HUNTSVILLE MEMORIAL HOSPITAL
ADMINISTRATIVE POLICY & PROCEDURES

POLICY TITLE: Financial Assistance Policy – Walker County Indigent Care Program	**POLICY NUMBER:** 9020.109A
ORIGINAL ISSUE DATE: 02/16/2020 **REVIEWED DATES:** 11/23/2020 **REVISION DATE:** 12/01/2020 **PAGES:** 1 of 9	**APPROVED BY:** Anna Smith 11/23/2020 Executive Director, Revenue Cycle Date

POLICY STATEMENT

Huntsville Memorial Hospital and Clinic shall contribute appropriate resources, advocacy and community support to promote the health needs of the community, within its economic ability to do so. Financial Assistance will be provided to patients with a demonstrated (means tested) inability to pay.

Huntsville Memorial Hospital and Clinic work in collaboration with a third party eligibility vendor (Resource Corporation of America/RCA), and the local State of Texas Medicaid office to screen patients for the following programs in advance of application for the Walker County Indigent Care Program:

1. Existing Healthcare Insurance or Ability to Purchase Healthcare Insurance and/or Other Liability
   At or below 8% of total annual income (≤8%) and/or Other Liability
2. Self Pay Discounted Programs
   Means tested Federal Poverty Level (FPL) at or above 201% (≥201%)
3. Texas Medicaid and/or Medicare and/or SSI; Other Government Programs; Workers Compensation
   Meets all Federally Mandated Criteria
4. Hospital Charity Care Programs
   Means tested Federal Poverty Level (FPL) at or above 51% and at or below 200%
   (≥51% to ≤200%)

If a patient does not qualify for one of the programs listed above, the patient may make formal application for the Walker County Indigent Care Program by completing the required financial assistance forms, located on Huntsville Memorial Hospital's home internet page at www.huntsvillememorial.com.

The application for financial assistance includes both the Texas Health and Human Services Form 100, and the Resource Corporation of America (RCA) Supplemental Screening Form.

The amount of financial assistance to be made available, as well as any other changes to this policy shall be assessed and determined by program administrators on an annual basis, and will align with state guidelines for non-profit facilities as applicable.

Financial Assistance provided through the Walker County Indigent Care Program will be administered in full compliance with Chapter 61 of the Health and Safety Code of Texas.

PROCEDURE

Patients may apply for the Walker County Indigent Care Program after receiving healthcare services at the Hospital or Clinic. Application in advance of receipt of healthcare services is not advised due to the screening and application processes currently in place which includes the screening of uninsured patients by a third party eligibility vendor (Resource Corporation of America/RCA) for the following:

1. Existing Healthcare Insurance or Ability to Purchase Healthcare Insurance and/or Other Liability
   At or below 8% of total annual income (≤8%) and/or Other Liability
2. Self Pay Discounted Programs
   Means tested Federal Poverty Level (FPL) at or above 201% (≥201%)
3. Texas Medicaid and/or Medicare and/or SSI; Other Government Programs; Workers Compensation
   Meets all Federally Mandated Criteria
4. Hospital Charity Care Programs
   Means tested Federal Poverty Level (FPL) at or above 51% and at or below 200%
   (≥51% to ≤200%)

If a patient does not qualify for one of the programs listed above, the patient may make formal application for the Walker County Indigent Care Program by completing the required financial assistance forms, located on Huntsville Memorial Hospital's home internet page at www.huntsvillememorial.com.

The on-site representative from RCA, or a member the hospital Patient Access Department will assist the patient in printing and completing the Financial Application and Supplemental Forms, and will direct the patient to the Financial Counseling Department where the completed application and supporting documentation must be submitted for review.

Patients who qualify for the Walker County Indigent Care Program will have a means-tested Federal Poverty Level (FPL) at or below 50% (≤50%). The patient will receive basic care at Huntsville Memorial Hospital, at the Huntsville Clinic, and at other contracted provider offices following receipt of prior approval.

