

## **Income Eligibility Supplemental Document Charity Assistance Policy**

**Income Eligibility:** Financial Counseling will use the Financial Classification Scale for Patients below to determine whether the applicant qualifies based on income and family size. After verifying the number of household dependents and the household monthly income (including an assessment of 25% of all applicable assets), UTMB will assign the discount based on the correlating Federal Poverty Index level (FPIL).

### **Financial Classification Pay Scale**

<b>FPIL</b>	<b>Financial Class</b>	<b>Discount</b>
0% - 199%	Indigent	100%
200% - 399%	Indigent	75%

- 1) UTMB will calculate the income and assets to determine eligibility.
- 2) Management or other designee is responsible for evaluation and approval or denial of charity discount applications and for written communication of that decision to the applicant. Applicants will be notified in writing within 14 days of the decision. If denied, the notification will include the reason for denial if relevant, and information on how to appeal the decision.
- 3) **Effective Date:** The effective date of the charity discount will be the date that the unplanned service took place, or for planned services, the date the financial agreement and plan of care agreement are signed.
- 4) **Expiration Date:** The charity discount will be effective for four (3) months. Eligibility for charity will be re-evaluated every three months.
- 5) Previously approved charity discounts may be modified or denied if the applicant has had a change in status that would render him/her ineligible, including but not limited to,
  - a. Texas residency
  - b. Citizenship status
  - c. Income
  - d. Primary insurance eligibility
- 6) A previously denied charity care or discount care applicant may become eligible through a change in status, such as through income loss or established residency status, but patients will need to reapply and provide documentation demonstrating the change in status.

7) UTMB will retain all original completed applications and all supporting documentation.

**Medical Indigence Determination:**

1. Prescreening: A patient is considered potentially eligible for medically indigent status when the patient's account balance, after third party reimbursement (if any), is greater than 20% of the family's total gross annual income using the Medical Indigence Pre-Screening Worksheet. A patient who meets these criteria will be sent an application.
2. Full Screening: Once the patient's application for medically indigent status is received, the account balance must be equal to or greater than 20% of the patient's gross annual income, including value of assets, to continue determination for potential discount.

**Review of Completed Packet**

1. Once the completed packet with proofs is received, the financial counselor will calculate the total applicable assets. Assets do not include the primary residence and vehicle.

Determining Assets - Using the Income Worksheet, the financial counselor will subtract 100% of applicable assets from the UTMB Bills. If the UTMB balance is equal to or greater than (= or >) 20% of the gross income, continue processing application. If not, the patient is not eligible.

2. Determine Disposable Income – Using the Allowable Expense table, the expenses will be calculated. For some expenses, the IRS standard will be used. The patient's allowable expenses will be subtracted from the patient's net income and assets to find the disposable income. The monthly disposable income will be multiplied by 36 months. The lesser of this amount vs. 20% of the patient's gross annual income (after assets have been subtracted) will be their new UTMB responsibility.

**Final Review and Resulting Account Adjustments:**

1. The [Medically Indigent Worksheet](#) will be used to determine the eligibility for medical indigence.
2. The [Disposable Income Worksheet](#) will be used to determine disposable income.
3. The worksheets and completed packet will be forwarded to the Team Coordinator and then the Manager and/or Assistant Director for review and approval.
4. Approved packets and worksheets will be scanned into the BMI Imaging system.

5. The financial counselor will forward a [Medically Indigent Notification Letter](#) to the patient notifying the patient of the determination and action to be taken.

Adjustment forms will be prepared, if appropriate, for physician & hospital accounts.