



# Access to Health Care & Coverage

## ABC for Health, Inc. Recommendations for Milwaukee County Hospitals

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### About ABC for Health:

ABC for Health is a Wisconsin based nonprofit public interest law firm dedicated to health equity & social justice. ABC for Health’s mission is to provide information, legal services, advocacy tools, & expert support needed to obtain, maintain, & finance health care coverage services.

## Executive Summary

October 2024

Medical debt, collections actions, and stress continue to burden patients and families in Milwaukee County. Negative credit reports create a modern day electronic debtor’s prison. Patient financial assistance programs could help, but remain largely inefficient, inconsistent and fail to mitigate the stress and burdens of patient medical debt.

*“Milwaukee County hospitals must do more to justify extensive tax breaks and better serve patients impacted by health disparities.”*

ABC for Health, Inc. (ABC) is a nonprofit, public interest law firm that promotes equitable access to health care and coverage for Wisconsin families and individuals affected by health disparities. Our work helps Milwaukee County families navigate health insurance and hospital bills. Part of ABC’s approach includes conducting medical debt research and policy reviews. We pair our findings with the experience and perspective of our direct client services. ABC has served over 72,500 Wisconsinites since its founding in 1994.

This report examines the results and outcomes of the promise Milwaukee hospitals made to the IRS, taxpayers, and communities they serve. Federal laws and regulations set standards and reporting requirements for non-profit hospitals. Some are intended to justify the extensive tax breaks non-profit hospitals receive. Others are intended to inform the policies and practices impacting patient populations, especially those facing health disparities due to income, disability, race, gender or other identities. Milwaukee hospitals must do better to fulfill its promises.

*“In 2022, Milwaukee County hospitals spent an average of only 0.9% of their gross patient revenues on charity care. The national average is 2.3%.”*

**Milwaukee County hospitals spend below the national average on care for the poor, reaping far greater advantages from their tax-exempt status than they repay to the local community.** Insufficient, inaccessible hospital financial assistance policies contribute to medical debt of Milwaukee residents. Hospitals fail to sufficiently help patients identify access to health care coverage programs and instead persist in sending patients to collections, and worse, engage in credit reporting of medical debt. ABC for Health offers tangible recommendations for improvement, timed to coincide with the 3-year cycle of Community Health Needs Assessment reporting and implementation strategies required of hospitals.

# Access to Health Care & Coverage

## Introduction

A Community Health Needs Assessment provides valuable input into the health services and needs of many vulnerable patients and community stakeholders. The Affordable Care Act requires nonprofit hospitals to complete a Community Health Needs Assessment (CHNA) every three years that identifies a range of these community health and service needs.<sup>1</sup> The CHNA process should inform each hospital's policies and practices with the goal of maximizing their positive impact on their patient populations, particularly those who face health disparities due to income, disability, race, gender identity, or other marginalized identities.

ABC for Health, Inc. (ABC)<sup>2</sup> serves many populations affected by health disparities. As a nonprofit, public interest law firm that promotes equitable access to health care, ABC works directly with thousands of families across Wisconsin. ABC helps clients and patients obtain and maintain health coverage, challenge incorrect medical bills, appeal insurance denials, and secure needed care. Our 30 years of experience provides a unique insight into the red tape and bureaucracy families face on the path to health coverage and care. Failures to help families secure proper coverage and care can result in medical debt that often unjustly traps families in poverty.

ABC focused its input on the CHNA process to highlight access to health care and coverage barriers and related medical debt for patients who live in and around Milwaukee County. ABC helps Milwaukee County families navigate health insurance and hospital bills and researches medical debt policies, rules and community impact. Our work with clients and community coalitions informs our observations and recommendations.

As part of our recommendation to inform the CHNA process, our appendices include other significant access to health care and coverage issues identified through our direct client services, like the Birth Tax, improved coverage for children with disabilities and special healthcare needs, ensuring access to care and coverage for gender-affirming care, and increasing accessibility for immigrant patients.

## Medical Debt

Medical debt is a public health crisis in Milwaukee, Wisconsin, and across the country. Patients across the United States owe at least \$220 billion in medical debt.<sup>3</sup> The share of adults with medical debt varies by state—in Wisconsin, 8.7% of adults hold some form of medical debt.<sup>4</sup>

ABC for Health has issued many reports on medical debt over the past decade. We maintain a thoughtful CHNA process must include data on medical debt issues and strategies for improving access to health care and coverage. The causes of medical debt are myriad and complex, but ABC has found that insufficient or inaccessible hospital financial assistance policies are a primary cause of medical debt. Insufficient or inaccessible hospital financial assistance policies create stress and confusion among patients, especially among vulnerable populations.

# Recommendations for Milwaukee

## Summary of Recommendations

ABC's work with clients and community coalitions informs our observations and recommendations to promote access to health coverage and care in the following three main categories:

### Medical Debt

Milwaukee area families and individuals face avoidable medical debt due to knowledge barriers and inaccessible hospital financial assistance policies. ABC maintains we can prevent substantial amounts of this avoidable medical debt with proactive, informed patient financial assistance programs. Better practices coupled with knowledgeable and informed staff ensure more patients have access to the care and financial security they need.

#### Common Sense Recommendations for Financial Assistance Policies

1. Improve, Coordinate, & Measure Progress in Financial Assistance Staff Training
2. Remove Barriers and Red Tape to Financial Assistance
3. Promote Equity in the Financial Assistance Process
4. Adopt a Uniform Financial Assistance Application
5. Create Presumptive Eligibility for Financial Assistance

### Medical Debt Collection

Currently, Extraordinary Collections Actions (ECAs) defined by IRS regulations include medical debts lawsuits, credit reporting, and denied care. The threat of ECAs looms over patients and creates stress that leads to missed or avoided health care. Before the COVID pandemic, Wisconsin's nonprofit hospital systems routinely filed lawsuits against patients to collect medical debt. In these lawsuits, our research found over 99% were filed against patients who lacked legal representation, and over 95% resulted in default judgments, raising concerns about the validity of the alleged debts. Hospitals were represented 100% of the time.<sup>5</sup>

#### Common Sense Recommendations for Medical Debt Collections

1. Stop mass filing medical debt lawsuits.
2. Stop the inequitable practice of credit reporting of medical debts.
3. Stop denying care or treatment to those with outstanding medical bills.

### Promote Access Through Uniform & Community Wide Financial Assistance Policies

Hospitals must improve access to services through uniform and consistent financial assistance policies. These providers include Ascension, Aurora, Froedtert, Children's Hospital of Wisconsin, Midwest Orthopedic Specialty Hospital, and Orthopaedic Hospital of Wisconsin.

# Access to Health Care & Coverage

## Hospital Financial Assistance

Our work with clients demonstrates that we can prevent certain medical debt with proactive patient financial assistance programs. The Affordable Care Act (ACA) requires nonprofit hospitals<sup>6</sup> to develop and publish financial assistance (FA) policies that allow certain low-income patients to apply for and receive discounted or free medical care. The ACA's provisions on hospital FA are found in section 501 (r) of the Internal Revenue Code, establishing compliance requirements for nonprofit hospitals, including that hospitals must:

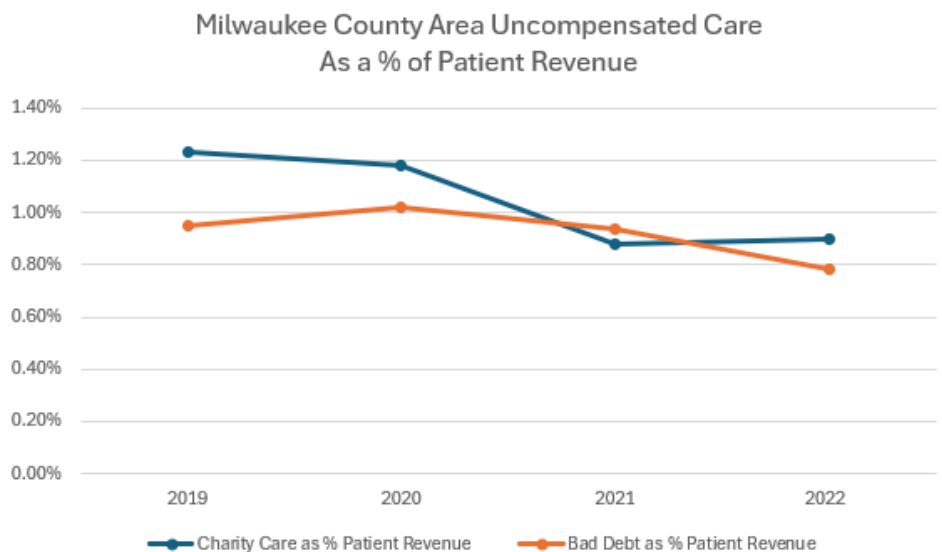
- Develop financial assistance policies and widely publicize those policies
- Publish accessible Plain Language Summaries of FA policies
- Translate the policies into every language used by over 5% of the community
- Give patients a reasonable opportunity to apply for assistance, including allowing at least 240 days to apply, counting from the first post-discharge billing statement
- Restrict extraordinary collections actions (e.g. lawsuits and credit reporting) against patients seeking FA eligibility
- Refund any patient payments if they are later found to be eligible for FA

Hospitals have both a legal and moral obligation to serve the most vulnerable members in a community. In 2022, Milwaukee County hospitals spent an average of only 0.9% of their gross patient revenue on charity care, well below the state and national averages.<sup>7</sup>

Milwaukee fails to even come close to this national mark. According to a recent White House report, nonprofit hospitals across the country are

spending only 2.3%<sup>8</sup> of their revenue on financial assistance. If Milwaukee County hospitals spent 2.3% of their revenue on financial assistance instead of 0.9%, they could cover the \$156.4 million in uncovered medical expenses not covered by FA and characterized by the hospitals as bad debt.<sup>9</sup>

Nonprofit hospitals must develop effective FA policy implementation strategies to ensure access by populations affected by health disparities. When implemented correctly, FA prompts accessible healthcare for such patients and helps hospitals meet community benefit and need requirements. Clarity in hospital FA policies is paramount for a smooth, transparent, and understandable process. ABC's review, however, identified that some hospitals created inaccessible FA for patients, while touting their nonprofit status. Our research also shows that certain hospitals aggressively pursue and collect bills from the communities they serve.



# Recommendations for Milwaukee

## *Inconsistent Financial Assistance Policies Block Access*

FA policies vary widely in Milwaukee, causing community confusion, service gaps, and a lack of access to health care and coverage. Although the IRS 501(r) rules do not specify a *minimum* criterion for FA eligibility, Milwaukee falls well below national averages. For example, Ascension has an asset limit of 250% of the Federal Poverty Level (FPL) to qualify for FA eligibility, but Aurora has no asset limit. This means someone might qualify for financial assistance at Aurora, but not at Ascension. Consumer-friendly, straightforward hospital FA policies can help patients secure needed care. The following data table shows wide differences in the FA policies at the major hospital systems in Milwaukee County:

Hospital	FPL Required for Free Care	FPL Required For Sliding Scale Discount	Asset Limit	Deadline to Submit FA Application	Verifications Required	FA Allowed for Patients with Insurance	Presumptive Eligibility for patients with Medicaid?
Ascension	250%	400%	250% of FPL amt	240 days*	Not Specified	Yes	No
Aurora	300% (only option for WI patients)	No sliding scale for WI patients	N/A	240 days	30 days	Yes	Not for WI (only IL)
Froedtert	250%	400%	\$50,000	240 days	1 month	Yes	No
Children's WI	300%	400%	N/A	240 days	30 days	Yes	No
Midwest Orthopedic Specialty Hospital	250%	400%	250% of FPL amt	240 days	Does not specify	Yes	No
Orthopaedic Hosp. Of WI	250%	400%	N/A	Not Specified	Not Specified	Not Specified	Not Specified

*\*The policy does not necessarily include a deadline to apply, but instead uses the 240 day marker as a threshold for being reimbursed for payments already made.*

Aside from eligibility criteria, hospital FA application processes include major roadblocks. For example, ABC clients encounter problems with hospitals demanding excessive verification of income and assets, or only accepting certain forms of verification. This paperwork, often difficult to obtain for populations facing poverty and illnesses, creates a barrier for many patients that unfairly limits their access to the financial assistance they deserve.

Further, verifications are often requested only in English, with unreasonable deadlines. And some providers send patients to collections while FA applications are still being “processed.” Others fail to inform patients of the FA application or provider policies at all.

# Access to Health Care & Coverage

## *Financial Assistance Barriers*

Hospital FA policies are long, complex documents that most patients find confusing, especially while dealing with an illness or injury. Barriers to accessing hospital FA services are exacerbated by disability, illness, literacy, immigration status, lack of a computer or internet connection, or poverty. ABC's experience with clients shows that non-literate or non-English-speaking patients experience greater difficulty with applications for hospital FA, as there is scant evidence of FA policies in languages other than in English. Most hospitals fail to use plain language or keep application materials in other languages up to date. In addition, some verification documents, such as tax forms, are not available for certain patients.

*Dollar For* detailed shortcomings in hospital FA in a new report, namely burdensome requirements on patients and notable racial disparities: Only 29% of patients with unaffordable bills are able to learn about, apply for, and receive financial assistance; 52% of surveyed patients report receiving no information about financial assistance; and black patients are 62% less likely to be approved for financial assistance.<sup>10</sup>

To reduce disparities and promote health equity, federal regulators require nonprofit hospitals to develop community-level services that include a responsibility to address and overcome these obstacles.<sup>11</sup> ABC recommends Milwaukee County hospitals ensure the availability of plain language and multilingual forms, letters, and notices for patients. This will help nonprofit hospitals meet their responsibility to develop and provide community-level services. Hospitals must shift the burden of accessing charity care from the patient, to the provider. Milwaukee hospitals can improve transparency of financial assistance policies and prioritize financial assistance over collections.

### **Miguel's Story**

"Miguel" (*name changed to protect privacy*) visited a free clinic in Milwaukee in 2023 seeking help to understand a mounting pile of medical bills—all sent to him in English, despite the hospital knowing he only spoke Spanish. The bills started to pile up after a trip to Aurora St. Luke's emergency room. He didn't qualify for traditional Medicaid. He received financial assistance from Aurora that he believed would cover all his bills.

But the bills kept coming! Third-party bills from the contracted doctors in the emergency room were coming in the mail, again, all in English. The free clinic translated his bills and documents, and Miguel was surprised to find out he was being billed for more services than he originally thought including radiology services. The free clinic referred him to ABC for Health to help evaluate if there were any options for him to help get out of medical debt. Together, Miguel and a bilingual advocate worked with Aurora St. Luke's to apply the financial assistance award to the third-party bills.

# Recommendations for Milwaukee

## Common Sense Path Forward: FA Recommendations

### FA Recommendation #1: Improve, Coordinate, & Measure Progress in Financial Assistance Staff Training

Effective financial assistance policy is about more than just connecting patients with free or discounted care. ABC encourages hospitals to be more proactive and adopt “smart” charity care by first helping patients optimize a system of helping patients identify and secure health coverage, before deploying a FA strategy. To do this successfully, training and professional development of patient FA staff must be a priority. Training progress must be measured and evaluated. This training must include an orientation to the rules and eligibility criteria for myriad health coverage programs and the skills needed to work with diverse patients and patient needs. This approach makes fiscal sense, because it secures ongoing coverage for a patient and an ongoing payment source for the provider. It eliminates stress and roadblocks to care.

Better provider-staff training will promote patient access to various Medicaid programs and features. Most hospitals provide some level of Medicaid screening for patients, but this effort typically fails due to a lack of FA staff knowledge and training about critical eligibility features of Medicaid. Many low-income families with existing bills may be eligible for Medicaid, but a hospital's screening failed to account for variables such as unique income situations or Medicaid sub-programs.

