



# *Non-Hospital Charitable Care and Financial Assistance Policy*

Mayo Clinic's mission is to provide the best care to every patient through integrated clinical practice, education and research. Mayo Clinic strives to benefit humanity through work in these three areas, while supporting the communities in which we live and work. Mayo Clinic appropriately serves patients in difficult financial circumstances and offers financial assistance to those who have an established need to receive medically necessary services and meets criteria for assistance.

Charitable care and financial assistance is only one component of Mayo Clinic's charitable mission. Educating the next generation of health care professionals and supporting biomedical research to decrease the burden of human disease are vital to Mayo Clinic's charitable purpose.

## **Purpose**

This policy serves to establish and ensure a fair and consistent method for uninsured and under-insured patients to apply and be considered for financial assistance related to emergency and other medically necessary non-hospital based care. Please note that not all medical services qualify for assistance under this Policy. Financial assistance involves free or discounted care based on household income and assets that are required to be disclosed in the application process.

## **Scope**

This policy is to be used by all Mayo Clinic non-hospital tax-exempt sites including Mayo Clinic Health System non-hospital tax-exempt sites. Throughout the remainder of the document, use of the term "Mayo Clinic" refers to all Mayo Clinic affiliated non-hospital tax-exempt locations.

## **Definitions**

**Applicant:** Patient or other individual responsible for payment of the patient's care who seeks financial assistance.

**Bad debt:** The cost of providing care to persons who are able but unwilling to pay all or some portion of the medical bills for which they are responsible.

**Charity Care:** The cost of providing free or discounted care to individuals who cannot afford to pay all or a portion of their non-hospital medical bills based on the eligibility rules identified in this Policy.

**Gross Charges:** The full established price for medical care provided to patients.

**Self-pay Balance:** The amount due to a provider after services are rendered and all other payment options or reimbursement methods are exhausted.

## **Policy Statements**

Mayo Clinic Revenue Cycle staff are responsible for the administration of financial assistance.

It is the policy of Mayo Clinic to offer financial assistance to patients who are unable to pay their clinic bills due to difficult financial situations and meet criteria for assistance. A Mayo Clinic financial counselor, designated Business Office representative, or committee with authority to offer financial assistance will review individual cases and make a determination of financial assistance that may be offered.

Mayo Clinic determines the need for financial assistance by reviewing the particular services requested or the care provided, insurance coverage or other sources of payment, a person's historical financial profile and current financial situation. This method allows for a fair and accurate way to assist patients who are experiencing financial hardship. Partial or full charity care will be granted based on the individual's ability to pay.

Eligible individuals include patients who do not have insurance and patients who have insurance, but are underinsured. Patients must cooperate with any insurance claim submission and exhaust their insurance or potential insurance coverage before becoming eligible for financial assistance.

Other factors affecting eligibility are as follows:

- **Income**—The Federal Poverty Income Guidelines will be used to determine the level of financial assistance provided. The Federal Poverty Guidelines are updated annually.
  - The minimum criteria for full (100 percent) charity write-off will be 200 percent of the most recent Federal Poverty Income Guidelines.
  - Minimum criteria for partial write-offs will be to grant patients earning between 201 and 400 percent of the Federal Poverty Income Guidelines some level of financial assistance depending on the circumstances in each case; the average of which is 50 percent for patients in this income level.
  - Individual Mayo Clinic site policy may allow assistance to patients with income levels over 400 percent of the Federal Poverty Guidelines, depending on the market served and other charitable care and financial assistance options available within the community.

