia
Polinsky Medical Rehabilitation Center	Essentia Health Polinsky Medical Rehabilitation Center
Northern Pines Medical Center	Essentia Health Northern Pines
Pine Medical Center	Essentia Health Sandstone
SMDC Medical Center	Essentia Health Duluth
St. Mary's Hospital of Superior	Essentia Health St. Mary's Hospital-Superior
St. Mary's Medical Center	Essentia Health St. Mary's Medical Center
West Region	
Bridges Medical Center	Essentia Health Ada
First Care Medical Services	Essentia Health Fosston
Graceville Health Center	Essentia Health Holy Trinity Hospital
Innovis Health, LLC	Essentia Health West
Essentia Health Med Dakota Clinic	
St. Mary's Innovis Health	
St. Mary's Regional Health Center	Essentia Health St. Mary's-Detroit Lakes