Additionally, training must include FA staff baseline knowledge assessments and continuing education on health coverage options and FA. This must be supported by employee training sessions and outside learning opportunities, for example HealthWatch Wisconsin’s informational materials.<sup>12</sup>

*“We expect our nonprofit hospitals to remove the barriers to hospital financial assistance.”*

### FA Recommendation #2: Remove Barriers and Red Tape to FA

As part of nonprofit hospitals' community benefit obligation, we expect our nonprofit hospitals to remove the barriers to hospital FA and provide improved access to needed community services. In a charity care report, *Dollar For* estimated that nationally, hospitals charge patients \$14 billion in medical bills for services that should be forgiven through charity care.<sup>13</sup> We ask Milwaukee area hospitals to revise their FA policies and procedures so that they can better serve their communities in compliance with ACA and IRS requirements.

Providers can simplify their FA applications by removing unnecessary verification requirements, and like Wisconsin Medicaid, adopt a “best available information” standard of documentation. This is particularly true for immigrant populations that lack access to much of the “required” paperwork.

Providers must limit restrictive deadlines and geographic barriers to FA. They must stop sending patients to collections before making a FA decision. They must help patients secure documentation.

# Access to Health Care & Coverage

## Common Sense Path Forward: FA Recommendations

### FA Recommendation #3: Promote Equity in the FA Process

We expect, and the law requires,<sup>14</sup> that non-English speakers have access to the same level of customer service as English speakers. Hospitals, working together with communities, hold the key to improving access to health care and coverage for disparity populations. An education, outreach, and service initiative can close the equity gap that disproportionately impacts non-English speakers from accessing, understanding, and utilizing their coverage and FA options. Providers can easily present clear FA eligibility criteria and all other notices and communications in all languages in which the policy must be published.

### FA Recommendation #4: Adopt a Uniform FA Application

To promote equity, communities across the country have collaborated to create accessible FA policies. To resolve confusion with hospital FA policies, ABC recommends a uniform FA application for Milwaukee County hospitals. A uniform FA application provides more predictability and understanding to the FA process. Colorado<sup>15</sup> and Maryland<sup>16</sup> already require uniform hospital FA forms. Maryland created this requirement in part to protect uninsured and underinsured patients,<sup>17</sup> and because it found that “reduced cost care policies and payment plans can yield higher recoveries than instituting judgments and liens.”<sup>18</sup>

### FA Recommendation #5: Create Presumptive Eligibility for FA

Developing policies that include presumptive eligibility for FA will promote equity and access to services for patients. One nonprofit hospital system in South Dakota recently implemented a presumptive eligibility process for charity care.<sup>19</sup> The hospital system developed and implemented internal charity care screening procedures and found that it was targeting people for charity care that did not have the means to pay.<sup>20</sup> This is a good start, but nonprofit hospitals can do more to meet their community benefit obligation. Nonprofit hospitals should create expansive presumptive eligibility for FA. In addition, providers should automatically extend FA approval from a hospital to all affiliated clinic locations and ensure that non-hospital providers commonly working with hospital patients (emergency physician groups, anesthesiologists, ambulance, etc.) honor the hospital FA.

#### Spotlight on North Carolina<sup>21</sup>

On July 26, the Centers for Medicare and Medicaid Services approved North Carolina’s plan to eliminate approx. \$4 billion in existing medical debt for people and families across the state. The plan uses the state’s Medicaid program to incentivize hospitals to relieve a decade’s worth of old debts, while preventing new debt from accumulating. All state hospitals elected to participate in the program in exchange for a higher Medicaid reimbursement rate. Hospitals must: automatically enroll people into FA by implementing a presumptive eligibility process, not sell medical debt to collectors for patients under 300% FPL; and not report a patient’s debt covered by these policies to a credit reporting agency. The changes, by and large, shift the responsibility of enrolling patients in charity care programs to hospitals.



# Recommendations for Milwaukee

## Medical Debt Collections

The collection process for medical debts must be sharply curtailed. The law requires hospitals to make a reasonable effort to determine whether the patient is eligible for FA before taking an Extraordinary Collections Actions (ECA).<sup>22</sup> However, the implicit threat of these actions looms over patients in all their interactions with hospital billing departments and can drive patients to make extreme financial decisions or avoid medical care. Collection actions should be avoided at all costs. In fact, federal law includes protections from certain collections activity. Hospital providers and partners must view ECAs as the worst-case scenarios for medical debt. ECAs include medical debt lawsuits, credit reporting, and denied care.

*“Over 99% of patients in these lawsuits lacked legal representation.”*

## Medical Debt Lawsuits

ABC’s research found that over 99% of patients in these lawsuits lacked legal representation, and over 95% of judgments from these lawsuits were default judgments, meaning that courts awarded hospitals judgement based purely on the hospitals’ complaints.<sup>23</sup> Meanwhile hospitals and other medical partners always have legal representation. Before the COVID pandemic, Wisconsin’s nonprofit hospital systems routinely filed lawsuits against patients to collect medical debt. These judgments often led to the garnishment of patients’ wages or other forms of execution such as liens against patients’ property. Research from other groups has found that medical debt lawsuits disproportionately affect low-income Black and Latino communities.

ABC research found that during the COVID pandemic (2020), most of Wisconsin’s hospital systems (including all Milwaukee County hospitals highlighted in this report) stopped filing medical debt lawsuits in response to public pressure. However, only a small number of hospitals amended their billing and collection policies to prohibit filing suits against patients. This means that hospital systems may resume medical debt lawsuits at any time.

## Credit Reporting of Medical Debt

Medical debt is often reported to a credit reporting agency as part of a process to compel payment. If reported to a credit reporting agency, medical debt can adversely affect a patient’s credit score. Credit scores act like a modern-day debtor's prison for many disparity populations, locking them in a doom loop.

Recently, credit reporting of medical debt has come under higher scrutiny. In 2022, in response to pressure from the Consumer Financial Protection Bureau (CFPB), the three major credit bureaus adopted voluntary policies to limit the reporting of medical debts. Medical debt cannot appear on credit reports if it is less than a year old, less than \$500, or has been fully paid off. While this is a positive change, it leaves the largest and most harmful medical bills on credit reports and doesn’t help people from disparity populations.<sup>24</sup>

# Access to Health Care & Coverage

## A Common Sense Path Forward: Collections Recommendations

### Collection Recommendation #1: Stop Filing Medical Debt Lawsuits

Medical debt lawsuits pit unrepresented patients against a coordinated medical debt collections industry. While the impact of the COVID pandemic is still being felt by Wisconsin families, ongoing collections actions increase stress and harm the communities served by medical providers. Medical debt lawsuits by medical providers should be a rare exception, not a commonplace tactic against people who cannot afford medical care. Providers should instead focus on common sense strategies that proactively help patients obtain and maintain health care coverage for needed services or prescriptions. Providers should end collection referrals, terminate collections litigation against patients, and amend billing and collection policies to minimize confusion and promote equity for patients.

Hospitals should end unproductive and detrimental practices such as: denying financial assistance to patients unless they produce denial of coverage from Medicaid, performing coverage screening with revenue cycle management companies, and berating or penalizing patients for not complying with screening procedures. Hospitals must take steps to consider and understand the broader access to health care and coverage needs of patients like children and youth with special health care needs, immigrant populations, and other services needed by populations affected by health disparities. By including these topics in hospital FA or medical debt conversations, hospitals, counties, and their partners can more equitably meet community needs.

### Collection Recommendation #2: Stop the Inequitable Practice of Credit Reporting of Medical Debt

Medical debt is less predictive of a consumer's propensity to repay loans than other forms of debt, and consumers often have little control

*"Ascension, Froedtert, Aurora\*, Children's WI, and Midwest Orthopedic Specialty Hospital all explicitly allow credit reporting of medical debts." (\*see page 12)*

over how much medical debt they incur. Credit reporting of medical debt is unfair and inequitable, trapping vulnerable patients in a cycle of poverty. A low credit score can make it difficult to access housing or transportation, secure lending, or find employment, creating a doom loop that particularly affects people in health disparity populations.