- **Evaluation of Assets**—The patient's household savings, checking, investment assets, real property assets, and overall financial position may be considered in allowable locations and circumstances.
- **Family Size**—In addition to annual household income, family size, including the number of dependents the applicant is responsible for, may be considered according to the Federal Poverty Guidelines.
- **Nature of the Medical Condition or Care Required**—All services considered urgent or emergent will be provided regardless of the ability to pay. Medically necessary services considered unique to Mayo Clinic will also be considered.
- **Status of Residence and Available Local Care**—Priority may be given for care of local and regional patients, and for care that is unique to Mayo Clinic. Patients outside of the geographic region of a Mayo Clinic location require a referral from their local provider supporting that the care is unique to Mayo Clinic and cannot be provided closer to where the patient resides. International patients are not eligible for financial assistance except in rare circumstances, when the care is unique to Mayo and cannot be provided closer to where the patient is a legal resident.
- **Additional Considerations**
  - Mayo Clinic will review any special circumstances that the patient would like to submit for consideration.
  - Eligibility is contingent upon patient cooperation and submission of all information that Mayo Clinic deems necessary in order to determine the level of any financial assistance that may be considered, including written permission for Mayo Clinic to check consumer credit information.
  - Eligibility for Charity Care is contingent upon patient's full participation with the application process, including application to Medicaid or Medical Assistance if eligible, and a signed authorization form allowing claims to be filed to the insurer. Patients are ineligible for charity care if they do not apply when eligible for a government insurance program and/or if they do not allow submission of claims if approved.

## Limitations

Mayo Clinic financial assistance does not include all costs that may be associated with medical services. The following is a non-exhaustive list of items or services that are not included in our financial assistance program:

- **Transportation and Lodging**—The patient is responsible for transportation to and from Mayo Clinic.
- **Food**—Social Services may have limited vouchers to help cover costs of food during the Mayo Clinic visit.
- **Durable Medical Equipment**—Social Services may have limited vouchers available to help cover costs associated with durable medical equipment.
- **Pharmacy Supplies**—The Mayo Store has a charitable care and financial assistance program to provide supplies at reduced costs for patients requiring financial assistance.
- **Prescriptions Filled at a Non-Mayo Pharmacy**—Limited prescription coverage from a Mayo Clinic pharmacy may be available to allow a patient to transition home after receiving care.
- **Smoking Cessation (Rochester only)**—The Nicotine Dependence Center (NDC) Fund at Mayo Clinic in Rochester provides limited financial assistance for those interested in smoking cessation with financial need.
- **Note:** Mayo Clinic Social Services can provide limited funds in certain situations. The funds are generally less than \$50, offered once, and for short-term situations.

## Hospice Care (Rochester Only)

Coverage for Mayo Rochester Hospice Program end of life services may be approved in special situations when provided in the patient's home or a facility where Mayo Hospice has an established contact (e.g., selected area nursing homes and/or Charter House). Criteria include the following non-exhaustive list:

- Patient meets hospice eligibility criteria—Patient's doctor and the hospice program medical director agree that the patient's condition is terminal and the goal of treatment is comfort rather than cure.
- Hospice care will avoid hospitalization in a Mayo Clinic hospital in Rochester or will facilitate discharge from one of the Mayo Clinic hospitals in Rochester.
- Medical evaluation suggests difficulty moving the patient to home and/or care is not available in the patient's home.
- Patient resides in the Mayo Hospice program service area or is unable to return home for end of life care.

## Home Health and Post Service Care

Mayo Clinic may provide home health, pharmaceutical, or other services related to discharge planning on a limited basis depending on the medical needs of the patient and services provided and billed by each location for such care. Should it be determined that follow up or out-patient care would better serve or hasten the recovery of the patient and reduce overall cost to provide patient care, Mayo Clinic will review out-patient care options. Services may include, but are not limited to: home health nursing care, wound care, physical therapy, and other palliative care services. Mayo Clinic reserves the right to limit the extent and duration of home health services. Services may be limited to only those provided by the site providing initial care or provided by an approved contracted home health provider.

