

Hennepin Healthcare System	
Title: Financial Assistance (Uncompensated Care)	Policy # 078815
Policy Sponsor: Chief Financial Officer	
Review Body(s): CFO Council, Compliance, Revenue Cycle, Finance Board Committee	
Approval Body: HHS Board of Directors	
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PURPOSE

Hennepin Healthcare System’s (HHS) mission includes providing the best possible care to every patient we serve, including those who are not able to pay for that care. HHS has developed this policy for the provision of free or discounted services consistent with that mission and its obligation of stewardship to Hennepin County.

POLICY

Financial Assistance shall be provided, without discrimination, to patients who meet the eligibility requirements as described herein. Eligibility for Financial Assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, or who are unable to pay for their care, based upon a determination of financial need in accordance with this policy and federal regulations for non-profit hospitals.

HHS is committed to providing medically necessary care to all persons including those who are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay. Patients are expected to contribute to the cost of their care based on their individual ability to pay and to cooperate with HHS’s procedures for obtaining all other forms of medical assistance (e.g., private health insurance, or any applicable federal, state, county, or HHS programs), which are prioritized when determining Financial Assistance.

DEFINITIONS

Amounts Generally Billed (AGB): The federally defined amount generally billed to insured patients. This amount is calculated as required by Internal Revenue Service (IRS) regulations.

Consolidated Omnibus Budget Reconciliation Act (COBRA): A federal law allowing for a time-limited extension of employee healthcare benefits.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family Income: 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, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources:

- A. After COBRA
- B. Determined on a before-tax basis
- C. Excludes capital gains or losses
- D. If a person lives with a family, includes the income of all family members (excludes non-relatives, such as housemates).

Federal Poverty Level (FPL): A measure of income issued every year by the Department of Health and Human Services. Federal poverty levels are used to determine eligibility for certain programs and benefits, including savings on Marketplace health insurance, and Medicaid and Children's Health Insurance Program (CHIP) coverage.

Financial Assistance (Uncompensated Care): Assistance provided to patients on an application basis that reduces or eliminates financial responsibility based on financial eligibility. This policy will refer to Financial Assistance and Uncompensated Care interchangeably.

Financial Need: For the purpose of this policy the determining factor is a FPL at or below 300% and does not take an applicant's expenses into consideration.

Guarantor: Individual who is legally responsible for payment of the patient's financial obligation.

Medically Necessary Care: Any procedure or service that has been determined to be medically necessary by a clinical care team, excluding cosmetic, durable medical equipment, retail, dentistry, and elective procedures. Services not provided by HHS will not be considered as part of this policy.

Presumptive Eligibility: The determination of eligibility for Financial Assistance that may rely on information provided by third-party vendors and other publicly available information.

Reasonable Effort: A diligent, reasonable, and good faith effort to ensure communication of Financial Assistance policies and completion of application processes. This includes notification by HHS of the Financial Assistance policy upon admission, and in written and oral communication with the patient/guarantor regarding the patient's bill, including statements and telephone calls, before collection action is initiated.

Underinsured: An individual who has an inadequate level of insurance or third-party assistance to assist with meeting his/her payment obligations.

Uninsured: The state of an individual having some form of health insurance that does not offer complete financial protection.

PROCEDURE

All Emergency and Medically Necessary Care provided by the hospital facility is covered under the Financial Assistance Policy. Services not provided by HHS providers will not be considered as part of this policy.

I. Financial Assistance Programs Available:

The following eligibility criteria must be met for a patient to qualify for Financial Assistance (Uncompensated Care):

- A. All HHS patients whose Family Income is at or below 300% of the Federal Poverty Level (FPL) will be provided access to Financial Assistance consistent with this policy through an application process or presumptive eligibility.
- B. Eligibility for financial assistance will be considered for those individuals, who are uninsured, underinsured, or ineligible for any government healthcare benefit program, or who are unable to pay for their care, based upon a determination of financial need in accordance with this policy.
- C. Patients whose Family Income is at or below 300% of the FPL, but who are eligible for State or Federal health care coverage, are eligible for Financial Assistance up to the date of eligibility for the healthcare coverage.
- D. Financial Assistance may be considered on a case-by-case basis under special circumstances for services provided by HHS not covered under this policy.

II. Patient Cooperation Standards

- A. A patient must exhaust all other payment options, including private coverage, federal, state, and local medical assistance programs, prior to being approved for Financial Assistance.
- B. An applicant for Financial Assistance must first make reasonable efforts to explore and enroll in appropriate alternative sources of payment and coverage from public and private payment programs, including COBRA coverage if applicable.

III. Application Process

- A. An application for Financial Assistance may be completed by:
 1. Working with a HHS Financial Counselor or business partner
 2. Applying online by visiting HHS website at hennepinhealthcare.org
 3. Applying via your HHS MyChart account.
- B. Application Period for Financial Assistance: A patient must apply for Financial Assistance within 240 days after the date of the first post-services billing statement.
- C. A request for Financial Assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.
- D. HHS requires a complete application including all required supporting documents to make an eligibility determination unless Presumptive Eligibility determination is made.
 1. Completed applications: HHS will notify applicant of eligibility determination in writing by mail within 30 days.
 2. Incomplete applications: If an application is incomplete upon review by HHS, the applicant will be notified by mail or by phone if additional information is needed to complete the application. The applicant will have 14 days to return the requested

information.

