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Owner Julie Lutt: Chief Financial Officer
Area CBO - Financial Assistance
Applicability Avera Health System (not including managed and independent sites, including Avera Heart Hospital)



Financial Assistance and Billing Practices

Policy Number:

1. Introduction

1. Avera is a health ministry rooted in the Gospel. Our mission is to make a positive impact in the lives and health of persons and communities by providing quality services guided by Christian values.
2. Our philosophy on providing healthcare for sick and needy patients:
 - We believe that providing healthcare for those who require it is an obligation of justice, as well as charity and mercy.
 - We believe that all persons have a right to **medically necessary** healthcare and equal access to diagnostic and therapeutic treatment regardless of financial status.
 - We believe caring and ensuring equal access to medically necessary healthcare is a societal obligation and should be shared by all healthcare institutions and society in general.
 - We believe that our healthcare organizations, because of our deep concern for human dignity, have an obligation to respond as fully as possible to the healthcare needs of the poor and medically indigent in our area.
 - We believe that we have a dual responsibility to maintain a leading role in providing medically necessary, cost effective healthcare for the poor and medically indigent and to take an advocacy role by working toward adequate reimbursement of

healthcare services for the poor and medically indigent.

2. Scope

1. This policy and procedure pertains to all Avera Sponsored, Owned, and Leased facilities and is highly recommended for the Avera Managed facilities. (See Appendix B for a list of hospitals that abide by this policy.) Independent physicians and other non-Avera providers and services are not covered. Patients seeking a discount for services provided by an independent physician or non-Avera provider should directly contact their physician or other provider.
2. This policy does not apply to certain groups or providers that may treat an Avera patient. (See Appendix A for a listing of those groups or providers.)

3. Purpose

1. The purpose of this policy is to state specifically how Avera views financial assistance and charity care; how requests for charity care will be addressed, and to ensure that Avera organizations follow and apply uniform billing practices.
2. Patients who are without health insurance, under-insured, or otherwise show a demonstrated inability to pay for health care services received, may qualify for various financial assistance programs. Providing qualified patients with financial assistance for health care needs is an essential element of fulfilling the Avera mission.

4. Policy

1. Avera is committed to providing charity care to persons who have healthcare needs and are uninsured, under-insured, ineligible for a government program, or otherwise unable to pay for medically necessary care based on their individual financial situation. Consistent with its mission to make a positive impact in the lives and health of persons and communities by providing quality services guided by Christian values, Avera strives to ensure that the financial capacity of people who need health services does not prevent them from seeking or receiving care.
2. Charity care is not a substitute for personal responsibility. Patients are expected to cooperate with Avera's procedures for obtaining charity care or other forms of financial assistance, including Medicaid, and to contribute to the cost of their care based on their ability to pay. Individuals and/or families with the financial capacity to purchase health insurance, including patients who may be eligible for a premium tax credit, are encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual and/or family assets.
3. Avera's sponsored, owned and leased operations shall maintain an open door policy to provide **emergency and medically necessary medical care** to the community within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd). No limitations or situations for rendering care will be based on the patient's ability to pay in situations covered by this section of the Social Security Act.
4. This policy is specifically targeted at low-income, uninsured and under-insured patients who meet certain eligibility requirements and is not intended to be applied to insured or self-insured

patients who have the means to accept the responsibility for their incurred charges. Financial assistance is also considered a last resort option for patients. Insurance, Christian Ministry Programs and/or Cost Sharing Programs, etc. must be exhausted prior to financial assistance approval.

5. Avera recognizes that certain state and/or federal laws require it to make good-faith efforts to collect all accounts and as such, collection agency services will be utilized in accordance with standard business industry practice.
6. Additionally, Avera recognizes that certain state and/or federal laws do not allow discounts to all patients. Avera also recognizes that laws may prevent it from discounting or waiving certain co-pays and deductibles which may be referenced in the Avera Discount Policy. Charitable reductions provided by Avera to insured, under-insured and uninsured are compliant with all state and federal regulations.
7. Any patient can complete an application and apply for financial assistance. The financial assistance program is designed to meet all Federal, State and Catholic Health Association requirements.
8. Avera organizations governed by this policy have discretion to weigh any extenuating circumstances when determining eligibility for financial assistance and when establishing charitable reduction levels. Any such determinations must be approved by Senior Revenue Cycle Leadership and must meet parameters of this policy at a minimum such that eligibility may become easier for a patient to meet or charitable reduction levels are greater than prescribed in this policy.

5. Guiding Principles

1. To provide community assistance to patients and families when charges for hospital/clinical services received create an undue financial hardship.
2. To create a process in which all financial resources of the patient are evaluated (including household income and under some state laws, the income of adult children) and charity care provided relative to the patient's entire financial situation including all health care obligations.
3. To provide a uniform, consistent billing practice and charity care program throughout Avera's sponsored, owned and leased health care organizations.

