United Hospital District Patient Financial Services:	Financial Assistance and Credit and Collections Policy
EFFECTIVE DATE: 01/01/2015	**APPROVED BY:** Revenue Cycle Manager
DATE REVIEWED/REVISED: 06/09/2025	**FORMULATED BY:** Revenue Cycle Manager

Financial Assistance and Credit and Collections Policy

Purpose:

United Hospital District strives to promote quality, affordable care for all patients while maintaining sound business and financial policies and procedures. UHD is committed to providing financial assistance to uninsured and under-insured individuals in need of medically necessary and emergency care.

Policy Statement:

All patients seeking health care services at United Hospital District, Inc. (UHD) are assured that they will be served regardless of inability to pay. No one is refused service because of lack of financial means to pay. This program is designed to provide free or discounted care to those who have no means, or limited means, to pay for their medical services (uninsured or under-insured).

United Hospital District, Inc. will offer a discounted/sliding fee schedule to all who are unable to pay for their services. United Hospital District will not discriminate on the basis of an individual's ability to pay, or whether payment for those services would be made under Medicare, Medicaid, or the Children's Health Insurance Program (CHIP). For patients whose income is at or below 225% of the Federal Poverty Level, there is no cost for medically necessary healthcare.

United Hospital District, Inc. (UHD) will render medically necessary care to all persons in need, regardless of their ability to pay. - uninsured or underinsured. A discounted/sliding fee schedule is available based only on family size and income. For patients whose income is at or below 225% of the Federal Poverty Level, there is no cost for medically necessary healthcare. Proper and standard business practices will be applied to parties who are delinquent in paying their accounts.

Definitions:

Emergency Care and Services: Patients who present to United Hospital District's emergency room seeking emergency care shall receive a medical screening examination by qualified medical personnel to determine if a medically emergent condition exists. An emergency medical condition is one in which a patient has presenting symptoms including, but not limited to, severe pain, psychiatric disturbances and/or symptoms of substance abuse, which requires immediate medical attention. To meet the definition of emergency care and services, in the absence of medical attention, the patient would likely experience serious illness or impairment to a bodily organ or function. Emergency care also means that in the absence of treatment, there could be jeopardy to the health of the individual or unborn child.

Medically Necessary Care and Services: Health care and services that are necessary to prevent, diagnose, manage, or treat conditions in the person that cause acute suffering, endanger life, result in illness or infirmity, interfere with such person's capacity for normal activity or threaten

some significant handicap. Medically necessary does not include "elective" services. Examples of elective services include but are not limited to cosmetic procedures, birth control or fertility treatments, non-emergent dental procedures, tubal ligations, vasectomies, direct access lab testing and circumcision of babies.

Uninsured: Individuals with no private health insurance, Medicare, Medicaid, State Children's Heath Insurance Program, state-sponsored, other government, or military health insurance coverage.

Underinsured: Individuals with public or private insurance policies that do not cover all necessary medical services, resulting in out-of-pocket expenses that exceed their ability to pay.

Refusal to Pay: If a patient verbally expresses an unwillingness to pay or vacates the premises without paying for services, the patient will be contacted regarding their payment obligations. If the patient is not on the sliding fee schedule, a copy of the sliding fee discount program application will be sent with the notice. If the patient does not make effort to pay or fails to respond within 30 days, this constitutes refusal to pay. At this point in time, United Hospital District will explore options not limited to but including offering the patient a payment plan or referring the patient to collections.

Acceptable Proof of Income: Applicants may provide one of the following: prior year W-2, two most recent pay stubs, letter from employer, or Form 4506-T (if W-2 not filed). Self-employed individuals will be required to submit detail of the most recent three months of income and expenses for the business. Adequate information must be made available to determine eligibility for the program. Self-declaration of Income may be used. Patients who are unable to provide written verification may provide a signed statement of income.

Income Includes: gross wages; salaries; tips; income from business and self-employment; unemployment compensation; workers' compensation; Social Security; Supplemental Security Income; veteran's payments; survivor benefits; pension or retirement income; interest dividends' royalties; income from rental properties, estates, and trusts; alimony; child support; assistance from outside the household; and other miscellaneous sources.

Family is defined as: a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including subfamily members) are considered as members of one family. United Hospital District, Inc., will also accept non-related household members when calculating family size.

