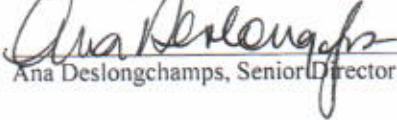


**TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER-EL PASO
MEDICAL PRACTICE INCOME PLAN – POLICY AND PROCEDURE**

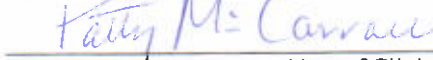
Revised Date: 01/01/2022

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Prepared By:


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Approved By:


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Anthony Esposito, MPIP Executive Director

Department: Medical Practice Income Plan

TITLE: MPIP Charity Care/Financial Assistance

Policy: #7

Policy:

The purpose of this Texas Tech University Health Sciences Center El Paso (TTUHSCEP) and Medical Practice Income Plan (MPIP) Operating Policy is to establish a policy in compliance with state and federal law for the management and execution of Charity Care and Financial Assistance.

Review: This MPIP operating policy will be reviewed at the end of each even numbered fiscal year under the direction of the Executive Director of MPIP, with recommendations for changes presented to the Vice President of Clinical Administration of TTUHSCEP.

Policy/Procedure

A. References:

- i. The Healthcare Financial Management Association (HFMA) (Principles and Practice Board) states “No single set of criteria for charity care policies is universally applicable. Each institutional provider of healthcare services must establish its own policies that are consistent with the organization’s mission and financial ability, as well as with state laws.”
- ii. The Texas Hospital Association states, “Texas will receive uncompensated care (UC) funding through September 30th, 2022. The size of the UC pool will be determined solely by hospital charity care provided to the uninsured, but UC payments can be distributed among all qualifying providers, including non-hospital providers whose costs are not counted in the size of the UC pool.”
- iii. Internal Revenue Service Financial Assistance Policy & Emergency Medical Care Policy 501 (r) (4)
- iv. Internal Revenue Service Billing & Collections Section 501 (r) (6) Presumptive Eligibility for Financial Assistance

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B. Institutional Policy:

In view of the federal and state standards related to Charity Care, the institution will implement and follow this policy which outlines the standards for Charity Care & Financial Assistance. Coverage for all patients should be verified before any elective care is provided. Texas Tech Physicians reserves the right to deny certain elective procedures.

DEFINITIONS – FOR PURPOSES OF THIS POLICY AND APPLICATION FORM

Federal Poverty Level (FPL) - This is set each year by the U.S. Department of Health & Human Services and the U.S. Census Bureau. Using a combination of household size and household income, TTUHSCEP will determine qualification for Charity Care based on a factor of patients' household income compared to the FPL.

Family – TTUHSCEP follows the IRS definition of family, "members of the family" are limited to an individual's spouse, ancestors, lineal descendants, and the spouses of his or her lineal descendants. Also, the legally adopted child of an individual is his or her child within the meaning of this regulation. IRC 4946(d) provides that the family of any individual shall include only his spouse, ancestors, children, grandchildren, great grandchildren, and the spouses of children, grandchildren, and great grandchildren.

Income – Total annual cash receipts before taxes from all sources. Income includes money wages and salaries before any deductions; net receipts from self-employment; regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veterans' payments, public assistance and training stipends; alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments; college or university scholarships, grants, fellowships, and assistantships; and dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

Resident – An individual who is either a U.S. citizen or a lawful permanent resident and lives in the State of Texas. A lawful permanent resident is issued an alien registration card, an I-551 card, which is better known as a "green card." Persons in the U.S. on any valid visa are not considered residents.

Presumptive Eligibility – A process by which institutions determine a patients' eligibility for benefits based on income or credit information.

ELIGIBILITY FOR CHARITY CARE

A. Eligibility

- i. Patients must be U.S. Citizens or Green Card holders to be eligible for Charity Care program.
- ii. The service areas covered is The State of Texas.
- iii. Patients that are awarded Charity Care at a non-TTUHSCEP location where a TTUHSCEP physician provided the service may be awarded Charity Care for services with TTUHSCEP physicians. In addition, patients that were not eligible for Charity Care at another location may still be eligible for Charity Care for medical necessary services with TTUHSC El Paso physicians.
- iv. Based on household size and income patients that are at or below 200% of the Federal Poverty Level (FPL) may be eligible for Charity Care. Screening will be conducted using a third-party source to evaluate financial assistance eligibility.

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- v. Patients that are between 200% and 400% may apply for a financial hardship should they have extenuating circumstances that would prevent them from being able to pay. Patients approved for hardship will be granted Charity Care only for the particular encounter for which they are approved.
- vi. Charity Care is a payer of last resort.
- vii. Patients with Medicaid non-covered services and patients granted eligibility through the El Paso County Indigent program can be included in the Charity Care reporting.
- viii. Once granted Charity Care, a patient will be eligible up to 365 days from the first day with the month of approval.
- ix. Charity Care determinations are retroactive for 90 days from the date of approval.
- x. Patients will receive documentation that confirms eligibility for Charity Care. This documentation will include necessary information related to the Charity Care program and will be maintained electronically by MPIP.
- xi. Outstanding patient invoices will be checked using the Transunion Presumptive Charity Care Wizard prior to placement with a third-party collection agency.

PROCEDURE TO IDENTIFY ELIGIBILITY FOR FINANCIAL ASSISTANCE AND CHARITY

1. The following documentation must be received in order to process the request for financial assistance:
 - a. A valid ID is required as part of the information submitted for consideration. Valid ID's are issued by United States government or State. This includes but isn't limited to a Texas ID Card, Texas Driver's License and a US Passport or Green Card.
 - b. Patients who are determined to be presumptively eligible will be categorized as such in TTUHSCEP records.

WORKFLOW PROCESS

1. Invoices are uploaded to Transunion that have reached the end of the self-pay workflow and prior to placement with our third-party collection agencies. Transunion utilizes a Charity Care Wizard that identifies invoices that qualify for Presumptive Eligibility.
2. Invoices are then returned to TTUHSCEP. Upon receipt, those invoices are scripted within Athena/IDX as Presumptively Eligible for Charity Care and the balances are reduced to zero.
3. Patients are also referred to MPIP's Customer Service Department for Charity Care determination. Customer service obtains the pertinent information needed to perform an on-demand Charity Care determination. Patients who qualify for Charity Care have their self-pay balances written off to zero and categorized as Presumptively Eligible.