

MEDICAL ARTS HOSPITAL
Lamesa, Texas

POLICY AND PROCEDURE:

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Subject: Charity and Indigent Care Program	Approved By:
Department: Business Office	Effective Date: 06-21-1993
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I. POLICY:

It is the policy of Dawson County Hospital District and Dawson County Medical Group to render quality healthcare to the residents of Dawson County regardless of payor class since healthcare costs often exceed one's annual income. This Charity care program provides unreimbursed primary health care services to financially needy persons who meet the requirements of this policy as outlined below without regard to race, creed, color, or national origin. The Dawson County Hospital District Board of Directors will determine the amount of charity applied to an account. The charity program will always be the last payor of Medical Arts Hospital and Dawson County Medical Group who is committed to providing charity care to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation.

Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Medical Arts Hospital and Dawson County Medical Group strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Medical Arts Hospital and Dawson County Medical Group will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Medical Arts Hospital's and Dawson County Medical Group procedures for obtaining charity or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

II. DEFINITIONS

For the purpose of this policy, the terms below are defined as follows:

Charity and Indigent Care: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family Income: Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- Noncash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

Uninsured: The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

Gross charges: The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

Medically necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

III. PROCEDURE:

- A. All patients who cannot provide medical insurance will be screened for their ability to pay. If it is determined that the patient is not eligible for third party benefits, then a charity application will be offered to the patient. All charity applications, that are completed, will be fully processed within 14 business days of the submittal of the application.

Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by Medical Arts Hospital and Dawson Country Medical Group to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts Medical Arts Hospital will charge patients qualifying for financial assistance is as follows:

Eligibility: A financially qualified guarantor's income can be up to 300 % of the Federal Poverty Guidelines issued by the Department of Health and Human Services published in the Federal Register in February of each year. For purposes of this policy, the new guidelines become effective on the first day of the month following the month of publication.

Applicants over 400 % of the guideline may be considered for assistance upon special recommendation by the financial assistance counselor and must be approved by the administration of Medical Arts Hospital. The hospital may consider other financial assets and liabilities of the applicant when determining eligibility.

B. **Presumptive Financial Assistance Eligibility**. There may be instances when a patient may appear eligible for charity care discounts, but there is no financial assistance application on file due to a lack of supporting documentation. This may then be deemed as Presumptive Charity. Once that is determined, Medical Arts Hospital and Dawson County Medical Group could write the high balance off to Presumptive Charity using the appropriate adjustment code to segregate from the patients who did file the appropriate paperwork and the supporting documentation for the traditional charity program. Presumptive Charity eligibility may be determined on the basis of individual life circumstances that may include:

- a. Historical significance of non-payment that establishes a justification of future non-payment and lack of ability to pay.
- b. Account high balances with immaterial payments received.
- c. Patient financially unable to pay account within a certain time period.
- d. Patient is deceased, a surviving spouse with inability to pay and deceased patient with no estate.

Application Requirements:

1. An application for each guarantor must be submitted for this program, except where the above listed presumptive charity

provisions are met and documented in the patient financial assistance file.

Applications may be obtained at any registration desk or by U.S. mail by mailing the request to Medical Arts Hospital, 2200 N Bryan Ave., Lamesa, TX 79331. A guarantor's approval covers all persons eligible to be registered under this guarantor provided that the patient has no other medical coverage available.

2. Copies of all health insurance policies owned by the applicant or eligibility for other government entitlement programs need to be submitted with the application. Failure to provide this information will be cause for denial of the application or revocation of benefits.
3. Residency – Applicants must be a resident of Dawson County. The following will be accepted as proof of residency.
 - a. Driver's License
 - b. Automobile Registration
 - c. Property Tax Receipts
 - d. Voter Registration card
 - e. Rent or Mortgage Payment
 - f. Utility Records
 - g. School Transcript
 - h. Mail addressed to applicant, spouse, or parents
 - i. Statements from Landlord, Employer, or Neighbors
4. Income – Applicants should bring all applicable items from the following list to demonstrate their income:
 - a. Wages and Salaries before deductions
 - b. W-2 forms
 - c. Prior year income tax return
 - d. Public Assistance award letters
 - e. Social Security benefits award letter
 - f. Unemployment benefits statement
 - g. Workers' Compensation benefits Statement
 - h. Child Support
 - i. Veterans Benefits
 - j. Pensions
 - k. Annuities
 - l. Income from dividends
 - m. Income from interest
 - n. Income from rental property

- o. Royalties
 - p. Income from estates and trusts
 - q. Written verification from employers of gross monthly income
5. Upon approval of an application the applicant must notify the financial assistance office of any changes in residency or income status within 10 days of the change. Failure to notify the office of a change will be cause for revocation of benefits.
6. Once approved for the Charity Care program the following rules apply:
- a. Approvals will be valid for six months
 - b. Approvals are effective from application date forward will go back and pay bills accrued 30 days before approval date. Charity will not pay for old bills over 30 days old.
 - c. Elective Surgery is not a covered service.
 - i. The hospital will get two opinions to determine if it is an elective surgery. The first will be the surgeon and the second will be the Chief of Staff.
 - ii. Elective surgery will be treated as self-pay. Self-Pay discount will be presented.
 - d. Resource limits
 - i. Each applicant will be allowed a home and one vehicle
 - e. Radiological Imaging and Cardiac Stress testing fees
 - i. CT/MRI/Nuclear Medicine Studies*/Exercise Stress Test \$100.00 fee per study ordered.
 - ii. Screening mammogram fee \$50.00
 - iii. Diagnostic mammogram fee \$200.00
 - iv. DEXA Bone Density fee \$50.00
 - v. Lexiscan/Nuclear Stress Test \$1300.00