Procedures:

To obtain current demographic and insurance information, Registration Staff collect patient demographic and insurance information and inputs data into the UHD Health Information System. Registration staff asks patients to sign a consent form authorizing treatment and initiating payment on their account. Patients may contact billing and make payment arrangements prior to a scheduled admission, surgery, or procedure.

Amounts billed to all patients for services rendered are based on the UHD comprehensive chargemaster, which describes the services and the charge for each service. Actual charge amounts do not differ based on whether the patient has insurance or not.

Billing statements are generated when all charges have been posted to the account, have been processed through coding and have been processed through patient insurance. It is the patient's responsibility to inform UHD of any insurance to be billed at the time of the visit.

Payments for services are due and payable 30 days from the date of the first billing statement unless the patient has made other payment arrangements. UHD will file all third-party payers' claims for the patient if current and accurate information is provided to UHD. UHD is a certified Navigator for MNsure and will assist our patients with an application if needed.

UHD will not engage in extraordinary collection activities before making reasonable efforts to determine whether an individual who has an unpaid account balance is eligible for or has had the opportunity to apply for Financial Assistance. Proper and standard business practices will be applied to parties who are delinquent in paying their accounts.

UHD accepts most major credit cards, checks, or cash. Payments can be made in person, via telephone, mail or by entering the information into the MyChart patient portal.

Uninsured / Self-Pay Patients:

Uninsured patients will automatically receive a 15% MN Attorney General Discount, as a reduction to gross charges for services provided. This appears on statements as the HATCH discount.

If the patient is uninsured, a patient representative is available to meet with the patient to assist them in applying for Medical Assistance or to create a Financial Assistance Plan. In addition, self-pay patients should expect to be mailed, (or received through their patient portal) a good faith estimate of the cost of services, prior to the service, given that the service has been scheduled far enough in advance and according to MN Law. All self-pay patients are screened for Financial Assistance/Community Care. If an uninsured patient has an outstanding balance at UHD, at least 2 contact attempts by phone or mail will be made to discuss Financial Assistance options. A financial assistance application will also be mailed out to the patient. These attempts are documented on the patient/guarantor account. UHD expects full cooperation from the patient/guarantor throughout this process.

Patients with Thirty-Party Insurance

Registration staff will verify insurance at the time of the visit. If there is a co-payment due, payment is expected at the time of the visit. All claims will be filed with third-party insurance. Once payment is received from the insurance company, the balance that is considered self-pay will be transferred to an outside agency (MARS) to pursue payment on behalf of UHD. MARS will encourage the patient to pay the balance in full within 30 days in order to qualify for a prompt pay discount of 15%. If the guarantor cannot pay in full, a payment plan should be set up. Payment plans must be entered into EPIC. If monthly payment arrangements are made, the prompt pay discount does not apply.

Patients can apply for financial assistance/Community Care to assist with outstanding self-pay balances, after insurance has paid.

Payment Plans:

UHD will accept payment plan terms for remaining self-pay balances. The minimum monthly payment must be at least $75, and the account must be paid in full within 12 months for balances under $3,000 and up to 24 months for balances greater or equal to $3,000. Once a payment plan is agreed upon, payments must be made monthly. When a payment is missed and not made up within the next month, the payment plan will be deemed a broken agreement and the remaining balances will move along the process, including sending to a bad debt agency if accounts qualify. A guarantor may be allowed a one-time, 3-month temporary payment plan at a reduced monthly rate to allow more time to make financial arrangements. If a patient is granted a 3-month temporary payment plan but fails to resume full required payments when the 3 months is up, the payment plan will be considered a broken agreement and payment plan will be terminated.

How to Apply for Financial Assistance:

The patient or guarantor can express financial concerns at any point during patient care. The patient or guarantor will then be encouraged to complete a Financial Assistance Application, which is based on family size and income. UHD's Financial Assistance Policy, the Financial Assistance Application and a Plain Language Summary are available free of charge, in English (or in other languages that constitute the primary language of at least 5% or the 1,000-person threshold of the population in communities where UHD facilities are located). We do not require patients to apply to Medicaid/health insurance or do asset testing to qualify for the Sliding Fee Discount Program.

Applicants may provide one of the following: prior year W-2, two most recent pay stubs, letter from employer, or Form 4506-T (If W-2 not filed). Self-employed individuals will be required to submit detail of the most recent three months of income and expenses for the business. Adequate information must be made available to determine eligibility for the program. A signed Self-declaration of Income may be provided if patients are unable to provide other written verification.