6. Definitions

Bad Debt	Defined as those amounts that are uncollectible and do not meet the charity care services eligibility criteria. Bad Debt is the result of unsuccessful collection efforts on accounts of patients unwilling to pay. Avera will use all methods legally available to collect on accounts of patients who have the means, yet are unwilling to pay. Any discounts to and write offs due to bad debt shall not count as charity care.
Charity Care	100% free medical care for Emergency or Medically Necessary Services provided by Avera. Patients who are Uninsured or Underinsured for a medically necessary service who are ineligible for governmental or other coverage, and who have family incomes not in excess of 250% of the Federal Poverty Guidelines may be eligible to receive 100% charity care based on their

	financial assistance application. Avera may determine or re-determine a patient's eligibility for charity care any time information on the patient's eligibility becomes available
Emergency Services	Patients admitted as inpatients via the emergency department may be eligible for charity care without regard to service area.
Income	A patient's Adjusted Gross Income (from their Federal Tax Return) is used to process an application in conjunction with a review of the patient's assets.
Liquid Asset	A liquid asset is cash or an asset that can easily be converted to cash. For the purpose of this policy the conversion of an asset to cash to remit payment shall not impose a material penalty upon the patient, such as the sale of a patient's primary home. Assets held by the patient/family whose purpose of the asset is generating primary household income are not considered liquid assets.
Medically Indigent	Patients whose medical or hospital bills, after payment by third-party payers, exceed the financial resources available to the patient. The patient who incurs catastrophic medical expenses is classified as medically indigent when payment would require liquidation of assets critical to living or would cause undue financial hardship to the family support system. In addition, medically indigent shall also include catastrophic medical expenses of patients where, after payment by third-party payers, the residual amount exceeds the financial resources available to the patient.
Medically Necessary	Health care services or products that a prudent physician would provide to a patient for the purpose of preventing, diagnosing, or treating an illness, injury, disease or its symptoms in a manner that is: (a) in accordance with generally accepted standards of medical practice; (b) clinically appropriate in terms of type, frequency, extent, site and duration; and (c) not primarily for the convenience of the patient, physician, or other health care provider. (AMA definition of "medical necessity" Policy H-320.953[3], AMA Policy Compendium.)
Partial Charity Care	Care at a discounted rate for Emergency or Medically Necessary services provided by Avera. Patients who are Uninsured or Under-insured for a medically necessary service, and who have family incomes in excess of 250% of the Federal Poverty Guidelines, are eligible to receive Partial Charity Care in the form of a reduction of up to 90% off of net inpatient, outpatient and/or clinic charges. However, patients who would otherwise qualify for Partial Charity Care but who have sufficient liquid assets available to pay for care without becoming Medically Indigent are not eligible for Partial Charity Care. Authorized Patient Financial Advocates, Patient Financial Services and Senior Staff may grant a larger discount than the grid allows if the situation warrants the larger discount and may go up to 100%.
Patient – Household	Those who are responsible for payments for self or dependents. This may not be limited to those living directly at a single residence and may encompass any dependent relationship such as a child or dependent at college in a different town. This may also encompass other dependents living at the same

	residence such as dependent relatives living within the household.
Presumptive Charity Care	A determination that a patient is presumed eligible for Charity Care when adequate information is provided by the patient or through other sources which allow Avera to determine that the patient qualifies for Charity Care. (See Attachment III) This includes use of propensity to pay scoring technology. HUD definition of homeless, including those reporting current address of shelter or no valid address
Service Area	A patient is considered a member of the Avera service area if their county of residence is within the Avera Marketing defined service area. A list of qualifying locations/counties can be found in Attachment II.
Uninsured	A patient without commercial, government, or other third-party insurance coverage.
Uninsured by Choice (UC) <i>(vs indigent by design)</i>	<p>Patients who have access to health insurance or government sponsored health care coverage but elect to not enroll may be considered Uninsured by Choice (UC), therefore not eligible for charity. To be clear, this is not equated to a denial of ongoing health care services.</p> <p>Understanding UC and compassion for our patients requires a thoughtful and deeper understanding of each patient's/guarantor's situation.</p> <p>Patients who are scheduled to be admitted as an inpatient may not be eligible for charity care. The financial clearance process shall determine the patient's eligibility and if they are UC.</p> <p>Patients who meet the service area qualifications and are in need of ongoing therapeutic care may be eligible for charity care coverage if they have been screened by a Patient Advocate. If the Patient Advocate determines the patient is eligible for health insurance coverage and payment for that coverages does not put the patient/guarantor at financial risk or the patient is eligible to enroll in a government sponsored health care program but fails to do so, then the patient/guarantor will be denied charity as they are UC.</p> <p>If the patient is unable to pay for health insurance or is ineligible for government sponsored health care, they are eligible for charity care to provide debt reduction for ongoing care.</p>
Under-Insured	Patients/guarantors who are insured all year are determined under-insured if their out-of-pocket costs, excluding premiums, over the prior 12 months are equal to 10 percent (10%) or more of household income.
Undocumented Immigrant	Undocumented immigrant refers to anyone residing in any given country without legal documentation.

