



**Institutional Handbook of Operating Procedures**  
**Policy 09.08.02**

Section: Clinical Policies	Responsible Vice President: EVP and CEO Health Systems
Subject: Financial	Responsible Entity: Admitting Services

**I. Title**

*UTMB Health Charity Care and Financial Assistance Policy*

**II. Purpose**

The purpose of this policy is to define eligibility criteria for qualified Texas Residents applying for charity discounts (Financial Indigence or Medical Indigence). UTMB accepts charity cases on a limited basis consistent with its healthcare and educational missions. This policy is intended as a general guideline to define the parameters of who may be eligible for charity care. If a patient is financially eligible for charity care, they may qualify to receive services, based on various factors. These factors may include, but are not limited to, issues such as the availability of financial, human, and other resources within UTMB, county of residence, primary diagnosis and co-morbidities, stage of disease, history of the problem, prognosis without treatment, success rates of proposed treatments and procedures with similar figures for morbidity and mortality, the educational benefit of providing care to UTMB trainees, and the priority of other charity care cases.

**III. Policy**

It is the policy of UTMB Health to provide financial assistance to qualified Texas resident patients who meet certain eligibility requirements as defined herein for this program, who have no other means to meet their UTMB hospital and physician services financial responsibilities and who have completed an application for this assistance. Qualified applicants whose income and calculated assets are below 200% of the Federal Poverty Guidelines will qualify for a 100% charity discount on any balances (established deposits for planned services are required) for the approved time period or specific services that are approved. Qualified applicants whose income and calculated assets are greater than or equal to 200% but below 400% of the Federal Poverty Guidelines will qualify for a 75% charity discount on an balances (established deposits for planned services are required) for the approved time period or specific services that are approved. Qualified applicants whose income and calculated assets are greater than 400% of the Federal Poverty Guidelines will qualify for the standard self-pay discount. Under this program, UTMB will serve only as the payer of last resort. Non-Texas residents and non-qualified Legal Aliens are not eligible for this program except for Emergency services.

All individuals who come to the UTMB Emergency Department (ED) or onto UTMB property for an examination or treatment for a medical condition will be screened to determine whether an emergency medical condition exists consistent with IHOP-09.01.21 – Examination and treatment for Emergency Medical Conditions and Women in Labor. Neither the initial medical screening nor lifesaving treatment will be impeded by inquiries about the individual’s method of payment or insurance status.

UTMB respects the diverse cultural needs, preferences, and expectations of the patients and families it serves to the extent reasonably possible while appropriately managing available resources and without compromising the quality of the health care delivered.

#### IV. Procedures

##### **Patients who may apply for Financial Assistance:**

The eligibility for financial assistance/charity care at UTMB for those who are financially indigent will be based on a number of factors including, but not limited to, Texas residency, income, level and calculated assets indexed to 400% of the Federal poverty level, and insurance coverage. Patients designated as financially indigent could qualify for 75% or 100% charity.

Patients may apply for financial assistance/charity care prior to services being rendered or at any time during which they have an active bill at UTMB.

##### **Identification of Possible Coverage and Third-Party Eligibility:**

- 1) Charity discounts are to be accessed only as a last resort, and all current or potential third-party coverage is to be considered primary to a charity discount. Patients with third-party high deductible health plans can apply for financial assistance. Patients with Medicare, Medicaid, County Indigent Health Programs (CIHCP), state agency coverage, or any liability or auto insurance that covers the medical needs in question cannot apply for charity assistance under this policy. The patient is required to apply for all applicable programs for which he/she may be eligible as a condition for applying for charity discounts. Failure to comply or to complete the application process and seek eligibility from any of these sources may result in a denial of financial assistance for services from UTMB. UTMB will assist applicants, to the extent possible, in identifying and applying for any programs or other third-party coverage for which they may be eligible. If the applicant is denied coverage for the medical services needed, they can be considered for financial assistance with the UTMB indigent program. UTMB staff should use reasonable measures including, but not limited to, asking the patient, searching the internet and conducting electronic searches in an attempt to identify all coverage, including, but not limited to, COBRA, Medicare, Medicaid, Veterans Administration medical benefits, Federal Employees Health Benefit Program (FEHB), Texas Risk Pool, County Indigent Health Care Programs and/or County Health District coverage.
- 2) Patients who otherwise qualify for Financial Indigence and cannot afford their COBRA premiums should apply for available COBRA premium payment programs, such as the UTMB Temporary COBRA Premium Assistance program. Patients who have or become eligible for insurance or COBRA coverage, but do not elect it or stop paying premiums for it and fail to apply for the UTMB Temporary COBRA Premium Assistance program may be considered for Financial Indigence on a case-by-case basis only. Revocation may be considered for patients who drop insurance after a charity discount has been approved.
- 3) Medicare patients who have only Part A or Part B coverage but are eligible for both Part A and Part B may be approved for charity discounts until the next enrollment period, at which time they will be required to be enrolled in both in order for the charity discount to be eligible for renewal. If a patient has Part B and drops it or cannot afford the Part B premium, the patient will need to be screened for the Qualified Medicare Beneficiary Program (QMB) or provide proof of application for Specified Low-Income Medicare Beneficiary Program (SLMB) in order to be eligible for charity discounts. If the patient does not take these steps, the charity discount may be revoked. Medicare discounts will only be valid for six months. Patients may request assistance in applying for discounts. Medicare discounts will only be valid for six months. If the patient is eligible for Part A or Part B only the patient is eligible for a charity discount.

