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Admitting Services Department
Administrative Policy and Procedure | Page No. 1
University of Texas Medical Branch

Subject: Financial Assistance
Asset Testing Policy

| Effective: October 1, 2007
| Revised: 02/15/2010
| Reviewed:
| Author: Financial Counseling

Purpose: To ensure designated patients are financially screened and the Asset testing is applied.

Audience: Admitting Services Department and all other UTMB registration areas

Policy: Patients who apply for UTMB Financial Assistance will have resource and asset information reviewed and applied to their Financial Screening process.

Asset/Resource testing will be applied to all patients that make an application for UTMB Financial Assistance effective October 1, 2007. All unsponsored patients will have asset testing applied to their application process. Medicare patients will also be able to be considered for discounted services using the asset testing process. Patients that are excluded from the application of asset testing will be patients seen in the Emergency Department (ED) whose income status cannot be substantiated. Also excluded are Regional Maternal and Child Health Program patients whose program requirements differ from the Admitting screening process.

Identification of 3rd Party Coverage or Potential 3rd Party Coverage

The patient should through the financial application, or inquiry, divulge any and all 3rd Party Resource that are currently available to them. Inquiries through internet searches, phone verifications, eligibility inquiry programs (HDX, Florida Shared, TMHP, etc.) must be made to all patients to assure that current coverage does not exist for the patient. If patient is potentially eligible for any 3rd Party programs such as Medicare, Medicaid, QMB, SLMB, County Indigent Health Care Programs, etc., the patient must complete application process prior to consideration of financial assistance. Refusal for patient to comply and complete application process will result in patient not receiving financial assistance. Patients who are eligible to apply to Medicare Part B and/or Medicare Part D Drug Program are encouraged to enroll during the next enrollment period.

Preliminary Screening

The Financial Counselor will do a preliminary screening using the patient's household income and household dependents to determine where patient falls for Federal Poverty Index percentage (FPI%) scale. If patient is at 400% FPI or above, they will be considered over income for a discount and be a full pay patient. There will be no need for further determination utilizing assets. If patient falls at below 400% FPI, then proceed with the asset testing portion of the interview.

Patient Responsibility

Each patient is to complete a Financial Assistance application and Asset Questionnaire when making application for the UTMB Financial Assistance Program. Patients are to provide financial screening documentation in regard to identification, residence, income, and dependent information.

Patients are required to declare all assets/resources, which include but are not limited to:
Cash
Checking and Savings Accounts
Certificates of Deposits
Stocks
Bonds
IRA
Mutual Funds
Any other securities
Equity value of real property/income property excluding homestead
Cash Value Life Insurance Policies
Vehicles (primary vehicle exempt)
Watercraft
RV
Aircraft

Patients are to provide associated documentation of all asset information listed on the Approved documents section. Those documents include but are not limited to:

- Most Recent Income Tax (IRS transcript is required if not professionally prepared)
- Most current Profit and Loss Statements (at least one quarter) for Business Owners
- Most Recent Income Tax of Business if applicant owns more than 5% or Partnership or Corporation.
- Three most recent statements for each checking account, savings account, mutual fund/money market accounts, IRA accounts, Certificate of Deposit accounts (CDs), and any other security accounts or investments accounts
- Three most recent statements for Stocks, bonds, etc.
- Equity value of real property excluding homestead. Equity value is considered county appraisal district values minus the mortgage (if any) amount.
- Value of Oil Leases
- Cash Value Life Insurance Policies

<u>Financial Counseling Responsibility</u>

After preliminary screening, for all patients that require asset testing, the Financial Counselor will run a query through the vendor software program to confirm asset/resource information that patient provided. (Initially, no vendor will be available, so confirmation through online county appraisal websites will be used to identify owned property.) After verifying that report matches what patient identified on the application, using the asset/resource information provided, the Financial Counselor should complete the Asset/Resource Determination Worksheet by filling in the asset, property, vehicle, bank account, etc. values along with monthly income amount. A patient that has any mutual, 401K, etc. fund that is considered as the patient's main retirement plan should be excluded from being counted as an asset. If the patient has one of these funds in addition to their main retirement plan, then the fund would be counted as an asset. The worksheet will calculate the new monthly income including 25% of asset. The Invision credit data screen has an indicator that is valued of whether patient has assets that are going to be used in the calculation of their income. The income and dependent information needs to be completed

prior valuing the Asset Testing indicator. For accessing the Asset Value Screen, enter Y (Yes) and enter. This is will take you to the Asset Value Screen where you will be able to indicate all applicable assets along with their values. The totals to key into the Asset Value Screen will be taken from the shaded area of the Asset/Resource Determination Worksheet. See procedures for FC Indigent Training for instructions. The total of values will automatically total, calculate the 25% value, and indicate the monthly amount of the assets including the income.

All information used to determine the financial status will need to be scanned into the imaging system for record retention.