7. Eligibility (HR3590 (4)(A)(i))

1. Avera will adhere to an established methodology to determine eligibility for Charity Care and

Partial Charity Care. The methodology shall consider whether health care services meet Emergency or Medical Necessity criteria, as well as income, net assets, family size, resources available to pay for care, and all provisions noted in the policy and guideline sections above.

2. Uninsured and under-insured patients whose income/family income does not exceed 250% of the current Federal Poverty Guidelines may be granted 100% forgiveness of their charges for emergent or medically necessary care. Patient's assets will be taken into account for eligibility even if his or her income/family income is at or below 400% of the Federal Poverty Guidelines.
3. There may be circumstances where individuals may not have reported income but have significant assets available to pay for healthcare services. In these cases, Avera may evaluate and require documented proof of any assets that are categorized as liquid assets and unnecessary for the patient's essential daily living expenses.
4. Uninsured and under-insured patients whose income/family income is greater than 250% of the Federal Poverty Guidelines may be granted up to 90% forgiveness of their charges for emergent or medically necessary care based on a sliding scale.
5. Uninsured and under-insured patients whose income/family income is greater than 400% of the Federal Poverty Guidelines may be eligible for discounted care based on their particular circumstances. Such discounts are at the discretion of the organization and will not be counted as charity care. For reductions that may not be considered charity based on family size and income refer to the Avera Discount Policy.
6. Eligibility for Charity Care and Partial Charity Care will extend for up to 180 days from the date eligibility is determined, but can be re-examined at any time new information is available. The 180 day period is contingent upon the patient working in good faith with Avera on all payment sources.
 - Within this 180 day period, charity will not automatically be applied to patient accounts. The patient must contact Avera indicating they have an inability to pay. The patient will not have to reapply, but will need to confirm their current financial situation has not changed.
7. Circumstances that may disqualify a patient for a charity care are:
 - Fraud (providing false information on the Financial Assistance Application & Patient Financial Information Form).
 - Patient or legal representative/guardian unresponsive to requests for information.
 - Refusal to fully complete Financial Assistance Application & Patient Financial Information Form.
 - Refusal to provide requested documentation of income and assets.
 - Refusal to cooperate with the charity care policy.
 - Residency of the patient is not within definition of service area.

8. Calculation Methodology (HR3590 (4)(A)(ii))

1. All available financial resources shall be evaluated before a determination regarding charity care or partial charity care is made. Avera shall consider the financial resources of the patient, as well as other persons having legal responsibility to provide for the patient (e.g. parent of a

minor, spouse). Special consideration may be given for the patient's primary residence and primary vehicle.

- If, in the course of evaluating the patient's financial circumstances, it is determined by Avera that the patient may qualify for federal, state, or local programs or insurance coverage, financial counseling may be provided to assist patients in applying for available coverage. **Charity Care and Partial Charity care may be denied to patients/guarantors who do not cooperate fully in applying for available coverage.**
 - Patients with Healthcare Reinsurance or Medical Savings Accounts are insured for purposes of this policy and the amount on deposit will be considered as an available resource toward payment for services.
 - If a patient has a claim, or potential claim, against a third party from which the hospital's bill may be paid, the hospital will defer its Charity Care determination pending disposition of the third party claim.
2. Eligibility for Charity Care or Partial Charity Care will be determined using a sliding scale in excess of 250% or under 400% of the Federal Poverty Level Guidelines as published annually in the Federal Register, as well as consideration of available assets and liabilities and any extenuating circumstances.
- Avera organizations may be exempt from utilizing assets and liabilities from their charity determinations as required by the National Health Service Corps.
3. Avera organizations will use **Attachment III** for scoring Charity Care and Financial Assistance Applications and apply the applicable reduction to patient's bill where the patient's income is in excess of 250% of the Federal Poverty Guidelines.
4. Patients/Guarantors shall be notified in writing when Avera makes a determination concerning Charity Care or Partial Charity Care.
5. All information obtained from patients and guarantors shall be treated as confidential to the extent required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any other applicable federal, state or local privacy laws.
- Applications and supporting documentation should not be stored in the patient's paper or electronic record. Storage should be in the central contract management system or other electronic, secure central repository as may be determined by committee.

