



Warren Community Hospital, Inc. d/b/a North Valley Health Center 300 West Good Samaritan Drive, Warren, MN 56762	
Subject: Community Care Policy & Procedure (CCP)	Manual: Administration, P-Drive
Policy #: 3001.0	Review/Revision Dates: 10/24/17
Approved by: CEO & NVHC Board	Effective Date: March 1, 2016

1.0 Purpose

North Valley Health Center (NVHC) is an exempt organization under Section 501(c)(3) of the Internal Revenue Code that provides emergency and medically necessary health care services to the patients within NVHC’s service area regardless of the patient’s ability to pay for the services performed. With the increasing costs in healthcare and insurance coverage plans, we understand the heavier burden that members in our community are experiencing. Our belief is that a community member’s concern over a hospital or clinic bill should never prevent that individual from receiving quality emergency and medically necessary health care services. Therefore, this Community Care Program (CCP) has been established by NVHC to assist those individuals needing financial assistance for emergency and medically necessary services performed at NVHC.

In accordance with the Affordable Care Act (ACA), any patient eligible for financial assistance within this CCP will not be charged more for emergency or medically necessary care than the amounts generally billed (AGB) to insured patients.

2.0 Policy

The intent of this policy is to establish appropriate procedures, compliant with all applicable federal, state, and local laws, for use in circumstances in which financial assistance, both free care and discounted care, shall be offered to NVHC’s uninsured or underinsured patients on a nondiscriminatory basis depending on the patient’s, or responsible party’s, family size and total income. This policy **ONLY** applies to emergency and medically necessary health care services performed at the NVHC facility and by NVHC eligible providers.

3.0 Definitions

- A. *Amounts Generally Billed (AGB)*: The average amount billed to a patient, or responsible party, who has insurance covering their emergency and medically necessary health care services. This “AGB limit” is calculated and further explained within this CCP policy.

Once eligibility for the CCP has been established, NVHC will not charge patients who are eligible for a community care discount more than the amount generally billed (AGB) to insured patients for emergency or medically necessary health care services performed at our facility by eligible providers.

To calculate the AGB, NVHC uses the “look-back” method described in section 4(b)(2) of the IRS and Treasury’s 501(r) final rule. Using this method, NVHC uses data based on claims sent to Medicare and all private commercial insurances for emergency and medically necessary care over a 12 month period from February 1 the previous year to January 31 the current year, which will be implemented on March 1 of the current year. For 2017, the AGB percentage was determined to be 81%.

As the minimum amount of discount available under the CCP is 30%, the most a patient, or responsible party, will be responsible for is 70% of gross billable charges. As the 70% patient responsibility is less than the 81% AGB responsible amount, this program is designed to ensure that no patient, or responsible party, properly enrolled in the CCP will be required to pay an amount in excess of the AGB.

- B. *Eligible Providers*: Represents a physician, or similarly credentialed individual such as a physician’s assistant or nurse practitioner, who is employed by NVHC and has NVHC bill their professional fees. A current listing of eligible providers can be found at <https://www.northvalleyhealth.org/medical-staff/>. Any service performed by a provider not on this list, such as instances where outside non-eligible providers rent space from NVHC to provide services to patients and bill professional fees separately related to those services, are **not covered** by this policy.
- C. *Eligible and Ineligible Patients*: Eligibility provisions under this policy consist of the following:
  - 1) To be eligible for a 100 percent reduction from charges (a full write-off), the patient’s, or responsible party’s, total income must be at or below 200 percent of the current Federal Poverty Guidelines as established by the United States Department of Health and Human Services (USDHHS). See Attachment A for income ranges in relation to family size.
  - 2) Patients, or responsible parties, with household income that exceeds 200 percent but is less than 250 percent of the Federal Poverty Guidelines, as established by USDHHS, will be eligible for a sliding scale discount of either 30% or 60%. See Attachment A for income ranges in relation to family size to determine discount percentage.
  - 3) Special cases involving medically needy patient accounts will be considered by NVHC Administration on a case-by-case basis. The discounts to be applied will be based on a determination of what the household could reasonably be expected to pay, based on a review of assets, liabilities and current disposable income and expenses.
  - 4) The patient or responsible party must be a U.S. citizen residing in the states of Minnesota or North Dakota for a period of at least six months.