**Criteria for Inclusion in the Charity Program:**

**Residency:** UTMB will determine whether the applicant is a qualified Texas Resident.

**Citizenship:** Documentation must be provided to prove the applicant's U.S. citizenship or Legal Permanent Residency Status.

**Income/Assets:** The applicant shall be required to report all annual household income. Household includes all members living in the household. The calculation should include the income of all members of the family as defined in this policy. Failure to report family income accurately may result in revocation of a charity discount. UTMB will assist the patient in calculating income according to the guidelines and with appropriate forms and required documentation for verification of income. UTMB shall include 25% of the applicant's assets as defined in this Policy in the income eligibility determination supplemental document. The applicant should report assets in the application for a charity discount.

Hospital may use a third-party to conduct an electronic review of public record databases to estimate a patient's family income and otherwise to assess financial need. This predictive model incorporates public record data to calculate a socio-economic and financial capacity score that includes estimates for income, assets, and liquidity. The electronic technology is designed to assess each patient to the same standards and is calibrated against historical approvals for financial assistance under the traditional application process. The hospital uses this information to assess whether a patient is presumptively eligible for financial assistance.

**Applicable Discounts:**

**Planned Services:** Eligible patients may be accepted for medically necessary services into a service area as a charity patient based on available institutional resources and the course of treatment.

**Unplanned Services:** Eligible patients may receive discounts for unplanned services, such as emergency services or unplanned admission. Charity eligibility for unplanned services may be determined by allowing the patient to self-report income and by signing an affidavit affirming that their income is less than 200% of the FPL and that the information provided to UTMB is accurate and true.

**Medicaid Non-Covered Services:** Services that are provided but not covered by Medicaid, Managed Medicaid, or Out of State Medicaid will be adjusted to charity. This includes services provided after Medicaid benefits are exhausted.

**Self-Pay Discounts:** Patients who do not have insurance coverage or are receiving non-covered services may be eligible for a self-pay discount as outlined in UTMB's Self-Pay discount policy, as referenced in Section IV.

**Medical Indigence:**

While financially indigent is based strictly on an income level, medically indigent considers both income as well as living expenses related to food, clothing, shelter, and the patient's ability to pay for healthcare services without liquidating assets critical to living or earning a living, such as home, car, personal belongings, etc. Therefore, patients are considered for medically indigent status on a case by case basis and based on documentation. Please see supplemental income eligibility document for medical indigence determination.

**Billing and Collection Practices for Financially or Medically Indigent Patients:**

UTMB will make a reasonable effort to determine whether a patient is eligible for assistance under the charity care and financial assistance policy before engaging in collection actions. If a patient is attempting to qualify for eligibility under the charity care policy or is attempting in good faith to settle the outstanding bill in a reasonable time frame, UTMB will not send the unpaid bill to a collection agency. Agencies that assist UTMB in collections will adhere to the institutions’ standards and scope of billing and collection practices and to comply with the Texas Debt Collection Act and the federal Fair Debt Collection Practices Act.

**Public Communication of UTMB’s Charity Care and Financial Assistance Policy:**

The UTMB Charity Care and Financial Assistance Policy is publicly available on the UTMB website and will be furnished in writing upon request. Additional information is also on the website, such as the application form and financial counselor contact information. Information regarding the availability of the charity care and financial assistance policy will be available in the general waiting areas and in the waiting areas of any off-site or on-site registration, admission, or business office and in the emergency department. Public information and policies will be provided in English and in other languages as determined by UTMB’s patient population. Patients will be provided a prominent written notice at the conclusion of their care visit that contains information regarding UTMB’s Charity Care and Financial Assistance Policy, including that uninsured or underinsured patients may qualify for discounted or charity care, as well as contact information for the financial counseling office and completing an application. At the time of service, in the admitting department, emergency department and other outpatient hospital settings, information regarding the availability of charity care and financial assistance will be available to all patients.

**V. Relevant Federal and State Statutes**

- [Federal Poverty Guidelines](#)
- [Immigration and Nationality Act](#)

**VI. Related UTMB Policies and Procedures**

- [IHOP - 09.01.16 - Admission of Interfacility Patients](#)
- [IHOP - 09.01.21 - Examination and Treatment for Emergency Medical Conditions and Women in Labor](#)

**VII. Additional References**

- [Temporary COBRA Assistance Policy](#)
- [Income Eligibility Supplemental Document Charity Assistance Policy](#)

**VI. Dates Approved or Amended**

<i>Originated: 07/06/1993</i>	
<i>Reviewed with Changes</i>	<i>Reviewed without Changes</i>
07/25/2012	
01/08/2014	
10/25/2017	
10/12/2020	

**VII. Contact Information**

Revenue Cycle Operation  
409-747-0810