9. Presumptive Charity Care (HR3590 (4)(A)(ii))

1. Presumptive Eligibility - Patients are presumed to be eligible for financial assistance based on individual life circumstances including but not limited to:
- Patient income below 250% Federal Poverty Guidelines and considered self-pay
 - Patient is deceased with no known estate below 250% Federal Poverty Guidelines
 - State funded prescription programs
 - Homeless or received care from a free Avera clinic
 - Participation in Women, Infant and Children program (WIC)

- Food stamp eligibility
 - Subsidized school lunch program eligibility
 - Eligibility in other state or local assistance programs that are unfunded (e.g. Medicaid spend-down)
 - Medicaid eligible patients when the following applies:
 - Medicaid eligibility requirements are met after the service is provided
 - Non-covered charges occur on a Medicaid eligible encounter; and
 - The provider is not credentialed or contracted
 - Patients are on an approved sliding fee scale from Rural Health Care Inc. / Access Health
2. Review the amount or percentage of reduction based on the determination of self-pay discount.
 - Presumptive charity adjustments may be reversed should a payer source such as health insurance or "Ministry" plan funding be discovered.
 3. Avera organizations may also use a presumptive charity process that includes the scoring of patient accounts via a third party vendor. For patient accounts that score out as charity eligible, Avera will grant 100% charity. Avera will not issue refunds to patients where presumptive charity applies on paid accounts after 240 days. Refunds will be issued on paid accounts meeting presumptive charity qualification prior to 240 days.
 4. Avera may also reclassify certain accounts as presumptive charity once returned from their bad debt agency for the following reasons: Patient is deceased, in prison or in jail.
 5. Avera may grant presumptive charity to patients who Avera legal has decided to not pursue legal action with County Poor Relief. Avera legal will document in the patient account the reason for not pursuing County funding.
 6. Avera may grant presumptive charity to suspected or confirmed undocumented immigrants who have received emergency and medically necessary care.
 7. Patient determined to have presumptive financial assistance will be provided 100% financial assistance

10. Application Process (HR3590 (4)(A)(iii))

1. Patients who are able, are requested to complete the Charity Application. Presumptive charity scoring is utilized where no other information is available. Further, a complete Charity Application will be on file for the following:
 - Patients participating in a ministry or cost sharing plan requesting charity reductions
 - Patients with Medicare coverage
2. Patients can apply for financial assistance by contacting the business office or by visiting www.avera.org to obtain all application materials. Copies of documents to substantiate

income levels and assets shall be provided by the patient/guarantor (e.g.: Tax Return [W-2 if most recent Tax Returns are not available], Pay Stubs and Bank Statements).

3. The patient/guarantor shall be required to provide information sufficient for Avera to determine whether he or she is eligible for benefits available from insurance, Medicare, Medicaid, Workers' Compensation, third party liability and other federal, state, or local programs. Use **Attachment I**.
4. In the event Avera determines that a patient is ineligible for Charity Care or Partial Charity Care, the patient may appeal that decision in writing to the Senior Revenue Cycle Leader or designee within thirty (30) days following receipt of the bill for which financial assistance has been requested. Failure to appeal will result in the decision becoming final. The determination of the Senior Revenue Cycle Leader or designee shall not be subject to further appeal.
5. Patients who return a completed application and qualify for financial assistance must have all extraordinary collection activities reversed on their accounts and refunded any amounts they have paid above and beyond their new calculated balance.
6. Patients who return an incomplete application must be given 10 business days to complete the application and all extraordinary collection activities must be suspended. The patient must also be sent a letter indicating what information is needed to process their application and the contact information to use if they have questions.
7. Should a patient need free assistance with completing or understanding this policy or the application materials, they can obtain assistance by visiting one of the Avera locations Financial Counselors or by calling the number found on their statement.
8. Completed applications and attached documents will be forwarded to the organizations designated department for processing and scoring (typically the Business Office or Financial Counselors).
9. Applications will be scored and determination letters sent to the patient or guardian within three weeks of receipt.
10. Application, attachments and determination letter will be scanned into central repository with expiration noted as 180 days from determination.
11. In the event a patient fails to submit all documentation as noted in the above sections, Avera may qualify the patient for charity based upon available information.

11. Billing and Collections (HR3590 (4)(A)(iv))

1. At the time of billing, the organization shall provide to all self-pay, low-income, uninsured patients that qualify for free or reduced rates under this policy the same information on services and charges that it provides to all other patients receiving care. Qualified patients will be granted a self-pay reduction and any applicable Charity Care reduction. Thus, the gross charges, applicable discounts, and net balance will show on the bill with the net charges being the patient's responsibility to pay.
 - If the patient qualifies for 100% charity care, no further bills will be sent. A letter will be sent instead indicating that the patient's bill has been completely forgiven.
2. When sending a bill to any patient, the organization shall include on the bill all of the following information:

- A statement that indicates the patient may be eligible for financial assistance from the organization for help in paying for the services that were provided; and
 - A statement that provides the patient with organization telephone and website contact info for which the patient may obtain information about the organization's financial assistance policy for low-income uninsured patients and how to apply for such assistance for the payment of services that were provided
 - Notices and contact information must be printed on the front of patient billings. The printing on the bill does not need to be exhaustive and may read similar to "Avera has a financial assistance policy. If you meet certain requirements and are unable to pay your bill, you may qualify for a reduced rate. This policy, along with a summary of the policy and application materials can be found at www.avera.org. For more information contact your local business office."
3. If the patient qualifies for the organization's financial assistance policy for low-income patients and is cooperating with the organization with regard to efforts to settle an outstanding bill within current self-pay collection policy guidelines and time frames, the organization or its agent shall not send, nor intimidate that it will send, the unpaid bill to any outside collection agency. If the patient is non-compliant, the organization may send the uncollected account to an outside collection agency. The amount referred to the agency shall reflect the reduced-payment level for which the patient was eligible under the organization's financial assistance policy for low-income uninsured patients. Avera does not report any data to any of the credit agencies.
 4. Avera organizations will allow 240 days from the first post discharge billing statement for individuals to apply for financial assistance.
 5. Avera organizations will allow all individuals 120 days from the first post discharge statement to apply for financial assistance before initiating any extraordinary collection activities (ECA). Avera considers placement at a collection agency an ECA.
 6. The term "individual" does not include any trust, estate, partnership, association, company, corporation, or governmental entity and, thus, would not include any private or public insurer. Accordingly, the final regulations retain the provision in the 2012 proposed regulations regarding ECAs against individuals with responsibility for a patient's hospital bill. This provision does not require a hospital facility to make reasonable efforts to determine FAP-eligibility before engaging in ECAs against private or public insurers or any other liable third parties that are not individuals.
 7. Prior to sending to a collection agency, Avera will provide the patient with a statement or final notice that contains a listing of the specific collection action(s) it intends to initiate, and a deadline after which they may be initiated (that is no earlier than 30 days after the date the notice is provided); a summary of the FAP will also be included with the notice. The language to be used on statements or billing notices is: "Extraordinary collection activity may result upon non-payment of your account within 30 days of the date of this notice. This activity may include the placement of your account with a debt collection agency. Subsequent to judgment, the collection agency may choose to proceed with garnishment."
 8. For any patient that Avera intends to initiate ECAs on, the patient will be notified of Avera's financial assistance policy in all verbal communications regarding their bill.
 9. Avera will refrain from any debt collection practices during an emergency room visit unless the

patient has been discharged.

10. Any extended payment plans offered by a **hospital, or the hospital's representative**, in settling the outstanding bills of patients who qualify for financial assistance shall be interest-free so long as the repayment schedule is met.
11. Hospital shall not initiate any of the following while the charity care application is pending:
 - Offer to enroll in payment plan
 - Changing the terms of patient's payment plan
 - Offering the patient a loan or line of credit, application for a loan or line of credit - assist with apply for a loan or line of credit
 - Refer a patient's debt for collections, including in-house collections, third party collections, revenue recapture, or any other process of collection of debt
 - Denying health care services to patient or any household member because of outstanding medical debt, regardless if services are deemed necessary or may be available from another provider; or
 - Accepting a credit card payment of over \$500 for the medical debt owed the hospital
12. Hospital may not impose application procedures for charity care that place an unreasonable burden on patient (physical, mental, intellectual, sensory efficiencies or language barriers) that may hinder compliance with process.

When patient eligibility for charity care is evaluated, limit evaluation to:

- Information that is reasonably necessary and readily available to determine eligibility and
- Facts that are relevant to determine eligibility
- No duplication asset verification

12. Public Notice, Posting, and Communication with Patients (HR3590 (4)(A)(v))

1. Avera organizations shall post a notice, in accordance with the Community Assurance Provision of the Hill-Burton Act and various other State, Federal, and JCAHO requirements, regarding the availability of financial assistance for the payment for services provided to low-income uninsured patients.
2. The Community Assurance Provision of the Hill-Burton Act under Title VI of the Public Health Service Act requires recipients of Hill-Burton Funds to make services provided by the facility available to persons residing in the facility's service area without discrimination on the basis of race, color, national origin, creed, or any other ground unrelated to the individual's need for the service or the availability of the needed service in the facility. The community service obligation does not require the facility to make non-emergency services available to persons unable to pay for them. It does, however, require the facility to make emergency services available without regard to the person's ability to pay. This assurance is in effect for the life of

the facility only so long as the facility is operated by a not-for-profit or public entity. For reference, please visit <https://www.hhs.gov/civil-rights/for-individuals/hill-burton/index.html>