Circumstances causing patients to be considered ineligible for assistance under this policy consist of the following:

- 1) False information was provided by the patient or responsible party, or
  - 2) The patient or responsible party refuses to cooperate with any of the terms of this policy; or
  - 3) The patient or responsible party's income or insurance status changes to an extent causing ineligibility.
- D. *Emergency Care:* Treatment of an emergency medical condition as defined in section 1867(e)(1) of the Social Security Act as "a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
- 1) Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,
  - 2) Serious impairment to bodily functions, or
  - 3) Serious dysfunction of any bodily organ or part,
- Or with respect to a pregnant woman who is having contractions,
- 1) That there is inadequate time to effect a safe transfer to another hospital before delivery, *or*
  - 2) That transfer may pose a threat to the health or safety of the woman or the unborn child.
- E. *Medically Necessary Care:* Health Services, both inpatient and outpatient, to a patient in order to diagnose, alleviate, correct, cure, or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity. All procedures offered by NVHC are considered medically necessary, except for the following, which NVHC deems not medically necessary: Sports, Fireman's, Department of Transportation, or other work related physicals and elective procedures.
- F. *Total Income:* Represents the estimated total income of the patient, or responsible party, and all working adults with whom they reside with. Estimated total income is based on the total income from the patient's, or responsible party's, most recent tax return or the annualized income as calculated from their two most recent pay stubs. NVHC reserves the right to determine which method to utilize and also reserves the right to adjust the estimated total income if evidence is obtained indicating the patient's, or responsible party's, current and future income is substantially different than indicated in those documents. When determining total income utilizing the most recent tax return, NVHC will refer to the following:

- 1) For an employed individual, total income is the amount reported in Form 1040, Line 22
  - 2) For a farmer, total income is the amount from Form 1040, Line 22 plus any depreciation claimed in Form 1040, Schedule F
  - 3) For a self-employed individual, total income is the amount from Form 1040, Line 22 plus any depreciation claimed in Form 10540, Schedule C
- G. *Underinsured Patients:* Represents patients having some form of health insurance coverage that does not offer complete financial protection resulting in the inability to cover and pay for health care expenses.

Any outstanding balances to underinsured patients resulting from emergency or medically necessary health care services provided by eligible providers at North Valley Health Center where all applicable insurance benefits have been exhausted and applied to the original balance are covered under this program and are eligible for the application of the discount percentage determined during the eligibility process utilizing Attachment A. Co-pays under the patient's, or responsible party's, insurance policies are due at the time of service and are **not** covered under this program. However, in no instance will an underinsured outstanding balance or required co-pay payment be more than the AGB limit for the care provided. As stated below, these services must occur within 240 days from the first post-discharge billing statement that was provided to the patient, or responsible party.

- H. *Uninsured Patients:* Represents patients have no form of health insurance coverage.

Any outstanding balances to uninsured patients resulting from emergency or medically necessary health care services provided by eligible providers at North Valley Health Center are covered under this program and are eligible for the application of the discount percentage determined during the eligibility process utilizing Attachment A. As stated below, these services must occur within 240 days from the first post-discharge billing statement that was provided to the patient, or responsible party.

#### 4.0 Responsibilities

##### A. **Hospital Responsibilities:**

- 1) NVHC assures that all CCP applications and supporting documentation will be kept in a secure and safe place and will only be used in determination of eligibility status. NVHC will assign the business office manager or other designated employee to assure these records are kept confidential.