3. Denied Applications: Applicants will be notified by mail upon denial. Applicant will have 60 days from date of denial to provide additional documentation. After this time, a new application will be required.

IV. Determination of Eligibility

- A. Eligibility will be determined in accordance with procedures that involve an individual assessment and may include:
 1. A Financial Assistance application, in which the applicant is required to cooperate and supply family information and documentation relevant to deciding of financial need.
 2. The use of external data sources that provide information on a patient's or a patient's guarantor's FPL.
 3. Reasonable efforts by HHS, with patient or guarantor cooperation, to explore and enroll in appropriate alternative sources of payment and coverage from public and private payment programs.
 4. The need for Financial Assistance shall be re-evaluated at least annually.
- B. Approved Applications
 1. Approved applications are valid for 1 calendar year from the month of application.
 2. Financial Assistance may be approved for a shorter time span to cover gaps in coverage prior to active healthcare coverage.
- C. Revoking Application/Eligibility for Financial Assistance: HHS has the right to, and may revoke, rescind, or amend awards if any of the following are identified:
 1. Fraud, misrepresentation, or theft.
 2. Changes in an applicant's financial situation.
 3. Circumstances that undermine the integrity of the Financial Assistance Program (FAP).
 4. Applicant has been screened for a public or private health coverage program and is presumed eligible or is not cooperating with the process to apply for the public or private health coverage program.

V. Presumptive Eligibility

- A. HHS may grant Presumptive Financial Assistance based on information obtained from third party resources.
- B. Financial Assistance may be determined without an application under the following circumstances:
 1. Patient is a verified recipient of federal, state, or county funded assistance programs.
 2. Patient is deceased with no known estate.

VI. Financial Assistance Discount Rate

- A. Uninsured patients who are eligible for Financial Assistance under this policy will receive free care.
- B. Insured patients who are eligible for Financial Assistance under this policy will receive 100% discount of patient responsibility.
 1. The Financial Assistance discount rates stated in this policy will be consistent with HHS billing and collections practice.

VII. Public Notification about Financial Assistance

- A. Notification about HHS Financial Assistance programs shall include contact information and shall be disseminated by HHS by various means, which may include, but are not limited to:
 - 1. Patient billing statements.
 - 2. Posting notices in emergency rooms, admission areas, clinics, admitting and registration departments, hospital business offices, patient financial services offices as well as other locations as HHS may elect.
- B. Information about HHS Financial Assistance Programs including copies of the HHS Financial Assistance policy and application forms are available to the public without charge. This information is available in any of the following ways:
 - 1. Electronic copies can be accessed on the HHS website at www.hennepinhealthcare.org.
 - 2. Paper copies may be requested by email; financialcounseling@hcmcd.org
 - 3. Upon request at any HHS location.
 - 4. Such information shall be provided in the primary languages spoken by the populations serviced by HHS.

VIII. Self-pay Discount/Patient Procedures

- A. Self-pay Discount Program: In accordance with the Minnesota Attorney General Hospital Agreement, HHS offers a self-pay discount to uninsured patients for medically necessary services. This is not a Financial Assistance program and is available without application or financial eligibility.
 - 1. The discount rate is calculated annually as defined by HHS Hospital Agreement with the Office of the Attorney General.
 - 2. The discount is auto applied to self-pay accounts.
 - 3. The Self-pay Discount is not applicable when patients have insurance and will not be applied to patient balances after insurance payment including co-pays, deductibles, and co-insurance.
- B. Prescription discounts may be provided for prescriptions ordered from an HHS practitioner and filled at an HHS outpatient pharmacy. -

SUPPORTING DOCUMENTS

FAP HHS Plain Language Document (English)
FAP Plain Language (Hmong)
FAP Plain Language (Somali)
FAP Plain Language (Spanish)
HHS Physician Contract List

SUPPORTIVE INFORMATION

Regulatory Statute/Standard Reference: IRS Rule 501(r), The Joint Commission Standard LD.04.03.07
Related Policies: Admission and Treatment, Billing and Collections Policy

References: Federal Poverty Guidelines published by US Department of Health and Human Services

- HHS, Office of Inspector General, Guidance dated February 2, 2004, entitled “Hospital Discounts Offered to Patients Who Cannot Afford To Pay Their Hospital Bills” available at <https://www.hhs.gov/guidance/document/hospital-discounts-offered-patients-who-cannot-afford-pay-their-hospital-bills>
- Letter dated February 19, 2004, from Tommy G. Thompson, HHS Secretary, to Richard J. Davidson, President, American Hospital Association, including Questions and Answers attached thereto entitled “Questions On Charges For The Uninsured” available at https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/downloads/faq_uninsured.pdf

Communication/Employee Education:

Patient Education: