Ortonville- Ortonville Area Health Services: Operations:	Financial Assistance Program
	APPROVED BY: CFO
DATE REVIEWED/REVISED: 07/29/2026	**FORMULATED BY:** INS & BILLING MANAGER

ORTONVILLE AREA HEALTH SERVICES

Financial Assistance Program Policy

1. Purpose and Scope

OAHS provides emergency and medically necessary care to patients regardless of ability to pay. This Financial Assistance Program (FAP) makes free or discounted care available to eligible patients. This Policy applies to all OAHS hospital and provider-based clinic services determined by an OAHS-credentialed provider to be medically necessary. It does not apply to purely cosmetic or clearly elective services.

This Policy is written to comply with Minn. Stat. §§ 144.587–.589, § 62J.806, the MN Debt Fairness Act, the MN Attorney General Hospital Agreement, and IRS § 501(r).

2. Key Terms

FAP — OAHS's Financial Assistance Program, providing free or discounted care to eligible patients.

FPL — Federal Poverty Level guidelines, updated each January by HHS.

AGB (Amounts Generally Billed) — The maximum charge for emergency or medically necessary care to a FAP-eligible individual or an uninsured patient with household income under $125,000. Calculated primarily under Minn. Stat. § 144.589 (lowest nongovernmental third-party reimbursement. See Section 3.

MEA (Minimum Equity Allowance) — The asset threshold below which countable liquid assets do not reduce a patient's discount. See Section 4.

Application Period — The 240 days following a patient's first post-discharge billing statement, during which the patient may apply or reapply for FAP.

Presumptive Eligibility — A pathway to apply a FAP discount without a completed application when the patient presents qualifying documentation. See Section 5.

TPPP (Third-Party Patient Payment Program) — An optional third-party payment program that OAHS may offer patients under a written, MN-governed vendor agreement to resolve a residual balance. Governed by the OAHS Collection Policy. No TPPP is in force as of this Policy's effective date.

3. Eligibility — Income Tiers and AGB Cap

Eligibility is based on household income (this Section) and the asset test (Section 4). Specific dollar amounts by household size are updated each January in the FAP Guidelines.

Household Income vs. FPL	FAP Discount	What PFS Does
≤ 200% FPL	100% (full charity)	Write off balance
201–250% FPL	75% of remaining balance	Apply discount
251–300% FPL	50% of remaining balance	Apply discount

Household Income vs. FPL	FAP Discount	What PFS Does
301–350% FPL	25% of remaining balance	Apply discount
> 350% FPL, uninsured, household < $125K	AGB Cap applies	Cap total charges at AGB
> 350% FPL, adequately insured	Generally not FAP-eligible	Offer payment plan / Prompt-Pay

AGB Cap — who is covered.

Under Minn. Stat. § 144.589 and IRS § 501(r)-5, OAHS caps total charges for emergency or medically necessary care at AGB for: (1) any FAP-eligible individual (including insured patients enrolled in high-deductible plans, once FAP eligibility is determined), and (2) any uninsured patient with household income under $125,000. The AGB Cap is applied automatically by PFS — no separate patient form is required.

AGB Cap — how it is calculated.

AGB is defined as the LOWEST total amount OAHS would be reimbursed (insurer payment plus patient responsibility) for the same emergency or medically necessary service by a nongovernmental third-party payer during the prior 12 months. This is the AGB calculation OAHS uses.

The AGB Cap combines with any FAP discount for which the patient qualifies; whichever produces the lower resulting patient balance controls.

4. Asset Test — Minimum Equity Allowance (MEA)

The asset test never eliminates FAP eligibility; it only reduces the discount tier when a patient has excess liquid assets. Countable assets include checking, savings, CDs, money market, and non-retirement investment accounts.

MEA Threshold	Amount (plus one vehicle of any value)
Single applicant	$25,000
Two-person household	$40,000
Each additional household member	+$5,000

Excluded assets:

- Primary residence (homestead)
- Qualified retirement accounts (401(k), 403(b), IRA, pension
- Vehicles used for medical/mobility needs or work
- Personal effects, household goods, and items protected under Minn. Stat. § 550.37

How PFS applies the asset test:

- Countable assets at or below MEA → no adjustment; patient gets full income-based tier
- Countable assets between 1.0x and 2.0x MEA → reduce discount tier by one level
- Countable assets above 2.0x MEA → reduce discount tier by two levels

- Floor: no FAP-eligible patient receives less than a 25% discount, regardless of assets

Verification is limited to what is reasonably necessary. Do not require duplicate documentation the patient has already provided.

5. Presumptive Eligibility — Manual, Document-Based

OAHS does not use automated screening tools, propensity-to-pay software, or a third-party vendor. PFS makes presumptive determinations manually, based on documentation the patient or guarantor presents.