Federal authorities continue to watch the process of financial assistance and community benefits. In June 2024, the Biden-Harris administration affirmed the importance of reducing medical debt with a proposed rule to remove medical bills from most credit reports.<sup>25</sup> The proposal calls on states, local governments, and health care providers to take additional actions to reduce the burden of medical debt for millions of Americans. The proposal leverages public dollars to purchase and eliminate medical debt, and seeks to expand patients' access to charity care and limit coercive debt collections practices by health care providers and third-party debt collectors.

*"While the CFPB initiated the rulemaking process to remove all medical debt from credit reports, until the approval of final rules, medical debts continue to trap families in this modern-day debtor's prison."*

# Recommendations for Milwaukee

## The Grand Bargain

Quick & easy solutions to resolve medical debt usually do not work. Milwaukee County residents who closely followed the Milwaukee County Board of Supervisors in 2023 will remember the Board passed a resolution to eliminate \$153 million in medical debt for residents of Milwaukee County.<sup>26</sup> The Board was to use unspent American Rescue Plan Act (ARPA) stimulus funds, to the tune of \$1.6 million, to partner with RIP Medical Debt, now called Undue Medical Debt, an agency in the business of purchasing debts, fulfilling the obligation, in place of the payor. But the plan failed after pushback from the major health care systems in the county. Froedtert Health, Advocate Aurora Health, Ascension, and Children’s Wisconsin declined to work with RIP Medical Debt, and instead expressed a preference to “promote their charity care programs.”<sup>27</sup>

In essence, they proposed a grand bargain: instead of relieving the debts of approx. 67,000 Milwaukee County residents,<sup>28</sup> the 4 hospital systems agreed they would instead research and evaluate “automatically enrolling qualifying patients into charity care programs.”<sup>29</sup> As written in a memo by Supervisor Rolland, the Supervisor who first introduced the ARPA resolution, “After robust discussions, the health systems resolved to thoroughly research and/or adopt supportive technology to automatically enroll qualifying uninsured patients in their charity care programs – without any action required by eligible patients.”<sup>30</sup>

It appears the providers’ pledge to “research” automatic enrollment into financial assistance was a hollow promise, falling short of the impact the County Board envisioned when it struck the bargain with the providers:

- Aurora said it already automated its financial assistance systems.<sup>31</sup> ABC’s direct client service experience finds this statement misleading. Claiming an “automatic charity care enrollment system” does not yield automatic charity care. As explained on page 12, Aurora allows presumptive eligibility for its Illinois Medicaid recipients, but not Wisconsin’s. It will not allow *any* financial assistance if a patient is eligible for any other coverage, public or private.
- Froedtert promised a fully automated financial assistance program by Jan. 1, 2024.<sup>32</sup> ABC’s research and case work found Froedtert still uses a complicated policy that keeps patients from accessing financial assistance. As described on page 13, Froedtert uses an unusual asset limit that prevent patients with an outstanding balance or estimate of charges from receiving emergency or other medically necessary care that is less than the amount of the available assets from getting financial assistance.
- Ascension promised to use technology to identify patients eligible for financial assistance.<sup>33</sup> As described on page 12, Ascension’s financial assistance application requires additional verification items that remain difficult for patients to obtain.
- Children’s Wisconsin promised to evaluate options for automated enrollment into financial assistance.<sup>34</sup> ABC’s direct client service experience has found no change in Children’s adoption of a presumptive or automatic enrollment in financial assistance. In fact, Children’s verification of income and assets requirements proves difficult for families to secure financial assistance (see page 14).

The true test of the providers’ compliance with their promise will be future uncompensated care reports. We should see a significant decline in bad debt, and a large increase in charity care for the period beginning January 1, 2024. Such a report is not expected for a few years.

ABC for Health recommended that the medical debt relief plan as originally proposed be amended to include community education to avoid such debt, assistance, and legal services – to help Milwaukee neighbors-in-need challenge inappropriate medical debts and community-based assistance to properly navigate health care financing options to prevent further medical debt and promote health equity.<sup>35</sup>

# Access to Health Care & Coverage

## Hospital Specific Recommendations

### Ascension

Ascension filed 131 lawsuits against patients between 2017 and 2019.<sup>36</sup> During the pandemic, Ascension stopped filing actions. As of January 1, 2023, Ascension has not filed any new collections actions, although this is not a confirmed policy. Therefore, we recommend Ascension formalize this practice in policies to protect patients from such legal actions.

The FA application at Ascension requires proof of income and assets. Patients are required to show items such as paystubs, tax returns, bank statements, investments, etc. These documents are often difficult to obtain. By no longer requiring extensive documentation requirements the FA process will be streamlined. Moreover, if Ascension allowed presumptive eligibility, many patients would have easier access to FA.

### Aurora

Since January 1, 2020, Aurora Hospitals have not filed any new collections actions. Other Aurora affiliated locations, specifically clinics, have continued to file lawsuits against patients. Aurora must stop filing collections actions at all Aurora hospitals and Aurora affiliated locations. According to section IV of the Aurora FA policy, “an uninsured patient must not have or be eligible for government or private health insurance” to qualify for FA. In many cases, insurance plans will not cover the entire hospital bill. Other plans have prohibitively large deductibles or out-of-pocket costs and patients are left with large amounts of debt. Aurora should adjust their policy to permit more flexibility for patients with other types of coverage. Presumptive eligibility is a positive step for the community. Aurora allows presumptive eligibility for Illinois’ Medicaid recipients, but not Wisconsin’s. Aurora should extend presumptive eligibility to Wisconsin recipients. Aurora also has a residency requirement<sup>37</sup> that prevents many people from applying for FA. One patient came to ABC after an emergency room visit while visiting Wisconsin. Since he was a resident of a different state, Aurora would not provide FA. Aurora should remove this geographic requirement.

On September 19, 2024, Advocate Health, who operates in Wisconsin under the brand of Aurora Health, announced it would take “bold steps” to address medical debt.<sup>38</sup> The system says it will begin canceling judgment liens previously placed on homes and real estate, and forgive outstanding debts associated with those liens. It summarized other system changes: stop suing; stop reporting delinquent medical debt to credit agencies; increase charity care threshold to 300% FPL; expand automated financial assistance; and remove eligibility validation steps for 80% of patients who qualify for financial assistance. ABC for Health works with several clients with financial assistance applications at Aurora facilities and will monitor these cases to assure compliance with the new medical debt-related policies. Advocate Health operates in Illinois, Georgia, Alabama, and the Carolinas in addition to Wisconsin. This report already notes certain discrepancies among states, with more generous changes in Illinois and North Carolina based on policy language. It is unclear if Aurora in Wisconsin has adopted all the Advocate changes.

# Recommendations for Milwaukee

## Hospital Specific Recommendations

### Froedtert

Froedtert filed 3,364 lawsuits against patients between 2017 and 2019.<sup>39</sup> Patients lacked representation in 99.5% of these cases, and they resulted in default judgments 95% of the time. The rate of representation and the amount sought was comparable to other hospital systems. But Froedtert sued its own employees at an alarming rate. Of 1,198 cases filed between 2017 and 2019 with a listed garnishee, just under 9% were against Froedtert's own employees.<sup>40</sup>

As of January 2023, Froedtert stopped filing new collections actions. Again, we recommend that Froedtert formalize this policy and practice to protect patients in the future.

The Froedtert policy includes an unusual asset limit. The policy requires that household assets above \$50,000 must be used toward payment. This asset policy prevents any patient with an outstanding balance or estimate of charges from receiving emergency or other medically necessary care that is less than the amount of the available assets from getting FA. The Froedtert FA policy states that someone above 400% FPL may be eligible for FA if their medical debt is equal to or greater than their household gross income. In practice, this policy is not always adhered to, as demonstrated below.