Financial Assistance/Community Care paperwork must be returned to UHD with supporting documentation within 2 weeks of receiving the application. Approval or denial will be communicated to the patient by mail, within 2 weeks of UHD receiving the completed application and paperwork. The discount will apply to all emergency and medically necessary healthcare services for the 6 months prior and up to 6 months after approval. Patients have the option to reapply after the 6 months have expired or anytime there has been a significant change in family income. When the applicant reapplies, the look back period will be the lesser of 6 months or the expiration date of their last Financial Assistance application approval. Approval for financial assistance will be determined based on federal and state poverty level guidelines. Patients with incomes at or below 225% of the Federal Poverty Level may receive a 100% discount and therefore will not encounter a nominal fee. Patients whose income is above

225% through 375% may receive a schedule of discounts. Patients will not be denied services due to an inability to pay. Patients with incomes above 225% of the Federal Poverty Guidelines through 375% of the Federal Poverty Guidelines, will be charged a nominal fee according to the attached sliding fee schedule and based on their family size and income. The nominal fee is not a threshold for receiving care and thus is not a minimum fee or co-payment.

Waiving of Charges: In certain situations, patients may not be able to pay the nominal or discount fee. Waiving of charges must be approved by United Hospital District's Revenue Cycle Manager and an explanation must be documented in the patient's guarantor account in EPIC.

Information related to the Financial Assistance/Community Care decisions will be maintained and preserved in a confidential file located in the Revenue Cycle Department, to preserve the dignity of those receiving free or discounted care. Applicants who have been approved for the Sliding Fee Discount Program will be logged, noting names of applicants, dates of coverages and percentage of coverage. The Revenue Cycle Manager will maintain an additional log identifying Financial Assistance/Community Care recipients and dollar amounts. Denials and applications not returned will also be logged.

If the patient fails to return the application and paperwork after 2 contact attempts have been made, and does not meet payment guidelines, as the account ages, it will be turned over to a collection agency. The collection agency will determine if they use a law firm to collect payment or if they can come to a payment agreement with the guarantor. Once the account is turned over to the collection agency, the patient must work directly with that agency for payments on the account.

The following guidelines are to be followed in providing the Sliding Fee Discount Program:

1) Notification: United Hospital District will notify patients of the Sliding Fee Discount Program by:
    a. Notification of the Sliding Fee Discount Program will be offered to each patient upon admission.
    b. Sliding Fee Discount Program application will be included with collection notices sent out by United Hospital District.
    c. An explanation of our Sliding Fee Discount Program and our application form are available on United Hospital District's website.
    d. United Hospital District places notifications of Sliding Fee Discount Program in the waiting areas.
2) Request for Discount: Requests for discounted services may be made by patients, family members, social services staff or others who are aware of existing financial hardship. Information and forms can be obtained from the front desk and the business office. Individuals may also obtain these documents through the following means: hard copies will be provided in person; or mailed to the patient upon request. Hard copies can be accessed, downloaded, and printed from our website at www.uhd.org

In limited and emergent circumstances, UHD may conduct a real time review of patient information to assess financial need. This process takes into consideration estimated income,

assets valuation etc. and is called Presumptive Eligibility. This process is meant to supplement the Financial Assistance Process when an emergent situation requires attention.

Policy and Procedure Review: The Sliding Fee Schedule will be updated based on the current Federal Poverty Guidelines. United Hospital District will also review possible changes in our policy and procedures, and for examining institutional practices which may service as barriers preventing eligible patients from having access to our community care provisions. This review will take place at least annually.

Collection Practices:

UHD expects payment from patients and guarantors with the ability to pay. In the event such patient/guarantor fails or refuses to fulfill their financial obligations, UHD may engage in collections actions including referring unpaid accounts to external collection agencies. UHD does not sell patient debt to collection agencies or other external parties but may engage agencies to assist in the collection process. Neither UHD nor our 3rd party collection agency will report medical debt to credit agencies.

Refunds:

Refunds created due to overpayments by the guarantor will be made only after all accounts due are paid in full. Refund checks are processed at least once a month.

For assistance or questions, please call the UHD Business Office at 507-526-3273, Monday through Friday, 8am to 4:30pm.