



Texas Tech Physicians  
of EL PASO

POLICY AND PROCEDURE

Revision No.: 5

Effective Date: 06/30/2011

Approved by:

Frank Stout, Associate Academic Dean for Finance & Administration  
and Assistant Vice President for Fiscal Affairs

7-1-2011

Date

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6/30/11

Date

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6/30/2011

Date

Title:

Un-reimbursed Costs of Medical Care Policy and Procedures

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**PURPOSE:**

The purpose of this policy is to establish uniform guidelines across all clinics of Texas Tech Physicians-El Paso Paul L Foster School of Medicine in providing financial assistance for the provision of professional medical care.

**DEFINITIONS:**

**Bad Debt-** Uncollectible billed charges for services rendered to patients who do not qualify under the definition of financially or medically indigent and/or un-reimbursed costs from coverage limitations in government programs. Unsponsored cost of care does not include bad debts.

**Contractual Adjustments-** Discounts made due to the legal agreements with third party payors.

**Financially or Medically Indigent-** Any person with annual household income at or below the percentage of the Federal Poverty Income Levels of 100% (financial) and 200% (medical) will be qualified for a discount. The financially indigent status derives from income information obtained from the patient through financial screening.

**Discount Amounts -** There are two levels of discount: 70% and 40%. For Outpatient Evaluation and Management services, the minimum payment shall be \$60.00 payable at the time of service. All other services (excluding various specialty programs) will bill at 100% Medicare. The MPIP Policy committee may recommend to the Dean changes in the minimum payment amount for specific services or product.

**Un-reimbursed Costs of Government Programs Coverage Limitations-** The amount of services to patients eligible for state government programs that exceed specified coverage limits and no additional coverage is available.

## **POLICY SUMMARY**

This policy establishes requirements for the determination of eligibility for financially indigent status and a person's qualification for a financial class discount.

**Indigent patients must meet the following criteria:**

### **FINANCIALLY OR MEDICALLY INDIGENT:**

1. Proof of residency in the local and surrounding counties that make up the clinical market base; and in the state of Texas.
2. Household size and composition are an adult couple, and any children under the age of 19 years old. Common-law marriages may be eligible.
3. All patients with annual household gross incomes between 100% and 200% of the Federal Poverty Income Level (See Attachment A ).Gross income is established by the inclusion and exclusion of certain types of income as outlined in the policy.
4. Covered services shall include hospital and clinical outpatient and inpatient professional fees and/or professional interpretation components of radiology.
5. Failure to provide all required information will be cause for denial.
6. The period of coverage for a financially indigent patient is 12 months. An indigent patient with publicly sponsored health insurance with non-covered services will receive the discount. The MPIP Managing Director, on the Retroactive Discount Form, determines retroactive eligibility for a financially indigent patient.
7. All patient discount applicants will be subject to credit review through (TransUnion) for verification of information.

## **PROGRAM ADMINISTRATION**

**MPIP Central Registration** will manage the TTUHSC-El Paso Paul L Foster School of Medicine Indigent Health Care Financial Assistance program.

### **PROCEDURES:**

The following requirements are applicable for financially indigent eligibility, unless noted otherwise.

1. **Residency:** Applicants must be a bona fide resident of the State of Texas and must provide (2) proofs of residency.



2. **Valid Identification:** A valid form of identification such as a driver's license or other form of government issued identification.
3. **Household Size/Composition:** The number of household members must be determined to identify appropriate income guidelines. The term "household" is a single adult or adult couple with dependent children under the age of 19 years of age.
4. **Income Eligibility Guidelines:** Income must not exceed TTUHSC guidelines. Gross income will determine eligibility. Proof of income is required. All applicant information will be subject to verification through (TransUnion) credit reporting agency.
5. **Covered Service**
  - a. Outpatient/Inpatient professional fees not covered by Hospital District;
  - b. Professional component for radiology both inpatient and outpatient;
  - c. All laboratory interpretation services billed for by the medical school;
  - d. Any and all other professional fees as recommended by the MPIP Policy Committee and approved by the Dean
6. **Failure to Cooperate:** The applicant is responsible for providing all required information that is necessary to determine eligibility. Failure to provide this information may be cause for denial.
7. **Appeal for Denial:** Any applicant denied benefits under the TTUHSC El Paso Paul L Foster School of Medicine clinic discount program may appeal the decision in writing to the Managing Director of MPIP Business Operations MDBO. The MDBO has authorization to review an appeal and reverse a denial for any period up to 12 months.
8. **Program Application:** Applicant approval extends for no more than a 12-month period. Retroactive eligibility may extend to include all unpaid charges within the last spell of illness.