#### Mary's Story

"Mary" (name changed to protect privacy) came to ABC for Health in the beginning of 2023 after being diagnosed with cancer five months earlier. She was uninsured, and in the time between her diagnosis and finding ABC, she had accumulated over \$130,000 in medical debt from her treatment costs. During this time, Froedtert never screened her for financial assistance or other coverage options. Froedtert FA policy states that someone above 400% FPL may be eligible for FA if their medical debt is equal to or greater than their household gross income. This exception should have allowed her to qualify. She applied for FA but was denied because her household income was too high, despite her medical debt exceeding her annual household income. ABC helped Mary find coverage through the Wisconsin Medicaid Purchase Plan, but this did not take care of all her medical bills. She was still left with a large amount of medical debt from her first few months of treatment. If Froedtert had screened her appropriately during this time, she would have had a \$0 balance.

Note: We found a significant problem with the Froedtert Hospital 2020 bad debt and charity care figures, as reported by the WHA. We therefore reviewed Froedtert's IRS Form 990 Schedule H for each of the years in question. See "Methodology" on page 20 for more details.

# Access to Health Care & Coverage

## Hospital Specific Recommendations

### Children's Hospital of Wisconsin

As the state's largest children's hospital, Children's Hospital of Wisconsin plays an important role in child health services. Between 2017 and 2019, Children's Hospital of Wisconsin filed 1,347 lawsuits against patients, which collectively sought \$1,930,809.67 in medical debt.<sup>41</sup> According to our research, Children's filed no new collections actions against patients during the pandemic. Again, Children's must formalize this policy choice to protect future patients.

Children's should allow presumptive eligibility for Medicaid recipients to simplify the financial assistance application process. Children's requires tax returns and check stubs. This documentation is difficult for many people to provide. Children's should allow for other documentation, including the best information available standard, in cases where it is difficult to get the requested documents.

### Midwest Orthopedic Specialty Hospital

Midwest Orthopedic Specialty Hospital uses the same FA policy as Ascension. All recommendations for Ascension also apply to Midwest Orthopedic.

### Orthopaedic Hospital of WI

Orthopaedic Hospital of Wisconsin does not specify a FA option for patients eligible for or receiving government or private health insurance. This FA policy must be included. Moreover, the policy fails to include a specific deadline for the FA application nor is there a presumptive eligibility option. These FA policy clarifications will help patients and advocates more easily determine eligibility for these services. Orthopaedic Hospital of Wisconsin also requires extensive documentation including proof of monthly income, government assistance, copy of bank statements, tax returns, and asset documentation. Interestingly, the FA policy claims there is no asset limit, but provides no explanation about the need to document assets for FA eligibility. The policy should include the best information available provision to permit flexibility in cases where it is difficult/impossible to obtain the requested documents.

#### Manuel's Story

"Manuel" (*name changed to protect privacy*) came to ABC in 2023 after his doctor referred him to Aurora for a brain scan. He did not qualify for Medicaid or private insurance coverage options. Because of this, he had medical debt from more than one hospital system. ABC had helped Manuel complete a FA application at Aurora, and the application was pending review when he tried to make an appointment for his brain scan. An Aurora financial counselor flagged his account, with instructions **not** to provide any non-emergency service unless he provided an up-front payment. Fortunately, ABC staff intervened with the hospital to provide Manuel with the treatment he needed, but there is nothing preventing this from happening again.

# Other CHNA Recommendations for Milwaukee

## Conclusion

Hospitals have a legal and moral obligation to provide charity care to the region's most vulnerable residents. With a thoughtful and proactive approach, hospital financial assistance provides a powerful shield against medical debt for low-income community members. Burdensome documentation requests, strict deadlines, and unfair and inconsistent policies at many Milwaukee County hospitals, however, create obstacles and red tape that leave many patients defenseless against medical debt collection. ABC for Health expects hospitals to provide financial assistance services that are helpful, inclusive, and equitable. Better staff learning opportunities and skill building is critical to implementing financial assistance policies. ABC for Health also expects hospitals to stop reporting medical debt to credit bureaus and make medical debt lawsuits a rare occurrence, not a commonplace one. Moreover, to promote improved access to coverage, community hospitals can collaborate to uplift issues like Wisconsin Wayfinder, HealthCheck and "Other Services," behavioral health services and gender-affirming care. We expect hospitals to promote and engage in practices that measurably improve access to health coverage and equity for patients while also reducing their own uncompensated care.

Health coverage program bureaucracy and red tape continue to create challenges for families, and this leads to medical debt, ruined credit, and mounting stress. The causes of medical debt are myriad and complex. Through ABC's direct client work for uninsured patients, we found that insufficient or inaccessible hospital financial assistance policies are a primary cause of medical debt. These systemic shortcomings create confusion among patients, especially among immigrant populations. Aside from vastly different eligibility criteria from provider to provider, hospital financial assistance application processes contain major roadblocks.

For example, ABC clients encounter problems with hospitals demanding excessive verification of income and assets, or only accepting certain forms of verification. This paperwork, often difficult to obtain and understand for populations facing poverty and illnesses, creates a barrier for many patients that unfairly limits their access to the financial assistance they deserve. Further, verifications are often requested only in English, with unreasonable deadlines. And some providers send patients to collections while applications are still being "processed." Others fail to inform patients of the financial assistance policies and applications.

Recommendations for hospital systems include: better provider staff training; removing red tape and barriers for all patients, especially immigrant families; improving equity; and streamlining the process, with a uniform, plain language financial assistance application across all providers in a region, as well as a presumptive eligibility standard for the most vulnerable patients.

# Access to Health Care & Coverage

## APPENDIX A: Children and Youth with Special Health Care Needs

### Strengthen and Uplift Wisconsin Wayfinder

Children and Youth with Special Health Care Needs (CYSHCN) face unique and often more frequent challenges in securing access to the right health care coverage and care. For many years, Aging and Disability Resource Centers (ADRCs) with an annual budget of \$42 million have promoted and provided advocacy, outreach, and education systems designed for seniors over age 60 and adults with disabilities. They excluded services for children. This system is evolving in more positive ways. Wisconsin Wayfinder<sup>42</sup> is a collaborative support network for CYSHCN. It functions similarly to the ADRCs across the state with legal back-up, learning, and advocacy resources. Far too many families across Wisconsin navigate bureaucracy and complex information to secure access to health care coverage and care for their children. Previously, children with disabilities and CYSHCN were not provided the advocacy assistance with links to legal help and education in a comprehensive way. Wisconsin Wayfinder and its Children's Resource Centers (CRCs) build upon lessons learned in serving adults with disabilities and seniors through the ADRC network, and now is emerging to help families secure and maintain access to health coverage and care and promote health equity for all. As Wisconsin Wayfinder continues to evolve to better serve CYSHCN, Wisconsin counties and hospitals must strengthen their relationship with regional CRCs to enhance patient/client centered services. ABC suggests strategies to do this:

1. **Prioritize health equity.** Reducing knowledge barriers, improving health literacy, and acknowledging cultural relevance can help achieve health equity. Strengthening partnerships will improve access to support and address these issues in practice.
2. **Build collaborative partnerships.** Recognize that each partner plays a different and vital role in the system of care, coverage, communication, and resource sharing. Partners should collaborate effectively to ensure that families find the right next steps and connect to the proper help.
3. **Build accessible systems for resource sharing and communications between partners.** Partners can build resource sharing systems through regular communication that emphasizes best practices.
4. **Distribute and spread across networks that support children's system of care.** Wisconsin counties and hospitals can share the responsibility with CRCs in disseminating information to related networks and groups that regularly work with children, parents, caretakers, and families.
5. **Support a Medical Home.** Providers can better understand the role they play in establishing a medical home for CYSHCN and their families, supported and strengthened by CRCs.

By creating new bridges with more groups across Wisconsin, CRCs and Wisconsin counties and hospitals can promote further innovation and ensure that CYSHCN and families receive support and care quickly and efficiently. Currently, the CRC serving Milwaukee County is at Children's Hospital of Wisconsin, putting them in a prime position to benefit CYSHCN and their families by enhancing and supporting their relationship with regional CRCs.



# *Recommendations for Milwaukee*

## **APPENDIX A: Children and Youth with Special Health Care Needs**

### **HealthCheck and HealthCheck Other Services**

CYSHCN often have specialized needs for medication, equipment, and services. Fortunately, the law provides some help when it comes to medically necessary services for children. Federal law requires Wisconsin to provide early and periodic screening, diagnosis, and treatment (EPSDT) for Medicaid-eligible persons under 21 years of age. In Wisconsin, this program is called HealthCheck. It includes services such as comprehensive screening, case management, and treatment (HealthCheck Other Services).

