

Benefis Health System's Commitment to Improving Healthcare Affordability for Our Patients

We understand that American healthcare costs are both difficult to understand and hard to afford for most people. That's why we've put several measures in place to help our patients with the cost of care and ensure that they have access to the treatment they need.

We care about doing our part to improve affordability.

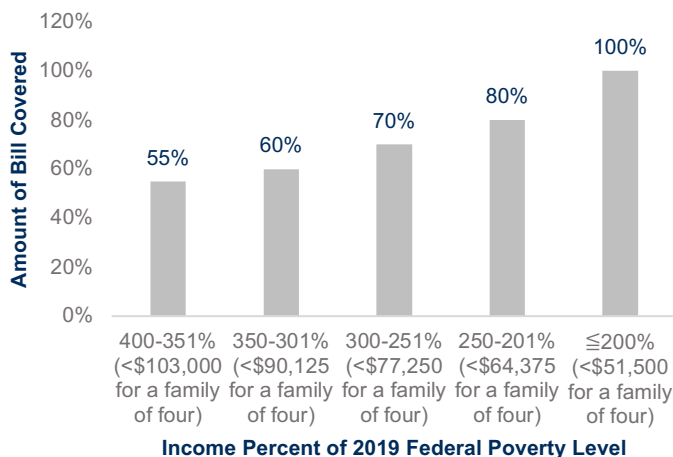


Charity Care Policy

If Benefis patients indicate that they cannot pay their bills or do not have insurance, Benefis works with the patients to assess their qualification for various types of coverage and assist them in enrolling for the coverage, even if the coverage will not take effect until after the patient's most recent episode of care.

To assist with coverage eligibility questions and enrollment, Benefis employs a team of trained experts who provide financial counseling to inpatients, long-term care residents, and community members throughout Cascade County. These professionals help determine eligibility for Medicaid, Exchange insurance, and financial assistance.

Patients who do not have coverage for their current episode of care and who have incomes less than 400% of the federal poverty level qualify for Benefis Health System's generous Charity Care Policy. The policy allows for 100% of the bill to be written off for patients with incomes less than or equal to 200% of the federal poverty level, and offers patients with incomes between 201% and 400% of the federal poverty level discounts on a sliding scale as follows:



Uninsured Discount

Patients who do not qualify for coverage or for Charity Care for their current episode of care are eligible for a **40% bill reduction**, also known as an Uninsured Discount.

Prompt-Pay Discount

Patients receiving care at Benefis are given estimates of their out-of-pocket financial responsibility based on assessments of their coverage and anticipated charges.

- **Immediate Payment Discount** – We offer patients the option to pay their estimated out-of-pocket responsibility immediately and receive a **15% discount***.
- **30 Day Payment Discount** – Patients who choose not to take advantage of the immediate payment discount offer are given the option to pay it within 30 days of the date on their first bill statement to receive a smaller discount than initially offered. This discount will equate to a **7.5% reduction** of the billed amount* (based on the actual rather than estimated bill.)

Even patients who don't take advantage of one of the discount options described above are given the option of extending their payment over as much as 12 months without incurring interest, or as much as 60 months at a nominal interest rate.

Competitive Pricing

In a comparison of Montana's five largest hospitals using year-end 2018 data, Benefis ranks **third lowest** in terms of average inpatient charge per case, putting us **6.6% below** the average. When charges are adjusted for the average case mix of discharges, Benefis ranks third on the list as well. While outpatient charges are more difficult to compare given differences in reporting practices, an analysis of 50 of the most frequent outpatient charges shows that Benefis charges are approximately **1% below** the average charges at the state's five largest hospitals.

* For uninsured patients, this discount is in addition to the bill reduction they already get through our Uninsured Discount and Charity Care Policy.

Employee Health Plan

As the largest private employer in Cascade County, Benefis not only treats patients, we employ a large base of potential patients and want to ensure that they can afford their care.

Beginning in January 2019, Benefis began offering its employees and their dependents two different health insurance coverage options—a high-deductible, health savings account-eligible plan, as well as a plan known as the Affordable+ Plan. Both plans divide covered providers into three tiers, with the Affordable Plus Plan offering enrollees the following benefits when visiting Tier 1 providers:

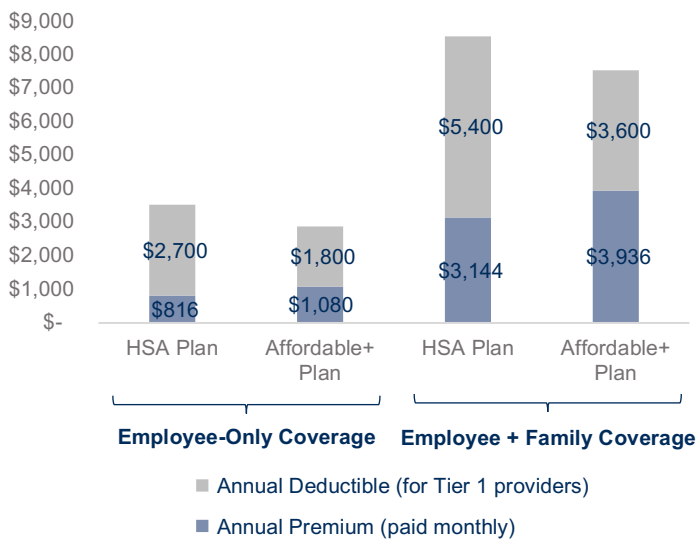
- **\$35 primary care provider visits**
- **\$35 behavioral health provider visits**
- **10% coinsurance for prescriptions before deductible is met**

In addition to offering two core plan options, enrollees are also given the option to select employee-only coverage, employee plus spouse coverage, employee plus child(ren) coverage, or employee plus family (spouse and children) coverage, with each option having different pricing.

Another major benefit of the new plan is the addition of the Benefis Health Plan Clinic, a minor care clinic offering Affordable+ Plan enrollees **free visits** and offering HSA Plan enrollees \$45 visits.

Finally, Benefis is able to pass through its 340B drug discounts onto its health plan enrollees, meaning that employees on the Affordable+ Plan only pay **\$1** for several crucial drugs that could cost up to \$1,450 from a retail pharmacy.

Overall, Benefis Health Plan pricing for full-time employees is as follows:



Network Management

Benefis employs most of its own providers, thus ensuring that when patients come to Benefis, their care is all treated consistently by their insurance company. However, in cases where we do work with external provider groups to offer services at Benefis or as part of a course of treatment with Benefis, we take the following steps to avoid patients encountering out-of-network bills:

- Our support physician contracts require that the **providers not employed by Benefis adhere to the same insurance networks** as employed providers when treating Benefis patients.
- When utilizing external labs to read specialized tests, we work to ensure that the **external labs adhere to the same insurance networks** as our internal lab does.
- We **own our air ambulance service**, so it is in-network for all of the same plans as our providers are.

Public Education

The increasingly-complex healthcare environment is difficult to navigate, and even understanding one's own insurance coverage can be challenging. At Benefis, we have worked to educate the public regarding the **meaning of narrow networks** as well as **how to avoid out-of-network bills**. Through both paid and earned media, we have published list of in-network insurance products at Benefis as well as steps to take to determine whether your insurance will cover a given course of treatment from a particular provider.