## Identification of Patients Who May Be Eligible

There are a number of ways a patient can be identified and evaluated for financial assistance prior to, during, or following care. The following is a non-exhaustive list of examples for identification prior to receiving services:

- Patients or their representatives may request financial assistance.
- Mayo Clinic employees may refer patients to a financial counselor or Business Office representative.
- The Business Services/Patient Financial Services department may refer patients to a Business Office representative.
- Referring physicians may refer patients.
- Mayo consulting physicians may refer patients. Associate Consultants (ACs) and Senior Associate Consultants (SACs) must have the approval of their Division Chair.
- Local government agencies may refer patients.
- Collection agencies or attorneys may refer patients back to Mayo Clinic.
- The Business Services/Patient Account Services area may identify financial need through conversations with patients regarding billing and payment options.

## Method of Applying for Financial Assistance

Patients who want to apply for financial assistance or who have been identified as potentially eligible for financial assistance will be informed of the application process either before receiving services if the facts suggest potential eligibility or after the billing and collection process has begun. The application process may be waived or suspended due to medical necessity, including timing and urgency of care. Patients or their representative can obtain a financial assistance application via mail by contacting Patient Account Services at 507-266-5670 or by downloading and printing the Charitable Care and Financial Assistance application at no charge from our website.

If a patient has incurred both hospital charges and clinic charges, only one financial assistance application needs to be submitted by a patient even though the hospital and clinic polices are separate.

All patients/guarantors who receive a Financial Statement application must complete and return the application within 30 days, along with the following documents that serve as the minimum information necessary to process an application for financial assistance. Mayo Clinic reserves the right to request additional documentation before finalizing a request for assistance:

- Proof of completion of Medical Assistance application process, including approval or denial as applicable\*.
- A copy of the two most recent tax returns, including all schedules of patient, spouse, or any person who claims the patient as a tax dependent.
- A copy of the three most recent bank statements from all banking or credit union institutions of the household\*.
- Proof of household income (pay stubs for the past 90 days)\*.
- Full disclosure of claims and/or income from personal injury and/or accident related claims\*.

\*Items not applicable for Barron, Cameron, Rice Lake, Mondovi, Osseo, Elmwood, or Menomonie, WI.

A Mayo Clinic Revenue Cycle representative will review all returned Financial Assistance applications. Individual Mayo Clinic sites may require additional information or identify a minimum financial assistance request amount before requiring a Financial Statement application. The Financial Counselor or Business Office representative will consult the Financial Assistance authorization guidelines and present the Financial Statement to the appropriate person/committee for consideration. Once a decision has been made for financial assistance, a letter is sent to each applicant advising them of the decision. Notification for pre-service financial assistance requests will be sent if time permits.

Mayo Clinic and the Mayo Clinic Health System locations, including hospitals, may share patient Financial Assistance application information across our locations for the benefit and ease of administering Financial Assistance to patients seen at multiple locations. No information will be shared outside of Mayo Clinic unless authorized or required by law.

## Basis for Calculating the Amounts Charged to Patients

The amount that a patient is expected to pay and the amount of financial assistance offered depends on the patient's insurance coverage and income and assets as set forth in the eligibility section of this Policy. The Federal Income Poverty Guidelines will be used in determining the amount of the write off and the amount charged to patients, if any, after an adjustment.

## **Eligibility and Criteria Considered for Charitable Care and Financial Assistance**

The appropriate business office will review all circumstances surrounding the request. The Mayo entity will notify the patient about the decision within a reasonable time after submitting a completed financial assistance request. A patient's request will be deemed complete after Mayo receives a complete financial assistance application, and all required documentation, including current pay stubs, income tax statements, and bank statements, if applicable.

Mayo Clinic will consider requests for charitable care and financial assistance medical care with priority given to local and regional patients, and care confirmed to be unique to Mayo. Local and regional patients do not require physician referral before applying for financial assistance. Patients from beyond the site's service area (generally the state where services are provided) will require referral by a physician for unique Mayo services or an approved application from a recognized charitable organization known to Mayo Clinic. Appropriate physician and/or administrative medical staff may be consulted to determine uniqueness of care to Mayo Clinic. Senior Associate Consultant (SAC's) decisions may be reviewed by the Division Chair. The charitable care and financial assistance care request must be supported by the Mayo treating physician.