Unfortunately, our research and client work demonstrates that Wisconsin Medicaid and contracted Managed Care Plans fail to fully deliver key HealthCheck-related services due to many access-to-care and coverage barriers that slow or prevent families from obtaining these services. One way Wisconsin counties and hospitals can overcome these access-to-care and coverage barriers for CYSHCN in Medicaid is to adopt a "Health Benefits Check-up" for every Medicaid-eligible person. Health Benefits Check-ups are regularly scheduled services by a trained family advocate or health benefits counselor that helps guide families through the complex health insurance and benefits programs to promote and ensure access to continuous health care coverage that meets a person's needs. A successful Health Benefits Check-up proactively assesses and identifies health care coverage options by analyzing variables including income, family size, and health status. This process helps ameliorate health disparities and promotes measurably improved access to health coverage benefits and services so that no family falls through the cracks. Wisconsin hospitals and counties can implement Health Benefits Check-ups in partnership with Wisconsin Wayfinder. Wisconsin hospitals and counties can also implement Health Benefits Check-ups through existing hospital infrastructure, such as virtual patient services or emerging health care IT tools.

### **Medicaid Coverage for Residential Treatment for Wisconsin Children and Youth**

Wisconsin Medicaid fails to provide residential treatment for Wisconsin children and youth, which means that basic Medicaid enrollee needs of children are not met. Wisconsin counties and hospitals should advocate for the State of Wisconsin to create and contract with in-state Psychiatric Residential Treatment facilities (PRTFs). This would increase access to medically necessary residential treatment for children enrolled in Medicaid.

Thousands of Medicaid-eligible and enrolled children across the state with behavioral, mental, and emotional conditions receive Medicaid Home and Community-Based Services (HCBS). In Wisconsin, the Children's Long-Term Support (CLTS) Waiver Program provides many of these services. CLTS is designed to fund community support and services for children who need support to remain in their home or community.

# Access to Health Care & Coverage

## Medicaid Coverage for Residential Treatment for Wisconsin Children and Youth (continued)

When a child's behavior puts themselves and/or others at risk, their care team may determine that residential treatment for longer than an emergency inpatient stay is necessary, whether that is for medication management, intensive behavioral therapy, or other similar treatments that require 24/7 monitoring and management.

Wisconsin lacks Medicaid-certified Psychiatric Residential Treatment facilities. This means that thousands of low-income children and foster youth in Wisconsin lack any access to this medically necessary service. Residential treatment is a last resort in treatment for behavioral, mental, and emotional conditions, which means symptoms are critical, yet the child cannot receive the appropriate treatment. In very rare circumstances, Wisconsin Medicaid covers this service at an out of state facility, but only after the parent goes through the time-consuming process of finding an appropriate facility and negotiating on their own. For most children in need of this medically necessary service, this isn't an option.

Currently, Wisconsin fails to follow principles of equity and federal legal requirements related to Residential Treatment services. Federal law requires that "(a) the state agency must (emphasis added) [...] (2) provide information about [...] (ii) the services under the EPSDT program and where and how to obtain those services" (emphasis added).<sup>43</sup> This means that WI DHS has a duty to not only contract with PRTFs or similar services, but to identify available providers for CLTS coordinators, Medicaid ombudsmen, Medicaid HMOs, and Medicaid-enrolled providers to facilitate the proper referrals and assistance required and needed by families.

Medicaid-covered Residential Treatment Services are a major community need. Wisconsin counties and hospitals must collaborate to resolve this significant equity and service lapse by advocating for the Wisconsin Department of Human Services to contract with in-state PRTFs. ABC maintains that the Wisconsin DHS already has the authority through CFR § 441.56(a)(2)(ii) and DHS 107.22(4)<sup>44</sup> (HealthCheck Other Services) to establish contractual relationships with in-state PRTFs.

The failure to provide Medicaid-contracted PRTFs or equivalent services results in a constructive denial of prior authorization and services since there are no available means for Wisconsin families to seek a prior authorization. The United States 7th Circuit Court of Appeals found that states have an affirmative obligation to ensure that the services are provided when an EPSDT screening reveals that they are medically necessary for a child. This finding places a legal obligation on the State of Wisconsin. Wisconsin counties and hospitals should advocate for the state to follow through on this legal obligation.

# Recommendations for Milwaukee

## APPENDIX B: Support Pregnant and Post Partum Persons after The Birth Tax

### Milwaukee Has Eliminated the Birth Tax

Birth Cost Recovery (BCR), also known as the Birth Tax, is a practice allowed but not required under title IV-D of the federal Social Security Act that allows states to pursue the recovery of Medicaid supported birthing costs from non-custodial fathers. In November 2023, Milwaukee took a great step towards eliminating the Birth Tax within the county with a county budget measure—and they fulfilled their promise. By August 1, 2024, Milwaukee County expunged \$67.2 million remaining birth tax judgments.<sup>45</sup>

Despite the positive changes, there is still more work to do. The March of Dimes grades the city of Milwaukee as an “F” for its poor health outcomes for expectant mothers and babies.<sup>46</sup> Although many factors including racism and poverty affect birth outcomes, we see the correlation between this data and the policies like the Birth Tax that disproportionately affects black, indigenous, and Latinx families.<sup>47</sup> Both Hospitals and shareholders can take steps to ensure the process continues in a positive direction, and Milwaukee can continue to lead by example for the rest of the state:

- Adopt the equity priorities exemplified by the county board in adopting this policy change.
- Take additional steps to protect access to health care and coverage for underserved, pregnant and post-partum minority women in Milwaukee.

## APPENDIX C: Fulfill the Promise of a Transgender Sanctuary

### Increase Access to Gender-Affirming Care

Gender-affirming care is the term used to refer to medical treatments aimed at aligning a patient with their identity. In 2022, ForwardHealth expanded coverage for gender-affirming care allowing for more services covered. Gender-affirming care is an access to care issue and denying coverage is inequitable and perpetuates health disparities. However, there are still systematic barriers preventing people from accessing this type of care and many coverage options do not cover all the different types of services that fall under the gender-affirming care description.

Ensuring access to gender-affirming care across the state of Wisconsin is a priority. As of late 2023, Milwaukee County is a sanctuary county, guaranteeing that transgender and non-binary people will be shielded from any future laws that aim to strip their human rights.<sup>48</sup> The resolution was passed in response to growing legislative proposals aimed at restricting fundamental rights for those in the LGBTQ+ community, including some that suggest banning medically necessary health care for trans and non-binary people. Milwaukee County is committed to protecting access to health care as a fundamental right for trans and non-binary people. Hospitals in Milwaukee County must support this sanctuary designation and make gender-affirming care accessible to any patient that might need it. ABC for Health encourages counties across Wisconsin to do the same.

# Methodology

## Methodology

This report contains aggregate data for charity care, bad debt, and total uncompensated care for all hospitals in the targeted region, given as a percentage of those hospitals' total gross patient revenue. We calculated these numbers as follows. First, we identified our target hospitals (named here as they appear in Wisconsin Hospital Association (WHA) data reports):

Ascension Columbia St.	Ascension St. Francis Hospital	Aurora St. Luke's Medical	Froedtert Hospital
Ascension SE Wisconsin Hospital – Franklin Campus	Aurora Sinai Medical Center	Aurora West Allis Medical Center	Midwest Orthopedic Specialty Hospital
Ascension SE Wisconsin Hospital – St. Joseph Campus	Aurora St. Luke's Medical Center	Children's Wisconsin – Milwaukee Hospital	Orthopaedic Hospital of WI

\*In 2019 and 2020, the WHA did not report separate numbers for Aurora St. Luke's Medical Center – South Shore, instead combining it with the data from Aurora St. Luke's Medical Center. We accounted for this by simply leaving South Shore out of our calculations in those years.

