

TITLE: CHARITY CARE AND FINANCIAL ASSISTANCE

PURPOSE: To establish a fair and consistent method to determine patient eligibility for charity care services and financial assistance for patients of the University Health System (Health System). This is a revised policy and supersedes policy dated 06/22/15. [Key Words: Self-pay, Third-party Payer, Financially Indigent, Medically Indigent]

POLICY STATEMENT:

Charity care is one component of the Health System's mission to provide integrated clinical services, education and research to benefit the health of the community. To that end, effective stewardship of resources requires establishing fair and consistent guidelines to determine the amount of financial assistance available to patients who lack the financial resources to pay the full cost of health care services.

I. ELIGIBILITY

- A.** Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care, or otherwise unable to pay for their health care due to their individual financial situation. The following health care services are eligible for financial assistance at discounted or no cost.
1. Emergency medical services and supplies provided in an emergency room setting
 2. Services and supplies for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual

3. Non-elective services and supplies provided in response to life-threatening circumstances in a non-emergency room setting
4. Medically necessary services and supplies that are provided for the diagnosis, direct care, and treatment of a medical condition, and meet the standards of good medical practice in the community. Medically necessary services do not include cosmetic surgery.

B. Financially Indigent

For the purposes of this Policy, a person is “Financially Indigent” if he/she is uninsured or underinsured and has an Annual Gross Income less than or equal to 200 percent of the current Federal Poverty Guidelines.

A patient is considered “uninsured” when he/she does not have any third party medical insurance. A patient is not uninsured if he/she has third party medical insurance of any kind, regardless of whether the third party medical insurance covers all of the charges incurred.

C. Federal Poverty Guidelines

The most current poverty income guidelines issued by the U.S. Department of Health and Human Services and published in the Federal Register. <http://www.aspe.hhs.gov/poverty>.

D. Medically Indigent

For the purposes of this policy, a person is “medically indigent” if his/her charges after payment by third-party payers exceed 10 percent of his/her annual gross income and the person is financially unable to pay the remaining bill. The determination of ability to pay the remaining bill will be based on whether the patient can reasonably be expected to pay the account in full in

a one year period, taking into consideration all of the household assets (e.g., bank accounts, property, investments, rental property, stocks, bonds and other assets) and liabilities (e.g., mortgage, utilities, vehicle loans, child support and other liabilities) as documented on the patient's completed application for financial assistance.

II. VERIFICATION OF ELIGIBILITY

Without requirement of an application, all patients without any kind of healthcare coverage will automatically receive a discount on hospital gross charges equal to the average amount generally paid by commercial insurers and Medicare. Any additional financial assistance will be determined by an individual assessment of financial need which includes the following:

- A.** An application process, in which the patient or the patient's guarantor are required to cooperate and provide personal financial documentation and other information to assess available assets and resources relevant to making a determination of financial need
- B.** The use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (e.g., credit score)
- C.** Determination of alternative sources of payment and coverage from public and private payment programs, including the Health Insurance Marketplace, county indigent health care programs and Medicaid, and assistance will be provided to patients to apply for such programs. Patients who are eligible for a public benefit program, including patients who claim residency in another country, must attempt to enroll in such program(s) before determination of eligibility for charity eligibility

- D.** Review of the patient’s outstanding accounts receivable for prior services and payment history. Patients who received past financial assistance, but who did not pay their discounted financial responsibility as assessed, must resolve past “charity indebtedness” before further consideration; and
- E.** Verification of the patient’s residence and eligibility to participate in the CareLink financial assistance program in accordance with the eligibility standards set forth in Health System’s Policy No. 8.04, if the patient is not eligible for any public benefit programs or the Health Insurance Marketplace

Applications are available to all patients seeking charity care and/or financial assistance in the University Hospital Admissions office and on the Health System’s website.

Patients with the financial capability to purchase health insurance will be encouraged to do as a means to ensure access to future health care services

III. DENIAL OF FINANCIAL ASSISTANCE

The Health System reserves the right to deny charity care/financial assistance in all cases, including those involving information falsifications, availability of other resources, or past history of non-payment of amount assessed as patient responsibility.

IV. NON-PAYMENT

Charity is not considered to be a substitute for personal responsibility. Patients are expected to contribute to the cost of their care based on their individual ability to pay. After a patient’s account is adjusted to reflect any discounts allowed pursuant to this policy, the patient will be responsible for the remaining balance, of his or her outstanding patient account(s). Patients will be invoiced for any remaining amounts and the Health System may initiate efforts to collect unpaid outstanding patient balances in accordance with Fair Debt Collection Practices Act (FDCPA).

V. REGULATORY COMPLIANCE

A. EMTALA

In accordance with the Emergency Medical Treatment and Active Labor Act (EMTALA) regulations, as further discussed in Policy 8.03, no patient will be screened for financial assistance or payment information prior to the provision of services in emergency situations.

B. Non-discrimination

Financial assistance will be based on financial need and will not take into account race, sex, age, religion, national origin, sexual orientation, gender identity, disability, or veteran status.

C. Reporting Requirements

Health System will report charity care and financial assistance to the Department of State Health Services and other governmental bodies as required by Chapter 311 of the Texas Health & Safety Code and by federal statutes governing the Medicare Cost Report.

REFERENCES/BIBLIOGRAPHY:

Chapter 61, Texas Health & Safety Code
Chapter 281, Texas Health & Safety Code
Chapter 311, Texas Health & Safety Code
Health System Policy No. 8.04, CareLink

OFFICE OF PRIMARY RESPONSIBILITY:

Senior Vice President/Chief Revenue Officer