BILLING BY CONSULTING PHYSICIANS AND PHYSICIAN GROUPS

All Hospital patients will receive a Billing Disclosure, at the time of registration, that includes detailed information regarding hospital charges and billing (Attachment A). In addition to hospital charges, the patient may receive bills from consulting physicians and physician groups who participated in their care. Consulting physicians and physician groups are independent contractors and are not employees of the hospital or clinic. Consulting physicians and physician groups include referring physicians, attending physicians, and specialists such as emergency physicians, radiologists, pathologists, and anesthesiologists. These providers and provider groups are separately contracted and may not be network providers for the patient's healthcare plan. Additionally, they may be governed by billing rules, regulations, and procedures that are not the same as the hospital or clinic. They may have different criteria for indigent care application and qualification. Application and qualification for indigent care at the hospital and/or clinic is separate from any application and qualification that may be required by other providers.

AMOUNTS GENERALLY BILLED

Individuals qualified for financial assistance under the Walker County Indigent Care Program will not be charged more than the amounts generally billed (AGB) for emergency or other medical care provided to individuals with insurance coverage.

A. The AGB is determined through the "Look-back method" which is calculated by reviewing the full amount that has been allowed as medically necessary for all past claims that have been billed by the hospital or clinic to Medicare fee-for-service and all private health insurers paying claims to the hospital in a prior 12 month period. This amount can include co-insurance; co-payments and deductibles.

B. The AGB for emergency or medically necessary care provided to an eligible individual is determined by multiplying gross charges for that care by one or more percentages of gross charges (ABG percentages).

1. The AGB percentages are calculated at least annually by dividing the sum of emergency and other medically necessary care that have been allowed by health insurers (Medicare fee-for-service and all private health insurers that pay claims to the hospital facility) during a 12 month period by the sum of the associated gross charges for those claims
2. Multiple AGB percentages may be calculated for separate categories of care (such as inpatient and outpatient care or care provided by different departments) or for separate items or services

C. The percentages are applied by the 120th day after the end of the 12-month period the hospital facility used in calculating the AGB percentage(s).

ELIGIBILITY GUIDELINES

Financial Assistance is available to persons who are uninsured or underinsured and are accepted for care with no obligation or a discounted obligation to pay for services rendered based on the eligibility criteria set forth in Chapter 61 of the Health and Safety Code of Texas.

Specifically, section 61.006.(b) states that "the minimum eligibility standards must incorporate a net income eligibility level equal to 21% of the federal poverty level…" The Walker County Indigent Care Program, supports this minimum eligibility, and extends the maximum Federal Poverty Level to at or below 50% of the FPL ($\leq$50%), with no alternative resources available.

The hospital will use the most current poverty income guidelines issued by the U.S. Department of Health and Human Services to determine an individual's eligibility. Federal Poverty guidelines are published in the *Federal Register* in February of each year, and for purposes of this policy, the current guideline will become effective the first day of the month following the month of publication. In no event will the hospital establish eligibility criteria which set the income level for the Walker County Indigent Care Program lower than that required for counties under the Texas Indigent Health Care and Treatment Act, or above 50 percent (>50%) of the federal poverty income guidelines.

Persons with commercial insurance, Medicare, and other forms of healthcare coverage may qualify for assistance under the Walker County Indigent Program, as a secondary payer, on a case by case basis, based upon FPL and in full compliance with the Texas Department of Health and Human Services County Indigent Health Care Program's permissible benefits.

Approved applications cover charges at Huntsville Memorial Hospital and Clinic only; unless specifically authorized by program administrators for participants in the Walker County Indigent Care Program, subject to the limitations of that program.

PROCESS FOR SCREENING AND ELIGIBILITY

Huntsville Memorial Hospital will administer the Walker County Indigent Care Program in full compliance with Chapter 61 of the Health and Safety Code of Texas' "Indigent Health Care and Treatment Act".

Specifically, section 61.006.(b) states that "the minimum eligibility standards must incorporate a net income eligibility level equal to 21% of the federal poverty level…" The Walker County Indigent Care Program, supports this minimum eligibility, and extends the maximum Federal Poverty Level to at or below 50% of the FPL (≤50%), with no alternative resources available.

The hospital may consider other financial assets and liabilities of the person when determining eligibility. If the hospital approves the application, the patient may be granted financial assistance in accordance with Schedule A of the Hospital's Financial Assistance Eligibility Discount Guidelines (Attachment B).

Patients who qualify for the Walker County Indigent Care Program must meet the following criteria:

1. Must be a US Citizen, verified by valid Certificate of Naturalization or "sponsored alien"
"A person who has been lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act (8 U.S.C/ Sectopm 1101 et seq.) and who, as a condition of admission was sponsored by a person who executed an affidavid of support on behalf of the person."

2. Must be a Walker County resident (confirmed via 2 proofs of residency); or permanent resident (verified via Permanent resident card)

3. Must provide current Texas Picture ID and secondary form of ID (social security card, voter's registration card, birth certificate)

4. Must provide proof of current income (check stub, letter from employer), and be within 21% of FPL

5. Must provide proof of previous year's income, if available (Tax return, W-2, 1099)

6. Must provide details regarding any additional income (Child support, SNAP, Housing, Letters of support from family members)

7. Must prove that the cost of health care insurance offered by employer and/or the healthcare exchange programs exceed 8% of total annual income;

8. If there are children in the home, they must have active medical coverage (Medicaid or other)

Persons who qualify for the Walker County Indigent Care Program may receive benefits as described in the Walker County Indigent Care Program Plain Language Summary (Attachment E), at minimal or no cost to the individual. Huntsville Memorial Hospital requires co-payment of $3.00 per visit for hospital-based laboratory and/or radiology services.

Huntsville Memorial Hospital is a non-profit corporation offering an indigent care program. The hospital will not discriminate on the basis of race, ancestry, religion, national origin, age, disability, gender or gender identity in its consideration of a patient's qualification for Walker County Indigent Care.

Applicants must fully cooperate and comply with eligibility requirements for any other healthcare program(s) for which they may be qualified prior to their evaluation for the indigent care program. Federal and/or State assistance may be available to those who meet qualifications. Before the indigent care program is considered, all available avenues of assistance from third-party payors must be exhausted.

All services must be medically necessary in order to qualify for the indigent care program (e.g., elective services such as cosmetic surgery do not qualify for a charity designation). Eligible services are classified as Basic Health Care Services. Other services that may be covered under special circumstances are listed as Optional Healthcare Services. Basic and Optional services are outlined in detail within the State of Texas Health and Safety Code Chapter 61 "Indigent Health Care and Treatment Act"; Sections 61.028 and 61.0285.

1. INCOME VERIFICATION

Patients or the responsible party must verify the net income reported on the Financial Assistance Application and Supplemental Screening Forms in accordance with the Documentation Requirements set forth below.

(a) REQUIRED DOCUMENTATION

The Hospital will obtain a credit report on patients to validate the need for financial assistance. Eligibility documentation will be maintained in the patient's financial file. In addition to the credit report, Hospital requires the following documents (see Sec 61.007):

(1) the applicants full name and address;

(2) the applicant's social security number, if available;

(3) the number of persons in the applicant's household, excluding persons receiving Temporary Assistance for Needy Families, Supplemental Security Income, or Medicaid benefits;

(4) the applicant's county of residence;

(5) the existence of insurance coverage or other hospital or health care benefits for which the applicant is eligible;

(6) any transfer of title to real property that the applicant has made in the preceding 24 months;

(7) the applicant's annual household income, excluding the income of any household member receiving Temporary Assistance for Needy Families, Supplemental Security Income, or Medicaid benefits; and

(8) the amount of the applicant's liquid assets and the equity value of the applicant's car and real property.

Additional documents include:

(1) IRS Form W-2;
(2) Wage and earnings statement;

(3) Paycheck remittance;
(4) Individual tax returns
(5) Unemployment insurance;
(6) Social Security award letter, or copy of Social Security check:
(7) Telephone verification by employer of the patient's income;
(8) Veterans Administration letter, or copy of VA check;
(9) Physician disability statement listing term of disability and documentation or proof of three or more months with no income for the period of disability;
(10) Bank accounts and records; or
(11) Other appropriate indicators of yearly, monthly, weekly or hourly income.

(b) DOCUMENTATION UNAVAILABLE

In cases where a patient is unable to provide documentation verifying income, the Hospital may verify the patient's income by requesting an explanation of why the patient is unable to provide documentation verifying income, and:

i. Obtaining the Patient's Written Attestation. By having the patient or the responsible party sign the Financial Assistance Application attesting to the veracity of the income information provided; or

ii. Obtaining the Patient's Verbal Attestation. Through the written attestation of hospital personnel completing the Financial Assistance Application that the patient verbally verified Hospital's calculation of the income reported on the Financial Assistance Application.

(1) *De minimis* Accounts. If the patient's account is of *de minimis* value, not to exceed $500.00, Hospital may verify the patient's income reported by the patient on the Financial Assistance Application by:

i. Obtaining the Patient's Written Attestation. Obtaining a Financial Assistance Application signed by the patient attesting to the veracity of the income information provided; and

ii. Documenting Efforts to Obtain Documentation. Documenting two attempts by Hospital to obtain documentation from the patient verifying income.

2. VERIFICATION PROCEDURE

In determining a patient's total income, Hospital staff will determine an applicant's gross annual income as well as the applicant's gross monthly income from one or more sources of documentation (listed in 6(a) above) the applicant provides. The applicant's gross annual income will provide the basis for determining eligibility. Hospital may also consider other financial assets and liabilities of the patient, as well as the patient's family income and the ability of the patient's family to pay. If a determination is made that a patient has the ability to pay the remainder of the bill, that determination does not preclude a re-assessment of the patient's ability to pay upon presentation of additional documentation.

3. CLASSIFICATION PENDING INCOME VERIFICATION

During the verification process, while the hospital is collecting the information necessary to determine a patient's income, the patient may be treated as a private-pay patient in accordance with Hospital's policies until

such time as the hospital receives documentation verifying patient's eligibility for charity care or proof that the patient is eligible for participation in a public benefit program (as referenced in section 6(b) above).

4. FALISFICATION OF INFORMATION

Falsification of information may result in denial of the Financial Assistance Application. If, after a patient is granted financial assistance, Hospital finds material provision(s) of the Financial Assistance Application to be untrue, charity care status may be revoked and financial assistance may be withdrawn.

5. ADMINISTRATIVE APPROVAL AND AUTHORITY LEVELS

Applications will be reviewed and approved by the designated Manager or Director, in full compliance with the policy for Authority Levels (PARA.PP.GEN.008), when estimated total charges are provided in advance of care.

Expenditures in excess of the annual reimbursement cap of $30K per individual must be approved in advance and in collaboration between the Hospital and the Hospital District designees.

Contracted providers with an annual reimbursement cap in excess of $30K per individual will be approved on a case by case basis and in full compliance with contractual language.

6. NOTIFICATION PROCESS

The process of application review, approval or denial, and patient notification of decision shall not take more than fourteen (14) days for the Walker County Indigent Care Program. This timeframe begins on the date that a fully completed application and supporting documentation is received.

All patients that make application for indigent care shall receive a letter stating whether or not the application was approved or denied.

7. DURATION

Qualifying applicants will be approved for a six month period from the first date of applicable services. Thereafter, the patient will be required to reapply.

8. DENIAL OF CLAIMS

Denial of claims payment to contracted providers may be imposted if the provider does not obtain and/or comply with pre-certification/prior authorization requirements. Providers will be notified of denied claims via letter on a case by case basis.

9. DENIED APPLICATIONS

The Hospital will provide an appeal process for denied applications. Appeals should be formally documented via the Financial Assistance Application for Appeal (Attachment F). This document will be provided to denied applicants by the Hospital Financial Counselor. The Financial Counselor will provide the patient with assistance in completing the formal appeal and in presenting the appeal to the Hospital CFO for consideration.

