Operating Policies:	**Effective Date:**
SS1- 04.15	1/1/2022

CHARITY CARE POLICY

I. PURPOSE

Tropical Texas Behavioral Health (the center) is committed to providing charity care to person who have healthcare needs and are uninsured, underinsured, or otherwise unable to pay, for medically necessary care based on their individual financial situation. The Center strives to ensure that the financial capacity of clients who need quality healthcare services does not prevent them from seeking or receiving care.

Accordingly, this policy:

- Includes eligibility criteria for financial assistance – free and discounted (partial charity care)
- Describes the basis for calculating amounts charged to clients served eligible for financial assistance under this policy
- Describes the method by which clients served may apply for financial assistance
- Describes how the Center will widely publicize the policy to the Community
- Limits the amounts that the Center will charge for eligible services provided to clients qualifying for financial assistance to the amount generally billed (received by) the Center for private and public insurance (Medicaid, Medicare, etc.).

Clients are expected to cooperate with the Center's procedures for obtaining charity care or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay subject to the rules, regulations, and contractual requirements of the Center's various funding agencies.

To manage its resource responsibly and to allow the Center to provide the appropriate level of assistance to the greatest number of people in need, the Board of Trustees establishes the following guidelines for the provision of client charity care.

II. POLICY

In accordance with Title 25 of the Texas Administrative Code, TTBH provides charity care to clients who qualify.

III. DEFINITIONS

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

Term	Definition
Centers for Medicare and Medicaid Services (CMS)	The federal agency within the United States Department of Health and Human Services responsible for overseeing and directing Medicare and Medicaid, or its successor.
Charity 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.
Bad Dept	Healthcare services that have been or will be provided and cash inflow is anticipated for all or a portion of the charge. Includes the monthly Sliding Scale Fee Schedule charges not collected for clients above 150% of FPL. Bad Debt is not eligible for reimbursement from federal charity care programs.
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 earning, unemployment compensation, worker's compensation, • Social Security, Supplemental Security Income, public assistance, verterans' 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).

Emergency medical conditions	Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).
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.
Medicaid shortfall	The unreimbursed cost to a qualifying provider of providing Medicaid services to Medicaid clients.
Preventative Services	For clients 21 year of age or older, services described in Section 9.2.56.3.2, Preventative Care Visits of the Texas Medicaid Provider Procedures Manual as of the effective date of this section. For clients birth through 20 years of age, services covered under the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) service.
Program period	a period for which eligible and enrolled providers may receive the Public Health Provider Charity Care Program (PHP-CCP) amounts described in this section. Each PHP-CCP period is equal to a Federal Fiscal Year (FFY) beginning October 1 and ending September 30 of the following year.
Public Health Services	Services designed to protect and promote the general population's health and to prevent higher cost interventions such as hospitalizations. These services include, but are not limited to, tuberculosis identification, diagnosis, and treatment; sexually transmitted diseases identification, diagnosis, and treatment; immunization (clinical services and administration); dental care; and chronic disease screening, monitoring, and self-management.
Qualifying Providers	Publicly owned and operated Community Mental health Clinics (CMHCs), community centers, Local Behavioral Health Authorities (LBHAs) and Local Mental Health Authorities (LMHAs) that are established under the Texas Health & Safety Code Chapter 533 or 534 and are primarily providing behavioral health services, and publicly-owned and operated Local Health Departments (LHDs) and Public Health Districts (PHDs) that are established under the Texas Health and Safety Code Chapter 121.
Self-Pay	A self-pay patient pays in full at the time of visit for services and does not file a claim with an insurance carrier.
Sliding Scare Fee Schedule	Client financial share calculated.

Total Program Value	The maximum amount available under PHP-CCP for a program period, as determined by the Texas Health and Human Services Commission (HHSC) and CMS.
Uncompensated Care Costs	The sum of the Medicaid shortfall and the uninsured costs.
Uncompensated Care Payments	Payments intended to defray the uncompensated costs of providing services.
Uncompensated Care Tool	A form prescribed by HHSC to identify uncompensated costs to identify uncompensated costs for Medicaid-enrolled providers and used to enroll in the program.
Uninsured Patient	An individual who has no health insurance or other source of third-party coverage for the services provided. The term includes an individual enrolled in Medicaid who received services that do not meet the definition of "medical assistance" in the Social Security Act §1905(a).
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.
Wavier	The Texas Healthcare Transformation and Quality Improvement Program Medicaid demonstration waiver under Social Security Act §1115.