3. Notices shall be posted in the community's dominant language(s) in a visible manner in locations where there is a high volume of inpatient or outpatient admitting/registration, such as emergency departments, billing offices, admitting offices, and outpatient service settings as well as the organization's website.
 - Posted notices shall contain the following:
 - A statement indicating that the organization has a financial assistance policy for patients who are low income and/or uninsured may not be able to pay their bill and that this policy provides for charity care and reduced-payment for healthcare services; and
 - Identification of a contact phone number that a patient can call to obtain more information about the financial assistance policy and about how to apply for such assistance.
4. In addition, Avera organizations will make the financial assistance policy widely publicized within the communities they serve. Publication may include, but is not limited to, newspaper, radio, or television advertisements, website, mailers, flyers, or distribution at centers or locations frequented by indigent populations such as food pantries or shelters.
5. Make reasonably available, and/or on request, the booklet "A guide to your hospital bill and insurance" both in print form and on each hospital website.
6. Each Avera organization shall post on its website or otherwise make available to the public on a reasonable basis, notification that it has a financial assistance program for low-income, uninsured patients and the organization's contact person or department to request financial assistance.
7. Each Avera organization shall post on its website and otherwise make available to the public this policy or any local variation of this policy.
8. Avera organizations will make available free copies of the summary of financial assistance via www.avera.org. This summary will also be offered prior to discharge and within the final billing statement prior to any extraordinary collection activities.
9. Avera organizations will make available the translation of the financial assistance policy, application form and summary of the policy in the language spoken by each LEP language group that constitutes the lesser of 1,000 individuals, or 5 percent of the community serviced by the hospital facility or the population likely to be affected or encountered by the hospital facility.
10. Hospital will assist patients who are applying for Charity Care.

13. Limitation on Charges (HR3590 (5)(A) & (B))

1. Avera recognizes that Medicare regulations require uniform Hospital "charges" for cost reporting purposes. Therefore all patients must be "charged" the same amount for the same service.
2. Avera also recognizes that Section 501(r)(5) limits amounts "charged" to patients for emergency or other medically necessary care to amounts not more than those generally billed

to individuals who have insurance covering such care.

- Avera organizations shall bill all patients who apply and qualify for charity care or financial assistance under this policy (incomes at or less than 400% of the Federal Poverty Guidelines) not more than the lowest inpatient and outpatient combined Medicare and commercial payment rate. This rate may vary by each Avera organization and will be reviewed on an annual basis. This rate is considered the look-back method per IRS guidelines. The rates will be reviewed and approved by the Avera Health CFO.
 - Rates will be updated annually each October and therefore during the course of a calendar year two different rates may be used.
 - For information on how this rate was calculated please contact our customer service department at 888-370-6525.
 - Patients shall receive a new statement from Avera that line items out the following: gross charge amount, reduced amount applied through the look back method, financial assistance reduction amount, and total balance due.
 - The account balance post any self-pay reductions will be used to determine the percentage of charity given.
 - In the instance where a State, Federal or other regulation or agreement is more stringent than Section 501(r)(5), the method prescribed in that regulation or agreement will be followed. One specific example is the Minnesota Attorney General agreement with the hospitals. That agreement specifies that the hospitals shall provide the Most Favored Nation discount.
3. The statement sent to the patient will show the gross charges, self-pay reduction, any charity care or financial assistance discounts, and the net patient responsibility amount.
 4. Clinics bill the best rate for charges to self-pay and the bill may not necessarily show the gross charges and self-pay reduction, but rather only the best net charge.

14. Data Compilation and Reporting Requirements

1. The Avera Central Office shall annually compile and post on its website or otherwise make available to the public on a reasonable basis the following data in accordance with the Catholic Health Association (CHA) and Internal Revenue Service (IRS) guidelines:
 - The amount of charity care provided based on cost.
 - The un-reimbursed costs of care provided to beneficiaries of government programs including, but not limited to Medicaid and county indigent programs with this item being defined as the shortfalls between costs and off-setting reimbursement/ revenue that a hospital experiences in providing care.
 - The un-reimbursed costs of care provided to beneficiaries of Medicare with this item being defined as the shortfalls between costs and off-setting reimbursement/ revenue that a hospital experiences in providing care. This item is not to be included in the Community Benefits Report except as a separate note.

- The amount of Bad Debt incurred based on cost. This item is not to be included in the Community Benefits Report except as a separate note

15. Amendments/Interpretation

1. This policy is subject to change without prior notice, is subject to interpretation by Avera at its sole discretion, and is not intended to create any contractual relationship or obligation.
2. Avera Health Revenue Cycle shall determine the need for revisions to this policy and shall submit revisions for review to General Counsel and Avera's CFO and shall submit revisions for review to the Avera Health Board of Directors.