Gross patient revenues are as reported in 2019-2022 in the WHA's Guide to Wisconsin Hospitals in each year. Charity care and bad debt are as reported in the WHA's Uncompensated Care Report. For each region and year, we added the charity care, bad debt, and gross patient revenue figures for all hospitals in the region to obtain aggregate numbers. We divided the total charity care by the total gross patient revenue to obtain the percentage of gross patient revenue spent on charity care across all hospitals in the region. Similarly, we divided the total bad debt by the total gross patient revenue to obtain the percentage of gross patient revenue attributed to bad debt. We added these percentages together to obtain the region-wide percentage of uncompensated care in each year.

We found one significant problem with the reported data. Froedtert Hospital's 2020 bad debt and charity care figures, as reported by the WHA, were exactly identical at \$50,814,162. This number looked consistent for bad debt (other years' bad debt ranged from \$52M to \$60M), but far too high for the charity care figure (which in other years ranged from \$28M to \$30M). Either Froedtert had reported a bad debt figure twice that year, or the WHA made a mistake when copying the data over to their reports. We reviewed Froedtert's IRS Form 990 Schedule H for each of the years in question. This form reports the charity care given by each hospital, but reports that figure at cost, rather than with the markup (as found in the WHA data). Froedtert's charity care at cost in 2019, 2021, and 2022 was consistently between \$8M and \$9M, and the 2020 charity care at cost was in fact slightly lower than the other reported years. We are reasonably confident that Froedtert's 2020 charity care, as reported in the Uncompensated Care Report, had been overreported by about \$20M. Since Froedtert is one of the larger hospitals in the area, this would have a significant impact on our aggregate data. We therefore replaced it with a *reasonable estimate* rather than rely on the clearly erroneous reported data.

For each of the years 2019, 2021, and 2022, we obtained Froedtert's "charity care at cost" from their Schedule H forms, and their "charity care" figures from the Uncompensated Care Report. For each year, we divided the "charity care" figure by the "charity care at cost" figure to obtain a multiplier. We averaged these multipliers and used the average multiplier to estimate Froedtert 2020 charity care by multiplying the average multiplier by Froedtert's 2020 charity care at cost to get \$28,674,054.79. This is slightly lower than Froedtert's charity care in the surrounding years, which makes sense given that their charity care at cost in 2020 was also slightly lower. Our calculations are at right:

Year	Charity Care	At Cost	Multiplier
2022	\$29,563,084.00	\$8,466,653.00	3.491708
2021	\$30,042,780.00	\$8,532,597.00	3.520942
2019	\$28,906,993.00	\$8,840,475.00	3.269846
<b>2020</b>	<b>\$28,674,054.79</b>	<b>\$8,365,883.00</b>	<b>3.427499</b>

# Methodology

## Methodology

The following tables reflect the bad debt, charity care/financial assistance, and total hospital revenues per hospital, per year.

### 2022

Hospital	2022 Charity Care	2022 Bad Debt	2022 Total Revenue	2022 % Charity Care	2022 % Bad Debt
Ascension Columbia St. Mary's Hospital Milwaukee	\$22,649,753.00	\$23,481,706.00	\$1,528,737,260.00	1.48%	1.54%
Ascension SE Wisconsin Hospital – Franklin Campus	\$3,727,375.00	\$4,962,011.00	\$316,311,613.00	1.18%	1.57%
Ascension SE Wisconsin Hospital – St. Joseph Campus	\$5,751,479.00	\$4,915,892.00	\$433,810,285.00	1.33%	1.13%
Ascension St. Francis Hospital	\$16,260,034.00	\$7,806,799.00	\$445,455,880.00	3.65%	1.75%
Aurora Sinai Medical Center	\$12,278,183.00	\$7,449,989.00	\$892,569,284.00	1.38%	0.83%
Aurora St. Luke's Medical Center	\$70,733,934.00	\$27,842,040.00	\$6,030,952,343.00	1.17%	0.46%
Aurora St. Luke's Medical Center – South Shore*	\$5,365,517.00	\$3,976,138.00	\$458,202,097.00	1.17%	0.87%
Aurora West Allis Medical Center	\$10,984,260.00	\$9,100,586.00	\$1,103,232,523.00	1.00%	0.82%
Children's Wisconsin – Milwaukee Hospital	\$2,470,095.00	\$6,411,408.00	\$1,464,258,681.00	0.17%	0.44%
Froedtert Hospital	\$29,563,084.00	\$57,384,140.00	\$6,897,620,975.00	0.43%	0.83%
Midwest Orthopedic Specialty Hospital	\$600,320.00	\$2,134,313.00	\$204,778,989.00	0.29%	1.04%
Orthopaedic Hospital of WI	\$150,117.00	\$934,497.00	\$221,672,970.00	0.07%	0.42%
<b>TOTAL</b>	<b>\$180,534,151.00</b>	<b>\$156,399,519.00</b>	<b>\$19,997,602,900.00</b>	<b>0.90%</b>	<b>0.78%</b>

Charity care and bad debt numbers for each hospital come from the Wisconsin Hospital Association's Uncompensated Care Report (UCR) for 2022, available at: [https://www.whainfocenter.com/Data-Products/Publications/Uncompensated-Health-Care-Report-Wisconsin/Uncompensated\\_2022](https://www.whainfocenter.com/Data-Products/Publications/Uncompensated-Health-Care-Report-Wisconsin/Uncompensated_2022)

Gross Patient Revenue numbers for each hospital come from data attached to the Wisconsin Hospital Association's annual Guide to Wisconsin Hospitals for 2022, available at: <https://www.whainfocenter.com/Data-Products/Publications/Guide-to-Wisconsin-Hospitals/Guide-to-Wisconsin-Hospitals-Fiscal-Year-2022/General-Medical-Surgical-Hospitals>

Percentages were calculated based on these numbers, to two decimal places (the UCR only rounds to one).

# Methodology

## Methodology

The following tables reflect the bad debt, charity care/financial assistance, and total hospital revenues per hospital, per year.

### 2021

Hospital	2021 Charity Care	2021 Bad Debt	2021 Total Revenue	2021 % Charity Care	2021 % Bad Debt
Ascension Columbia St. Mary's Hospital Milwaukee	\$19,797,681.00	\$18,840,225.00	\$1,372,919,089.00	1.44%	1.37%
Ascension SE Wisconsin Hospital – Franklin Campus	\$3,027,283.00	\$4,688,589.00	\$309,234,453.00	0.98%	1.52%
Ascension SE Wisconsin Hospital – St. Joseph Campus	\$6,599,618.00	\$8,536,610.00	\$416,566,510.00	1.58%	2.05%
Ascension St. Francis Hospital	\$13,997,744.00	\$7,156,135.00	\$446,032,131.00	3.14%	1.60%
Aurora Sinai Medical Center	\$14,906,954.00	\$11,144,525.00	\$870,884,820.00	1.71%	1.28%
Aurora St. Luke's Medical Center	\$57,772,498.00	\$36,002,506.00	\$5,676,916,062.00	1.02%	0.63%
Aurora St. Luke's Medical Center – South Shore*	\$4,745,417.00	\$5,380,928.00	\$448,804,307.00	1.06%	1.20%
Aurora West Allis Medical Center	\$10,263,244.00	\$14,643,891.00	\$1,061,473,830.00	0.97%	1.38%
Children's Wisconsin – Milwaukee Hospital	\$2,070,120.00	\$5,260,784.00	\$1,343,333,173.00	0.15%	0.39%
Froedtert Hospital	\$30,042,780.00	\$60,367,244.00	\$6,313,406,040.00	0.48%	0.96%
Midwest Orthopedic Specialty Hospital	\$413,667.00	\$1,963,200.00	\$181,543,445.00	0.23%	1.08%
Orthopaedic Hospital of WI	\$203,852.00	\$1,290,444.00	\$198,668,978.00	0.10%	0.65%
<b>TOTAL</b>	<b>\$163,840,858.00</b>	<b>\$175,275,081.00</b>	<b>\$18,639,782,838.00</b>	<b>0.88%</b>	<b>0.94%</b>

Charity care and bad debt numbers for each hospital come from the Wisconsin Hospital Association's Uncompensated Care Report (UCR) for 2021, available at: [https://www.whainfocenter.com/Data-Products/Publications/Uncompensated-Health-Care-Report-Wisconsin/Uncompensated\\_2021](https://www.whainfocenter.com/Data-Products/Publications/Uncompensated-Health-Care-Report-Wisconsin/Uncompensated_2021)

Gross Patient Revenue numbers for each hospital come from data attached to the Wisconsin Hospital Association's annual Guide to Wisconsin Hospitals for 2021, available at: <https://www.whainfocenter.com/Data-Products/Publications/Guide-to-Wisconsin-Hospitals/Guide-to-Wisconsin-Hospitals-Fiscal-Year-2021/General-Medical-Surgical-Hospitals>

Percentages were calculated based on these numbers, to two decimal places (the UCR only rounds to one).

# Methodology

## Methodology

The following tables reflect the bad debt, charity care/financial assistance, and total hospital revenues per hospital, per year.

### 2020

Hospital	2020 Charity Care	2020 Bad Debt	2020 Total Revenue	2020 % Charity Care	2020 % Bad Debt
Ascension Columbia St. Mary's Hospital Milwaukee	\$16,743,731.00	\$24,911,475.00	\$1,220,464,284.00	1.37%	2.04%
Ascension SE Wisconsin Hospital – Franklin Campus	\$5,357,775.00	\$3,873,898.00	\$262,222,068.00	2.04%	1.48%
Ascension SE Wisconsin Hospital – St. Joseph Campus	\$18,470,696.00	\$6,134,110.00	\$380,450,471.00	4.85%	1.61%
Ascension St. Francis Hospital	\$22,598,582.00	\$8,454,675.00	\$470,279,007.00	4.81%	1.80%
Aurora Sinai Medical Center	\$14,662,538.00	\$10,713,321.00	\$760,582,808.00	1.93%	1.41%
Aurora St. Luke's Medical Center	\$67,925,507.00	\$40,978,615.00	\$5,159,560,791.00	1.32%	0.79%
Aurora St. Luke's Medical Center – South Shore*	N/A	N/A	N/A	N/A	N/A
Aurora West Allis Medical Center	\$10,949,815.00	\$10,163,804.00	\$891,698,669.00	1.23%	1.14%
Children's Wisconsin – Milwaukee Hospital	\$2,517,587.00	\$5,736,136.00	\$1,140,842,692.00	0.22%	0.50%
Froedtert Hospital <i>*Corrected, see page 19.</i>	\$28,674,055.00*	\$50,814,162.00	\$5,369,212,964.00	0.53%	0.95%
Midwest Orthopedic Specialty Hospital	\$420,100.00	\$537,215.00	\$157,589,813.00	0.27%	0.34%
Orthopaedic Hospital of WI	\$289,626.00	\$431,195.00	\$169,143,122.00	0.17%	0.25%
<b>TOTAL</b>	<b>\$188,610,012.00</b>	<b>\$162,748,606.00</b>	<b>\$15,982,046,689.00</b>	<b>1.18%</b>	<b>1.02%</b>

Charity care and bad debt numbers for each hospital come from the Wisconsin Hospital Association's Uncompensated Care Report (UCR) for 2020, available at: [https://www.whainfocenter.com/Data-Products/Publications/Uncompensated-Health-Care-Report-Wisconsin/Uncompensated\\_2020](https://www.whainfocenter.com/Data-Products/Publications/Uncompensated-Health-Care-Report-Wisconsin/Uncompensated_2020)

Gross Patient Revenue numbers for each hospital come from data attached to the Wisconsin Hospital Association's annual Guide to Wisconsin Hospitals for 2020, available at: <https://www.whainfocenter.com/Data-Products/Publications/Guide-to-Wisconsin-Hospitals/Guide-to-Wisconsin-Hospitals-Fiscal-Year-2020/General-Medical-Surgical-Hospitals>

Percentages were calculated based on these numbers, to two decimal places (the UCR only rounds to one).

# Methodology

## Methodology

The following tables reflect the bad debt, charity care/financial assistance, and total hospital revenues per hospital, per year.

### 2019

Hospital	2019 Charity Care	2019 Bad Debt	2019 Total Revenue	2019 % Charity Care	2019 % Bad Debt
Ascension Columbia St. Mary's Hospital Milwaukee	\$14,909,981.00	\$20,804,728.00	\$1,140,239,612.00	1.31%	1.82%
Ascension SE Wisconsin Hospital – Franklin Campus	\$5,121,996.00	\$3,190,227.00	\$262,904,946.00	1.95%	1.21%
Ascension SE Wisconsin Hospital – St. Joseph Campus	\$13,270,551.00	\$6,368,069.00	\$431,763,631.00	3.07%	1.47%
Ascension St. Francis Hospital	\$16,261,102.00	\$5,253,810.00	\$493,335,424.00	3.30%	1.06%
Aurora Sinai Medical Center	\$25,387,219.00	\$10,111,585.00	\$812,684,364.00	3.12%	1.24%
Aurora St. Luke's Medical Center	\$76,838,474.00	\$38,363,447.00	\$5,340,670,901.00	1.44%	0.72%
Aurora St. Luke's Medical Center – South Shore*	N/A	N/A	N/A	N/A	N/A
Aurora West Allis Medical Center	\$15,552,363.00	\$9,189,189.00	\$966,374,550.00	1.61%	0.95%
Children's Wisconsin – Milwaukee Hospital	\$1,838,824.00	\$6,937,530.00	\$1,260,207,370.00	0.15%	0.55%
Froedtert Hospital	\$28,906,993.00	\$52,592,553.00	\$5,137,067,834.00	0.56%	1.02%
Midwest Orthopedic Specialty Hospital	\$466,928.00	\$1,413,218.00	\$179,083,035.00	0.26%	0.79%
Orthopaedic Hospital of WI	\$448,674.00	\$474,245.00	\$187,493,195.00	0.24%	0.25%
<b>TOTAL</b>	<b>\$199,003,105.00</b>	<b>\$154,698,601.00</b>	<b>\$16,211,824,862.00</b>	<b>1.23%</b>	<b>0.95%</b>

Charity care and bad debt numbers for each hospital come from the Wisconsin Hospital Association's Uncompensated Care Report (UCR) for 2019, available at: <https://www.wistatedocuments.org/digital/collection/p267601coll4/id/26034/rec/4>

Gross Patient Revenue numbers for each hospital come from data attached to the Wisconsin Hospital Association's annual Guide to Wisconsin Hospitals for 2019, available at: <https://www.whainfocenter.com/Data-Products/Publications/Guide-to-Wisconsin-Hospitals/Guide-to-Wisconsin-Hospitals-Fiscal-Year-2019/General-Medical-Surgical-Hospitals>

Percentages were calculated based on these numbers, to two decimal places (the UCR only rounds to one).



# References

## References

- <sup>1</sup> 26 U.S.C. § 501(r)(3)(A)
- <sup>2</sup> ABC for Health, Inc., <https://www.safetyweb.org>
- <sup>3</sup> See Issue Brief: The Burden of Medical Debt in the United States, KFF, available at: <https://www.kff.org/health-costs/issue-brief/the-burden-of-medical-debt-in-the-united-states/>
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- <sup>7</sup> See “Methodology,” at p. 20.
- <sup>8</sup> The White House “FACT SHEET: Vice President Harris Announces Proposal to Prohibit Medical Bills from Being Included on Credit Reports and Calls on States and Localities to Take Further Actions to Reduce Medical Debt” June 11, 2024, FACT SHEET: Vice President Harris Announces Proposal to Prohibit Medical Bills from Being Included on Credit Reports and Calls on States and Localities to Take Further Actions to Reduce Medical Debt | The White House.
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- <sup>14</sup> 45 CFR § 92.101; Title VI of the Civil Rights Act of 1964 (1) (2); 42 U.S. Code § 18116 (Section 1557 of the Patient Protection and Affordable Care Act) (1) (2) (3).
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