

UNIVERSITY MEDICAL CENTER

STANDARD POLICY AND/OR PROCEDURE

SPP # FA-14.7

TITLE:	Financial Assistance Policy	
Sponsoring Committee / Department		
Committee Approval Required:		
Key Words:		
Cross References:		
Date Instated: October 21, 2013	Effective Date	<b>May 22, 2018</b>

▪ Revised items are in black bolded font

APPROVED BY: Mark Funderburk  
President and Chief Executive Officer

STATEMENT OF PURPOSE:

Consistent with its mission to provide high quality care, University Medical Center (UMC) is committed to providing financial assistance to uninsured individuals who are in need of emergency or medically necessary treatment.

In accordance with the Affordable Care Act (ACA) and to address requirements of Internal Revenue Code (IRC) Sec. 501(r), any patient eligible for financial assistance under UMC's financial assistance policy will not be charged more for emergency or medically necessary care than the amount generally billed (AGB) to insured patients.

TEXT:

**I. Definitions**

**For the purpose of this policy, an uninsured patient is defined as an individual having no third-party coverage by a liability or commercial third-party insurer, an ERISA plan, a Federal Health Care Program (including without limitation Medicare, Medicaid, SHCIP and CHAMPUS), Worker's Compensation, or other third party assistance or settlement to assist with meeting his/her payment obligations.**

**II. Eligibility**

UMC will not charge patients who are eligible for financial assistance more for emergency or medically necessary care than the AGB to insured patients.

Patients seeking assistance may first be asked to apply for other external programs (such as Medicaid or insurance through the public marketplace) as appropriate before eligibility under this policy is determined. Patients who are uninsured qualify for financial assistance if they do not qualify for any other programs including Lubbock County Medical Indigent (LCMI) Program.

Refer to Lubbock County Hospital District Medical Indigent Program Policy (LCMI) regarding eligibility for that program.

### **III. Determining Discount Amount**

For those patients that are uninsured and do not qualify for any other assistance programs, financial assistance is available in the form of a discount of billed charges. Once eligibility under this policy has been established, UMC will not charge patients who are eligible more than the AGB to insured patients.

To calculate the AGB, UMC uses the “look-back” method described in section 4(b)(2) of the IRS and Treasury’s 501(r) final rule.

In this method, UMC uses data based on claims sent to Medicare fee-for-service and all private commercial insurers over the past year to determine the percentage of gross charges that is typically allowed by these insurers.

The AGB percentage is then multiplied by gross charges to determine the AGB. UMC re-calculates the percentage each year and is effective January 1<sup>st</sup> of each year (Attachment 2). The discount may vary by category of care.

### **IV. Applying for Financial Assistance**

All uninsured patients who do not qualify for other financial assistance programs will automatically qualify for assistance under this policy. No separate application is necessary.

Assistance with completing applications for financial assistance programs is available to anyone through the UMC Resource Assistance Department. Individuals that have questions about UMC’s financial assistance policy, or would like assistance with completing applications for other financial assistance programs may contact our financial counselors either in person at 3204 – 4<sup>th</sup> Street, Lubbock, TX 79415 or by phone (806)775-9014. Resource Assistance Department hours are Monday-Friday 8:00am-5:00pm.

### **V. Actions in the Event of Non-Payment**

The collection actions UMC may take if payment is not received are described in separate policies:

PFS DPP #201 –Statement/Collection Timeline

UMC SPP #FA-11.6 – Review of Delinquent Accounts

UMC SPP #FA-11.5 – Discounting of Patient Balances

In brief, UMC will make certain efforts to provide patients with information about our financial assistance policy before we take certain actions to collect your bill (these actions may include civil actions or reporting negative information to credit bureaus).

**VI. Presumptive Eligibility**

If patients fail to supply sufficient information to support financial assistance eligibility, UMC may rely on external sources and/or other program enrollment resources to determine eligibility.

UMC may use previous financial assistance eligibility determinations as a basis for determining eligibility in the event that the patient does not provide sufficient documentation to support an eligibility determination.

All patients presumptively determined to be eligible for less than the most generous amount of assistance available under this policy will be informed about how the discount amount was calculated and given a reasonable amount of time to submit an application for further financial assistance.

**VII. Eligible Providers**

In addition to care delivered by UMC, emergency and medically necessary care delivered by the providers listed below is also covered under this financial assistance policy:

UMC EMERGENCY CENTER PHYSICIANS – NPI 1508855578  
UMC RADIOLOGISTS – NPI 1063468031 or NPI 1437170313  
UMC MEDICAL PROFESSIONAL SERVICES – NPI 1487993630

Care provided by any providers not listed above will NOT be covered under this policy. As such, the bills received by UMC patients for care provided by any provider not listed above will NOT be eligible for the discounts described in this financial assistance policy.

Patients concerned about their ability to pay for services or who would like to learn more about financial assistance should contact the Resource Assistance Department at (806)775-9014.

**REFERENCES:**

PFS DPP #201 –Statement/Collection Timeline  
UMC SPP #FA-11.6 Review of Delinquent Accounts  
UMC SPP #FA-11.5 Discounting of Patient Balances  
UMC SPP #PC-14.5 Emergency Care (Provisions of) – Hospital Campus  
UMC SPP #PC 14.6 Emergency Cases at Off-Campus Departments.  
UMC SPP #FA-14.7 Financial Assistance Policy Attachments 1 and 2