Delivery of charitable care and financial assistance care does not obligate Mayo Clinic to provide continuing care unless the services and support are unique to our organization. Patients may be required to re-apply for charitable care and financial assistance care at least every 180 days. Each local Mayo Clinic site reserves the right to require a patient to re-apply at any time.

Mayo Clinic requires compliance with the application process of appropriate service organizations that may provide coverage for care, such as Medicaid or Medical Assistance.

Mayo Clinic makes every reasonable attempt to collect from insurance companies and other third-party payers. Financial hardship and charity care adjustments may be considered for those patients whose income and assets will not allow full payment within a reasonable time. Mayo Clinic may also consider paying COBRA premiums for a limited period of time if a patient is approved to receive financial assistance. Factors that are considered include the patient's residency (local, region, national, international) and the availability of care outside the Mayo system. Assistance may consist of:

- Full adjustment of the self-pay balance.
- Partial adjustment of the self-pay balance.
- Extended payment plan terms.

Mayo Clinic and Mayo Clinic Health System locations reserve the right to reverse financial assistance adjustments and pursue appropriate reimbursement or collections. This may occur as a result of a variety of reasons, such as newly discovered information such as insurance coverage or pursuit of a personal injury claim related to the services in question.

## **Government Assistance**

In determining whether an individual qualifies for charitable care and financial assistance care, other county or governmental assistance programs will be considered. Many applicants are not aware that they may be eligible for public health insurance programs or have not pursued application.

Mayo Clinic staff will help the individual determine eligibility for governmental or other assistance, as appropriate.

Persons who are eligible for programs (such as State-sponsored Medicaid) but who were not covered at the time that medical services were provided may be granted financial assistance, provided that the patient completes an application for government assistance. This may be prudent, especially if the patient requires ongoing services.

## **Reasons for Denial**

Mayo Clinic may deny a request for financial assistance for a variety of reasons including, but not limited to:

- Sufficient income or asset level.
- Patient is uncooperative or unresponsive to reasonable efforts to work with the patient, including completion of the application process for Medicaid and/or Medical Assistance, and allowing all claims to be filed.
- Requests for care when there is no identifiable means of obtaining long-term support (e.g. medication or implantable devices) needed to sustain the initial successful outcomes of care.
- Incomplete Financial Assistance application (missing or incomplete supporting documentation) despite reasonable efforts to work with the patient.
- Pending insurance or liability claim.
- Withholding insurance payment and/or insurance settlement funds, including insurance payments sent to the patient to cover services provided by Mayo Clinic, and personal injury and/or accident related claims.

## **Collection Activity**

Mayo Clinic will not engage in collection lawsuits before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this policy. Collection activity will proceed based on a separate collection policy.

If a collection agency identifies a patient as meeting Mayo Clinic's financial assistance eligibility criteria, the patient's account may be considered for financial assistance. Collection activity will be suspended on these accounts and Mayo Clinic will review the financial assistance application. If the entire account balance is adjusted, the account will be returned to Mayo Clinic. If a partial adjustment occurs, the patient fails to cooperate with the financial assistance process, or if the patient is not eligible for financial assistance, collection activity will resume.

## **Equal Opportunity**

Mayo Clinic is committed to upholding the multiple federal and state laws that preclude discrimination on the basis of race, sex, age, religion, national origin, marital status, sexual orientation, disabilities, military service, or any other classification protected by federal, state or local laws.

Mayo Clinic will not consider bad debt, contractual allowances, perceived underpayments for operations, public programs, cases paid through a charitable contribution, professional courtesy discounts, community service or outreach programs, or employment status as a means to determine financial assistance.

## **Confidentiality**

Mayo staff will uphold the confidentiality and individual dignity of each patient. Mayo Clinic and Mayo Clinic Health System will meet all HIPAA requirements for handling personal medical, health, and financial information.

This policy will be reviewed annually. Last update: March 2016.