PREVIOUS STATEMENTS:

AUGUST 1982

SEPTEMBER 1984

FEBRUARY 1991

MAY1999

NOVEMBER 2004

OCTOBER 2019

Appendix A-Providers and groups not subject to this policy that may treat Avera patients.

This list will be reviewed and updated at least annually. Last updated 2/27/2024.

- ABC Pediatric Dentistry
- Aberdeen Asthma & Allergy
- Aberdeen Dental Associates
- Aberdeen Dermatology Clinic
- Access Health Brookings
- Access Health Mitchell
- Access Health Worthington
- Affiliated Medical Center, Marshall MN
- Akron Mercy Medical Clinic
- Allure Health (Storm Clinic)
- Anesthesiology Associates, Inc
- ART Vision
- Audiology Associates
- Avel eCare
- Black Hills Eye Institute

- Bloomfield Medical Clinic
- Bon Homme Family Practice Tyndall
- Bostwick Laboratories
- Bowdle Hospital
- Brookings Health System
- Catherine M Hofer, MD
- Center for Family Medicine
- Central Dakota Ear Nose and Throat
- Central Plains ENT & Audiology
- CHI Health
- Children's Dental Center
- Children's Hospital
- Chris Dickes Family Dentistry, Prof LLC
- CNOS, PC
- Corsica Ambulance
- Dakota Allergy & Asthma
- Dakota Dental
- Dakota Dermatology
- Dakota Vascular
- Dakota Women's Clinic, Michael R. Krause, D.O., P.C.
- Docs Who Care
- Dr. Bormes - Surgery
- Dr. Cihal
- Dr. Sanjeevi Giridhar & NE Mental Health CTR
- Dr. Werth
- Dr. Whitney
- Dr. Wyatt
- Ear, Nose & Throat Associates, PC
- Ear, Nose & Throat Associates, PLC
- ENT Specialists, PC
- Faith Regional Cardiovascular
- Faith Regional Physician Services - Breast Care, Pulmonology
- Falls Community Health
- Family Dental Care, Aberdeen
- Family Dentistry & Dental Hygiene
- Family Medicine Clinic of Yankton

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- Family Orthotics & Prosthetics, Inc.
- Faith Regional Cardiovascular Institute
- Floyd Valley Clinics - LeMars
- Floyd Valley Community Health
- Floyd Valley Healthcare
- Freeman Regional Health Services
- Garcia Family Clinic, PLLC
- Graham Ear Nose & Throat, PC
- Harbert Orthopedics PC/Aberdeen Orthopedics & Sports Medicine
- Hawarden Regional Healthcare
- Health Management Partners
- Health Partners Regions Specialty Clinics
- Heartland Hematology and Oncology
- Hegg Medical Clinic / Avera Health
- Hegg Memorial Health Center Avera
- Horizon Health Care, Inc.
- Independent Radiology Services, Ltd.
- James Valley Imaging
- Jeffrey R. Schmidt, DPM
- John Nasseff Neuroscience Specialty Clinic
- Kannan Clinic
- KCI
- Kersenbrock Dental
- Kynan Trail, M.D.; Yankton Surgical Associates
- Lake Andes Ambulance
- Lakes Regional Healthcare
- Lesley Kester - Certified DSF
- Lewis and Clark Family Medicine
- Madison Regional Health System
- McNaughton Plastic Surgery, LLC
- Meierhenry Gynecology and Women's HealthCare, PC
- Menno Ambulance
- MHC Anesthesia Services
- Michael Krause, M.D.; Dakota Women's Clinic
- Michael Pietila, M.D.; Yankton Medical Clinic
- Midwest Ear, Nose & Throat

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- Midwest Ear, Nose & Throat Associates, PC
- Midwest One - Neurosurgery
- Midwest Pain & Rehab Clinic
- Midwest Wellness Institute, PLLC
- Miles Eye Center
- Mitchell Anesthesia, PC
- Mitchell Clinic, LTD
- Monument Health Heart and Vascular Institute
- Monument Health Rapid City Clinic, Flormann Street
- Monument Health Rapid City Hospital
- Monument Health Spearfish Hospital
- Monument Health Sturgis Clinic
- Monument Health Sturgis Hospital
- Murray County Medical Center
- Nebraska Pulmonary Specialists
- Nephrology Associates, P.C.
- North Central Heart
- Northern Plains Oral Maxillofacial Surgery
- Northwest Iowa Bone, Joint & Sports Surgeons, PC
- Northwest Iowa Ear Nose & Throat
- Northwest Iowa Surgeons, P.C.
- NWIA Bone Joint & Sports Surgeons, a Department of Spencer Municipal Hospital
- OBGYN Specialty Clinic
- Ophthalmology Associates, Aberdeen
- Ophthalmology LTD
- Orthopedic Institute, PC
- Parkston Ambulance
- Philip Clinic
- Physician Laboratory, LTD
- Physicians Vein Clinics PC
- Pipestone County Medical Center / Avera Health
- Pipestone Family Clinic
- Pipestone Family Clinic / Avera Health
- Plastic Surgery Associates of Sioux Falls
- Plastic Surgery Associates of South Dakota
- Platte Health Center Avera