- 2) NVHC will make every effort to work with any patient or responsible party that applies for financial assistance under this CCP. This includes, but is not limited, to working with the patient to apply for Medical Assistance.
- 3) NVHC is always willing to work with all uninsured and underinsured patients in setting up reasonable payment plans to satisfy any outstanding balances the patient or responsible party has with NVHC.
- 4) NVHC will not engage in extraordinary collection actions before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under our CCP. This process is detailed in our separate Billing and Collections Policy and also describes the actions that occur in the event a patient, or responsible party, fails to make necessary payments. The NVHC Billing and Collections Policy can be obtained free of charge by utilizing the following methods:

- i. Sending a letter of request to:

North Valley Health Center  
Attention: Business Office  
300 West Good Samaritan Drive  
Warren, MN 56762

- ii. Request in-person by visiting our front desk at the address noted in “i.” above,
- iii. Calling our business office at 218-745-4211, or
- iv. Visit our website at:

<https://www.northvalleyhealth.org/about/policies-programs/>

#### **B. Patient or Responsible Party Responsibilities**

- 1) Under this CCP, all patients and responsible parties must cooperate with NVHC in providing the necessary information and documentation in applying for this program or any other existing financial resource that may be available to pay for the patient’s or responsible party’s health care services.
- 2) Patients or responsible parties are responsible for promptly reporting any changes in their financial situation and/or contract information to the business office at NVHC.
- 3) Requests for financial assistance under this CCP must be made by, or on behalf of, the patient. In the event a request is denied, the patient may re-apply at any time when there is a change in the patient’s, or responsible party’s, total income or family size responsibility.

- 4) Patients or responsible parties that qualify for a partial discount under this CCP must cooperate with NVHC in setting up a reasonable payment plan to satisfy any remaining balances that the discount did not cover. The patient or responsible party must also make good faith efforts to honor the payment plan and must communicate with the NVHC business office any changes in their financial situation that may impair their ability to honor the payment plan.

## 5.0 Procedures

### A. **Application Process**

The application process **must** be completed before, during, or after receiving services not to exceed 240 days from the first post-discharge billing statement that was provided to the patient, or responsible party. Acceptance into the Community Care Program will be contingent on supplying the following documents:

- 1) A completed and signed CCP Application,
- 2) A copy of the patient's, or responsible party's, most recent tax return,
- 3) Copies of the patient's, or responsible party's, two most recent pay stubs, if applicable, and
- 4) Copies of the patient's, or responsible party's, two most recent bank statements (All Sources).

If needed, a valid driver's license or other proof of identification may be requested to verify address.

Completed CCP applications, along with all required information, may be submitted by the patient, a guarantor or responsible party, or any person acting on behalf of the patient in the following acceptable methods:

- 1) Via mail or in-person delivery to:

North Valley Health Center  
Attention: Business Office  
300 West Good Samaritan Drive  
Warren, MN 56762

- 2) Via fax at 218-745-4215 – Attention to “Business Office,” or
- 3) Via email to [administration@northvalleyhealth.org](mailto:administration@northvalleyhealth.org)

Any questions regarding the CCP or Application process can be made using the above methods, or by calling our Business Office at (218) 745-4211.

NVHC maintains the right to deny any application for failure to supply requested documentation. If NVHC has reason to believe that the information in the CCP application is unreliable, incorrect, or that the information as obtained under duress or through the use of coercive practices, NVHC will also consider the application incomplete. If either of these occur, NVHC will provide the patient, or responsible party, with a written explanation of why NVHC has made this determination.

**B. Eligibility Determination Process:**

NVHC does not use third-party information to make presumptive determinations of CCP eligibility and does not take into account race, gender, age, sexual orientation, religious affiliation, or social or immigrant status. The steps taken to determine eligibility consist of the following:

- 1) Once the NVHC business office receives all required information, NVHC shall make reasonable efforts to determine eligibility for financial assistance in a reasonable timeframe, generally 30 days.
- 2) Whether a patient, or responsible party, is approved or denied to the NVHC Community Care Program, NVHC will make contact with the patient, or responsible party, indicating such in a timely manner. Subsequently if approved, the appropriate discount, as determined within these policy guidelines per Attachment A, will be applied to the patient's or responsible party's applicable account balances and be reflected on their next billing statement.
- 3) Once a patient or responsible party becomes eligible under the NVHC Community Care Program, the patient or responsible party will remain eligible in the program unless the patient's or responsible party's income or insurance status changes to the extent that the patient becomes ineligible.
- 4) NVHC reserves the right to evaluate any patient's eligibility (including any insured patient who indicates an inability to pay his or her liability after his or her insurance has paid) on a case-by-case basis, especially where complex medical or financial situations exist.
- 5) Financial assistance offered under this CCP is subject to review by the NVHC Chief Executive Officer or Chief Financial Officer to ensure compliance with this program.

**C. Communication of this Policy to Patients and the Public**

- 1) NVHC will include a Community Care Program brochure, plain language summary, and application in every admission packet given to new patients after checking in at the front desk of the facility or through our emergency department. These documents will also be available free of charge at any time by utilizing the following methods:

i. Sending a letter of request to:

North Valley Health Center  
Attention: Business Office  
300 West Good Samaritan Drive  
Warren, MN 56762

ii. Request in-person by visiting our front desk during normal business hours (8am to 5pm) or our nurses station after normal business hours (5pm to 8am) at the address noted in "i." above,

iii. Calling our business office at 218-745-4211, or

iv. Visit our website at:

<https://www.northvalleyhealth.org/about/policies-programs/>

- 2) NVHC will post notices in visible locations throughout the facility which will include a brief description of the program and instructions on how to apply for the CCP or a discounted payment.
- 3) NVHC will provide notices on billing statements that our facility has a Community Care Program and provide the number to call to inquire about it.
- 4) NVHC will make every effort to share this policy with appropriate community members and organizations, such as Marshall County Social Services.
- 5) If any population with limited English proficiency comprises the lessor of more than 5% or more than 1,000 individuals of NVHC's service area population, then all communication methods described in this policy will also be followed in the primary language of that population. For 2017, there were none.

**D. Policy Notes:**

- 1) NVHC reserves the right to grant financial assistance discounts in extraordinary circumstances to any uninsured or underinsured patient or responsible party that does not meet the guidelines stated above.
- 2) This policy will be reviewed and reaffirmed and/or updated annually.
- 3) If a patient or responsible party, at any time, has any questions concerning our Community Care Program or needs assistance in completing the application process, they are more than welcome to contact our business office at (218) 745-4211 or visit our facility at the address noted within this policy and our staff will be happy to assist.

**6.0 References**

A. None

# Attachment A

## NORTH VALLEY HEALTH CENTER

### COMMUNITY CARE PROGRAM INCOME GUIDELINES SCHEDULE A

	<b>100% Discount</b>	<b>60% Discount</b>	<b>30% Discount</b>
	0-200% FPG**	201-225% FPG**	226-250% FPG**
Size of Family Unit	Income Level	Income Level	Income Level
1	\$0 to \$24,120	\$24,121 to \$27,135	\$27,136 to \$30,150
2	\$0 to \$32,480	\$32,481 to \$36,540	\$36,541 to \$40,600
3	\$0 to \$40,840	\$40,841 to \$45,945	\$45,946 to \$51,050
4	\$0 to \$49,200	\$49,201 to \$55,350	\$55,351 to \$61,500
5	\$0 to \$57,560	\$57,561 to \$64,755	\$64,756 to \$71,950
6	\$0 to \$65,920	\$65,921 to \$74,160	\$74,161 to \$82,400
7	\$0 to \$74,280	\$74,281 to \$83,565	\$83,566 to \$92,850
8	\$0 to \$82,640	\$82,641 to \$92,970	\$92,971 to \$103,300
Each Additional Person, Add	\$8,360	\$8,361 to \$9,405	\$9,406 to \$10,450

\*\* FPG = Federal Poverty Guidelines

**North Valley Health Center reserves the right to adjust the income levels in the above table as needed in accordance with annually released changes to the Federal Poverty Levels as determined by the United States Department of Health and Human Services.**