10. DOCUMENT COLLECTION AND RETENTION POLICIES

The Hospital will maintain documentation sufficient to identify each patient granted status as Financially Indigent, the patient's income, the method used to verify the patient's income, the amount owed by the patient,

and the person who approved granting the patient status as Financially Indigent. Hospital staff will create an electronic file in the current Indigent Care database. The following items will be included in the electronic file:

a) Completed Application (Texas Department of Health and Human Services Form 100 - access via link below) and Supplemental Form (Attachment G)

   www.dshs.state.tx.us/WorkArea/DownloadAsset.aspx?id=8590001321

b) Completed Indigent Care Determination Calculator and Approval Form, signed by the preparer as well as the reviewer authorizing the write-off eligibility and amount;

c) Documentation providing proof of financial income information; and

d) Any other information to substantiate the write-off eligibility and amount if documentation does not suffice to verify income.

If patient has not provided all required documentation within ten (10) days of application, Hospital staff will contact the patient to request the missing documentation, and follow-up periodically thereafter until patient file is complete. If the patient file is not complete and the Hospital cannot determine eligibility within fourteen (14) days, the Hospital will consider the application to be invalid, and the patient's hospital and/or clinic accounts will remain self pay.

11. PUBLICATION OF POLICY

The hospital's Financial Assistance Policy is available to the public via the Hutsville Memorial Hospital Internet at www.huntsvillememorial.com. Additonally, the policy is posted in every registration lobby throughout the hospital, including main admissions, and emergency admissions. A paper copy of the policy will be provided by the Admissions Department to any person who requests a copy.

12. RESERVATION OF RIGHTS

The Hospital reserves the right to limit or deny financial assistance in accordance with Chapter 61 of the Health and Safety Code of Texas.

13. COVERED SERVICES

Covered healthcare services are defined within Chapter 61 of the Health and Safety Code. Section 61.028 defines covered services as "Basic Health Care Services", which are listed below:

1. Primary and preventative services designed to meet the needs of the community, including:
   - (A) immunizations;
   - (B) medical screening services; and
   - (C) annual physical examinations;
2. Inpatient and outpatient hospital services;
3. Rural health clinics;
4. Laboratory and X-ray services ($3.00 co-payment is applicable)
5. Family planning services;
6. Physician services;
7. Payment for not more than three prescription drugs a month; and
8. Skilled nursing facility services, regardless of the patient's age.

14. NON-COVERED SERVICES

Optional healthcare services are defined within Chapter 61 of the Health and Safety Code.

The hospital will adhere to these guidelines when administering the Indigent Care Program.

REFERENCES:

Chapter 61 of the Health and Safety Code of the State of Texas:
https://statutes.capitol.texas.gov/Docs/HS/htm/HS.61.htm

Texas Health and Human Services; County Indigent Health Care Program's Permissible Benefits
https://hhs.texas.gov/doing-business-hhs/provider-portals/health-services-providers/county-indigent-health-care-program/cihcp-handbook-forms

Department of the Treasury, Internal Revenue Service 26 CFR Parts 1, 53, and 602; CHNA Section 501(r) 4 thru 6:
www.irs.gov/irb/2015-5_IRB/ar08.html

PARA.PP.GEN.008 – Authority Levels
Parallon Procedure for Processing Payments, Adjustments, and Allowance Transactions/Authority Levels

Immigration and Nationality Act (8 U.S.C/ Sectopm 1101 et seq.)
https://www.uscis.gov/legal-resources/immigration-and-nationality-act

ATTACHMENTS:

Attachment A – HMH Billing Disclosure (English and Spanish)

Attachment B – Hospital's Financial Assistance Eligibility Discount Guidelines; CY Federal Poverty Level

Attachment C – Application Requirements

Attachment D – HMH Financial Assistance Determination Calculator and Approval Form (Internal Only/Proprietary)

Attachment E - Financial Assistance Plain Language Summary

Attachment F – Application for Appeal

Attachment G – Supplemental Screening Form

Attachment H – PARA.PP.GEN.008 (Internal Only/Proprietary)

FORMS:

Application: www.dshs.state.tx.us/WorkArea/DownloadAsset.aspx?id=8590001321

Review/Revised Date:	Title:	Description of Change or Location of Change in Document
11/23/2020	Anna Smith, Executive Director, Rev Cycle	FPL changed from 0-100% to 0-50% as approved in October 2020 by the Walker County Hospital District and General Public for an effective date of December 1, 2020