- Platte Valley Medical Group / Bryan Health
- Prairie Lakes Health Care Systems, Inc.
- Pulmonary & Sleep Consultants, P.C.
- Rapid City Medical Center, LLP
- Real Radiology, LLC
- Redfield Clinic
- Regional Health Services of Howard County
- Regions Hospital
- Richardson Family Medicine, LLC
- River Ridge Oral & Maxillofacial Surgical Center
- Rural Medical Clinics
- Rushmore OB/GYN
- Sanford 26th and Sycamore Family Medicine
- Sanford 34th and Kiwanis Family Medicine
- Sanford Clinic
- Sanford Clinic Behavioral Health
- Sanford Clinic Pierre
- Sanford Clinic Sheldon
- Sanford Clinic - Surgical Associates, Ltd.
- Sanford Clinic Urogynecology & Female Pelvic Medicine
- Sanford Health Fertility & Reproductive Clinic
- Sanford Health Maternal Fetal Medicine
- Sanford Nephrology Clinic
- Sanford Orthopedics & Sports Medicine
- Scotland Ambulance
- Sensational Smiles
- Shah Medical Clinic Prof LC
- Sioux Center Health
- Sioux Center Health Medical Clinic
- Sioux Falls Cardiovascular, PC
- Sioux Falls Center for Plastic & Reconstructive Surgery
- Sioux Falls VA Health Care System
- Siouxland Anesthesiology, Ltd.
- Siouxland Hospitalists, PLLC
- Siouxland Oral & Maxillofacial Surgery Associates, LLP
- Siouxland Urology

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- Siouxland Urology Associates
- Slingsby & Wright Eye Care
- South Dakota Human Services Center
- Southwestern Mental Health Center, Inc., Worthington
- Southwest Minnesota Sports Medicine
- Storm Clinic Prof, LLC
- Surgical Institute of South Dakota, PC
- The Hearing Clinic
- The Wellness Collective, LLC
- Tripp Ambulance
- Urology Specialists
- Urology Specialists of Sioux Falls
- Vance Thompson Vision Clinic
- Wagner Community Clinic - Avera
- Wagner Community Memorial Hospital - Avera
- West River Anesthesia Consultants, PC
- West River Anesthesiology
- White Mountain Foot and Ankle
- Whitney Sleep Center
- Whitney Sleep Diagnostics & Consultants
- Women's Health of Northeast Nebraska
- Yankton Anesthesiology, PC
- Yankton Medical Clinic, P.C.
- Yankton Medical Clinic - Byron Nielsen, MD; Amanda Sedlacek, DO
- Yankton Surgical Associates

Appendix B-Avera Hospital locations currently abiding by this policy

- AMG Providers
- Avera Creighton Hospital
- Avera Dells Area Hospital
- Avera DeSmet Memorial Hospital
- Avera Flandreau Hospital
- Avera Granite Falls
- Avera Gregory Hospital

- Avera Hand County Memorial Hospital
- Avera Heart Hospital
- Avera Holy Family Hospital
- Avera Marshall Hospital
- Avera McKennan Hospital & University Health Center
- Avera Merrill Pioneer Hospital
- Avera Milbank Area Hospital
- Avera Missouri River Health Center
- Avera Queen of Peace Hospital
- Avera Sacred Heart Hospital
- Avera St. Anthony's Hospital
- Avera St. Benedict Health Center
- Avera St. Luke's Hospital
- Avera St. Mary's Hospital
- Avera Tyler
- Avera Weskota Memorial Hospital
- North Central Heart Institute

Attachment I - Application

Attachment II - Counties and contiguous counties

Attachment III - Presumptive Eligibility

All Revision Dates

3/12/2024, 2/20/2024, 6/12/2023, 5/26/2023, 11/15/2022, 12/29/2021, 11/12/2021, 7/28/2021, 7/27/2021, 7/13/2021, 10/11/2019

Attachments

[Attachment I - Application.pdf](#)

[Attachment II - Contiguous Counties Zip Code List.docx](#)

Approval Signatures

Step Description	Approver	Date
Policy Owner Approval	Julie Lutt: Chief Financial Officer	3/12/2024

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