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Owner Braden
Thompson:
Revenue Cycle
Director
Area Business Office

Financial Assistance Policy

Policy:

As a tax-exempt not-for-profit charitable organization, Madison Healthcare Services (MHS) strives to ensure that the financial capacity of people needing care does not prevent them from seeking or receiving care. MHS is committed to providing financial assistance to person(s) who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay.

Program Guidelines:

Must be medically necessary care provided by MHS. Services not billed by MHS are not eligible for this program. Pertains to services provided within 12 months from Date of Service. Additional consideration for services outside of the 12 months is done on a case by case basis between the CFO and Revenue Cycle management.

Financial Assistance General Guidelines:

1. Financial Assistance is available for patients who require emergency services and medically necessary care. If a patient elects not to bill his/her insurance for a particular procedure or date of services, that visit(s) will not be eligible for Financial Assistance.
2. Financial assistance is for patients who have limited or no health insurance; demonstrate financial need; reside in the primary service area of MHS. Financial assistance is not an insurance program.
3. A request will be made that the patient apply for Medical Assistance or alternate source of coverage through existing public programs, but failure to apply will not disqualify them from Financial Assistance.
4. A patient must complete the Financial Assistance application and supply all requested documentation.

5. Depending on the individuals need, either free care or reduced patient financial obligations to MHS may be offered. MHS does not have the authority to waive any charges that are not billed by MHS.
6. Patients may qualify for a one-time forgiveness of MHS balances regardless of income and assets if their total medical debt is 100% or greater of their household income.
7. Each patient has the opportunity to apply for assistance. Applications for balances related to dates of service no older than 365 days from the first statement date. MHS will accept applications for balances older than 365 days, but forgiveness for those balances may only be applied to unpaid balances.
8. The providers delivering emergency or other medically necessary care at our facility and covered under this financial assistance policy are all our employed providers (which include MD's, NP's, PA's and Behavioral Health providers), PSA outreach providers and all locum providers covering our facility.
9. Outstanding balance letters are mailed to patients' residences and they include information about MHS's financial assistance program. A copy of the facility financial assistance application will be included with the Final Notice letter if not requested by the patient sooner.
10. An individual who is determined to be eligible for financial assistance under this policy shall not be required to pay more for emergency medical care and other medically necessary than the amounts generally billed (AGB) to individuals who have insurance covering such care. This AGB limit shall be used by MHS to determine the maximum amount that an individual may be liable to pay after such individual is determined to be eligible for financial assistance. MHS uses the prospective method as described in regulation 1.501(r)-5(b)(3).
11. For information relating to Hospital Screening Requirements for Public Health Eligibility and Charity Care and how Financial Assistance may be impacted, see MHS Bad Debt and Collections policy.

Presumptive Eligibility Determinations:

1. If the application is not returned or returned not completed in full – other patient markers can be used to approve for charity care – example WIC, food stamps, free lunches, MA spend down, low income housing, etc
2. Documented bankruptcy.
3. Qualification and effective date for Medicaid is subsequent to the dates of service.
4. Individuals will be granted presumptive eligibility for Financial Assistance on the basis of individual life circumstances. Examples are homelessness or deceased patients with no known estate. Documentation in the patients account will support this determination.

Procedure:

1. Financial Assistance Application
 - Must be completed and provide appropriate income verification(s). This information can be provided one of the 4 ways below:
 - Dropped off at one of our facilities 900 2nd Ave, Madison, MN 56256

- Mailed to Madison Healthcare Services, Attn: Business Office, 900 2nd Ave, Madison, MN 56256
- Faxed to 320-598-3470
- Completed on our website MHSMN.org under the "Patients & Visitors" tab → "Financial Assistance" scroll down to see application.
- Reasonable effort will be taken to request and assist in completing application, including meeting with individual and assisting in process.
- Assistance with application is available by contacting the business office staff at 320-598-7551 or in person at MHS 900 2nd Ave, Madison, MN 56256.

2. Verification of Income.

- All Financial Assistance Applications will be required to provide verification of income. Applications will not be processed until verification is complete.
 - Verification options include but are not limited to; most current completed Federal Tax return (preferable), check stubs, or Social Security Award Letters.

3. Income Calculation

- Income is the total of all family cash receipts before taxes from all sources including wages, salaries, unemployment, social security, alimony, public assistance, etc. This includes receipts from self-employment, farm or business after tax-deductible business-related expenses.
- Applicant needs to list the value and/or amount owed (if any) for Cash, Bank Accounts, Life Ins/Cash Value, Stocks/Bonds, Burial Funds, Motor Vehicle(s) Non-Homestead Property, Boat/Motorcycle, Camper, Other Total Value (net).

4. Uncompensated Services

- You may receive uncompensated services if you meet all of the following requirements:
 - Have income based on the most current Federal poverty guidelines. Income at or below 200% of Federal Poverty Guidelines (FPG) will qualify for Financial Assistance.
 - Have net assets that are not more than the Asset Limits established by MHS: \$10,000 for single and \$25,000 for family. Assets that do not count are: Homestead property, prepaid burial fund up to \$3,000, one motor vehicle, and business or farm assets used to support income. Asset value limits are net of what is owed against each asset.
 - Transfer any medical insurance benefits that apply to the services provided.
 - Have extenuating circumstances – Please address these concerns with MHS directly.

5. The CFO and/or Revenue Cycle Director will review the application and have the authority to

approve or deny charity care assistance.

- When an application for charity care is approved:
 - The Patient Account Manager will "write off" the discounted amount as charity care.
 - A letter will be sent to the patient or estate notifying them that their application was approved, the amount discounted and the remaining balance due from patient if any.
 - Charity Care information will be kept on file for year-end audit, cost report and surveys.
- When application for charity care is denied:
 - A denial letter will be sent to the patient.
 - Regular collection efforts will resume.

6. Financial Assistance Calculation

- see attached spreadsheet

7. Timeline

- MHS will always accept Financial Assistance applications for balances related to dates of service no older than 365 days from the first statement date. MHS will accept applications for balances older than 365 days, but forgiveness for those balances will only be applied to unpaid balances.

8. MHS and their collection agencies do not engage in extraordinary collection actions.

In addition to Financial assistance MHS provides the below discounts:

9. Uninsured Discount

- For those patients not covered by a third party payer, a 15% discount will be applied to services billed by MHS.

10. Full Balance Paid Discount

- If the patient pays their balance in full 30 days after the statement is sent, they will be given a 10% prompt-pay discount.
- If the patient has an HRA or HSA, there will be supplemental time given according to circumstance.

Attachments

 [2024 Financial Assistance Household Income Limits - FPG.xlsx](#)

Approval Signatures

Step Description	Approver	Date
Leadership	Carol Borgerson: CFO	03/2025
	Braden Thompson: Revenue Cycle Director	03/2025

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