Apply a 100% FAP discount without a completed application when the patient presents current documentation of any of the following:

- Enrollment in Medical Assistance (MA), MinnesotaCare, or any other Medicaid program (card or eligibility letter valid as of the date of service, or issued within the 12 months preceding the date of service)
- Self-reported homelessness or shelter housing (documented on the intake note)
- Deceased patient with no estate and no responsible guarantor (death certificate or written notice from executor/next of kin)
- Prior OAHS FAP approval within the past 12 months, provided the patient's circumstances have not materially changed. For this purpose, "materially changed" means any of the following since the prior determination: (i) a household income increase of more than 20%, (ii) new enrollment in a health plan that provides adequate coverage for the services at issue, (iii) a change in household composition affecting family size (marriage, divorce, or dependent status), or (iv) receipt of a lump-sum payment or asset acquisition that would place the household above the MEA under Section 4.

Discount applied. Presumptively eligible patients receive a 100% FAP discount (full charity write-off) on OAHS charges. If a presumptively eligible patient later submits a full income-and-asset application that would produce a smaller discount, the presumptive determination controls — OAHS does not reduce a presumptive-eligibility approval based on a subsequent application.

Documentation. Record in EPIC: discount type (FAP/AGB), percentage applied, approver name, date approved and date applied.

OAHS does not participate in the Minnesota DHS Hospital Presumptive Eligibility (HPE) program under Minn. Stat. § 256B.057, subd. 12. Nothing in this Section is an HPE determination or an MA enrollment decision. Refer patients who appear MA/MinnesotaCare-eligible to a MNsure-certified navigator or Certified Application Counselor (Section 7).

6. How to Apply

- OAHS uses a one-page Financial Assistance Application, available at Registration, on oahs.us, and referenced on every billing statement
- Patients may apply anytime during the 240-day Application Period. Later applications are still reviewed on a good-cause basis (illness, death in family, language barrier, etc.)
- Any ONE of the following is sufficient to verify household income: the most recent federal income tax return, two most recent pay stubs, SSA benefit letter, unemployment benefit letter, or proof of enrollment in a qualifying public program.
- For asset verification, provide the TWO most recent checking and/or savings account statements and the most recent non-retirement investment account statement, if applicable.

- PFS may help the patient complete the application by phone, in person, or by secure email

7. Referrals to Other Coverage Programs

If a patient appears potentially eligible for MA, MinnesotaCare, premium tax credits, or another coverage program, offer a referral to a MNsure-certified navigator or Certified Application Counselor. Do not require a patient to apply for a program for which they are categorically ineligible or from which they have been denied in the prior 12 months. A refusal to apply for such a program does not defeat FAP eligibility.

8. Decisions, Notice, and Appeals

- Written decision within 30 days of a complete application, specifying the income tier applied, any asset-tier adjustment, the discount percentage, the covered accounts, and appeal rights
- An approved FAP discount applies to ALL eligible OAHS accounts within the current 240-day Application Period — not only the triggering account
- All decisions are made by the CFO or designee and documented in EPIC
- After the written decision is issued, PFS presents the patient with the residual-balance options under the Collection Policy (Prompt-Pay Settlement Discount or Reasonable Payment Plan).
- Appeals: patient submits a written request to the CFO within 30 days of the decision letter
- Reviewed by a panel of the CFO plus one independent reviewer (Compliance Officer, or other designee not involved in the original decision)
- Written appeal decision within 30 days of receipt. All collection activity is suspended while an appeal is pending
- Patients also retain the right to contact the Minnesota Attorney General's Office regarding any decision

9. Patient Protections

- OAHS will not deny medically necessary care because of outstanding medical debt (Minn. Stat. § 62J.806)
- Medical debt will not be reported to any consumer reporting agency (MN Debt Fairness Act)
- No interest, late fees, or other charges will be added to medical debt (MN Debt Fairness Act)
- Medical debt will not be automatically transferred to a patient's spouse (Minn. Stat. § 519.05 as amended)
- Operational collection practices, ECA restrictions, and the discount sequence are governed by the OAHS Collection Policy

10. Public Notice and Non-Discrimination

- This Policy, the FAP Application, and the Plain-Language Summary are posted on www.oahs.us and provided free of charge on request
- Plain-language FAP notice is included on every billing statement.
- Signage describing the FAP is posted in the Emergency Department waiting area, Patient Registration, and the PFS office
- Documents are available in English and in any language spoken as a primary language by 5% or 1,000 individuals (whichever is less) of the OAHS service area
- Paper copies available on request: 320-839-4096 or pfs@oahs.us

- No applicant is denied assistance based on race, color, creed, religion, national origin, sex, sexual orientation, gender identity, marital status, disability, age, familial status, public assistance status, or ability to pay

11. Policy Review

- Reviewed at least annually by the CFO and PFS Supervisor
- Income tier dollar amounts refreshed each January with new FPL guidelines
- AGB calculation refreshed each calendar year for the § 144.589 calculation. AGB worksheet is maintained by CFO/PFS.
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