UNCOMPENSATED CARE/CHARITY

POLICY:

The Avera Heart Hospital of South Dakota and North Central Heart, a division of Avera Heart Hospital of South Dakota will provide for uncompensated care for patients/guarantors who may, due to their financial circumstances, be unable to pay for their services.

PROCEDURE:

Patients presenting for emergency or other necessary medical services may, due to their financial circumstances, be eligible for uncompensated care (charity write offs). The Avera Heart Hospital of South Dakota and North Central Heart Clinic will consider these charges as uncompensated and not hold the patient/guarantor responsible for payment as determined through the Financial Disclosure review process.

Avera Heart Hospital of South Dakota recognizes that Medicare regulations require uniform “charges” for cost reporting purposes; all patients must be “charged” the same amount for the same service.

Notice is available to all patients/guarantors through the Avera Heart Hospital web site under the Financial Assistance tab or at http://www.avera.org/heart-hospital/ under the Financial Assistance tab which provides direct access to the Avera Heart Hospital charity application paperwork. Additionally, patients/guarantors calling the Avera Heart Hospital Business Office with concerns about payment options for outstanding balances, are counseled by the Patient Account Specialist and offered a Financial Disclosure application (charity assistance) if the patient relates that they are unable to pay for services rendered. All patients requesting a Financial Disclosure will be sent one.

Whenever possible, application for uncompensated care assistance should be made prior to service. Pre-application provides the patient/guarantor with timely information in regard to eligibility for financial assistance or information in respect to estimated private pay liability.

Uncompensated care assistance is secondary to any and all medical insurance benefit which may include, but are not limited to:

Medicaid
County Indigent Programs
Public Health Service (PHS)/Indian Health Service (IHS)
Other State or State Funded Programs
In the event that eligibility for any of the above-noted financial assistance programs is identified, uncompensated care assistance is contingent on a written denial from the identified primary financial assistance resource or program. If payment is received from any of the above programs and a patient liability still exists, this balance will be considered for charity care assistance under the normal processes/procedures/policies of the hospital and clinic.

**UNCOMPENSATED CARE INCOME GUIDELINES**

In order to be considered for uncompensated/charity care/assistance, the patient and/or guarantor must complete a financial disclosure form providing substantiating, supporting documentation. Necessary documentation shall include the last three months of any and all bank statements including savings accounts (patient and spouse if applicable), W-2’s (patient and spouse if applicable), tax returns (patient and spouse if applicable), pay stubs (patient and spouse if applicable) and Social Security Determination letters if applicable. While the financial disclosure application is under review, normal collection efforts (i.e. phone calls to the guarantor and referral to an outside collection agency) will be suspended until a determination regarding the charity application is made. The organization will use the Federal Poverty Guidelines as a starting point to determine eligibility; however, any assistance granted will be based upon a complete review of the above-mentioned required documents. This organization does not use information obtained from sources other than the individual seeking assistance in determining eligibility for financial assistance.

Consideration for uncompensated care discounts (Financial Assistance Program-FAP) can be given to patients who do not qualify for 100% charity care write offs. Incomes less than 400% of poverty guidelines may be considered for assistance ranging from 21% up to the current Amount Generally Billed (AGB) rate. This discount rate will be applied to total billed charges. The FAP rate is calculated based upon the IP and OP combined Medicare & commercial payment rate calculated using the lookback method. Rates will be updated annually each October and therefore during the course of a calendar year, two different rates may apply. For information on the current rate, patients can contact the Business Office.

The Business Office Director or assigned staff will review the submitted documentation, work up a Financial Disclosure Worksheet and provide a recommendation for assistance or denial to the Chief Financial Officer. The patient will be notified of the final determination via a letter of charity approval or denial.

Uninsured patients refusing to complete financial disclosure paperwork will be offered a straight 20% discount on total billed charges.

All patients/guarantors of the Avera Heart Hospital are offered the option to set up the remaining balances on a payment plan under the Heart Hospital of SD’s current payment policy (i.e. balances of $500 or less—six months to pay balance, balances of $500 or more—one year to pay balance with no interest charged). Extended payment plans are also offered through Med Plan (an extended business office service) for longer periods of time. Self-pay/uninsured discounts
will be manually written up on the hospital’s adjustment form by the Patient Account Specialist and manually entered into the system after the account has dropped into the hospital’s regular accounts receivable.

The self-pay discount is intended only for patients and does not apply to any insurance, county, and/or government entity as discounts rates are already in place for such payers (i.e. PPO contracts, Medicare, Medicaid, etc. rates). In the event that another entity accepts or is found responsible for said patient’s bill, the self-pay discount will be reversed and the appropriate contracted rate (if any) applied.

Accounts not qualifying for additional discount and/or those accounts with balances remaining after a discount is applied, but where no agreed upon payment plan has been reached with the guarantor, will be referred to a collection agency for further resolution.

A plain language summary of financial assistance is available at no charge by paper copy upon request or on the hospital web site.

See Policy Number BO-300-Credit Policy-for specific collection practices/procedures. This policy can be obtained at no charge by contacting the Business Office or by paper copy upon request.

*See Appendix A for a list of providers not covered under the Avera Heart Hospital and North Central Heart Uncompensated Care Charity Policy.

**See Appendix B for a list of providers covered under the Avera Heart Hospital and North Central Heart Uncompensated Care Charity Policy.
Appendix A - Providers and groups not subject to Policy BO-300 Credit Policy and Policy BO-334 Uncompensated Care/Charity

- Avera Medical Group Clinics
- Anesthesiology Associates
- Dr. Robert Dahl-Central Plains Surgical
- Dr. Zahid Amin
- Dr. Christopher Erickson
- Dr. Mark Bubak
- Dakota Dermatology
- Independent Women’s Care
- Infectious Disease Specialists
- Midwest Ear, Nose, and Throat
- Oppenheimer Endocrinology
- Nephrology Associates
- Ophthalmology LTD
- Orthopedic Institute
- Vance Thompson Vision
- Physicians Laboratory
- Plastic Surgery Associates
- Pulmonary and Sleep Consultants
- Sanford Clinics
- Sioux Falls Cardiovascular
- Siouxland Oral and Maxillofacial Surgery
- Surgical Institute of South Dakota
- Urology Specialists Chartered
- WorkForce Occupational Health and Medical Services
- Yankton Medical Clinic
- Avera Gregory Hospital
- Avera Dells Area Hospital
- Central Plains Surgical
- All Air and Ground Ambulance Services
Appendix B - Providers and groups subject to Policy BO-300 Credit Policy and Policy BO-334 Uncompensated Care/Charity

- Avera Heart Hospital of South Dakota
- North Central Heart Institute