IV. PROCEDURES

SERVICES ELIGIBLE UNDER THIS POLICY

For purposes of this policy, "charity care" or "financial assistance" refers to healthcare services provided by the Center without charge or at a discount to qualifying clients. The following healthcare services are eligible for charity care:

1. Behavioral health services
2. Immunizations
3. Public health services
4. Other preventive services

ELIGIBILITY FOR CHARITY CARE

Eligibility for charity care will be considered for those clients who are uninsured, underinsured, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of charity care is based on an individualized determination of financial need, and does not consider age, gender, race, social or immigrant status, sexual orientation, or religious affiliation.

METHOD BY WHICH CLIENTS MAY APPLY OR BE ASSESED FOR CHARITY CARE

Financial need is determined in accordance with procedures that involve an individual assessment of financial need; and may:

1. Include an application or assessment process, in which the client or the client's Legally Authorized Representative (LAR) are required to cooperate and supply personal financial and other information and documentation relevant to making a determination of financial need.
2. Include the use of external publicly available data sources that provide information on a client's or LAR's ability to pay (such as credit scoring).
3. Include reasonable efforts by the Center to explore appropriate alternative sources of payment and coverage from public and private payment programs and assist clients to apply for such programs.
4. Consider the client's available assets, and all other financial resources available to the client.
5. Include a review of the client's outstanding accounts receivable for prior services rendered and the client's payment history.

A request or assessment for charity care and a determination of financial need can be done at any point in the collection cycle but is preferred to be completed within the first 30 days of treatment. The need for financial assistance is re-evaluated annually and whenever a significant change has occurred which affects the client's or LAR's eligibility for charity care.

The Center's values of human dignity and stewardship shall be reflected in the application, financial need determination and granting of charity care. Requests for charity care shall be processed promptly with notification to the client or LAR in writing within 30 days of receipt of a completed application or assessment.

PRESUMPTIVE FINANICAL ASSISTANCE ELIGIBILITY

There are instances when a client may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the client served or through other sources, which provide sufficient evidence to provide the client with charity care assistance. In the event there is no evidence to support a client's eligibility for charity care, the Center can use outside agencies in determining estimated income amounts for the basis of determining charity care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write-off of the account balance. Presumptive eligibility may be determined based on individual life circumstances that may include:

1. State-funded prescription programs.
2. Homeless or received care from a homeless clinic.
3. Participation in Women, Infants and Children programs (WIC).

4. Food stamp eligibility
5. Subsidized school lunch program eligibility.
6. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down).
7. Low income/subsidized housing is provided as a valid address; and
8. Client is deceased with no known estate.

ELIGIBILITY CRITERIA AND AMOUNTS CHARGED TO CLIENTS

Services eligible under this Policy are made available to clients on Sliding Scale Fee Schedules, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. The basis for the amounts charged to clients serviced who qualify for financial assistance is as follows:

1. Clients whose family income is at or below 150% of the FPL are eligible to receive services at a discount of 100%.
2. Clients whose family income is above 150% but not more than 200% of the FPL are eligible to receive services at a discount (partial charity care) at rates discounted using Sliding Scale Fee Schedules. Uncollected fees assessed are Bad Debt and ineligible for reimbursement under federal charity care programs.
3. Clients whose family income exceeds 200% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of the Center; however, the discounted rates shall not be greater than the amounts generally billed to private or public insurance and discounted using Sliding Scale Fee Schedules. Uncollected fees assessed are Bad Debt and ineligible for reimbursement under federal charity care programs.

COMMUNICATION OF THE CHARITY CARE PROGRAM TO CLIENTS AND WITHIN THE COMMUNITY

Notification about charity care available from the Center, includes a contact number, and is disseminated by various means, which includes, but are not limited to, the publication of notices in monthly statements and by posting notices in clinics, waiting areas, intake and assessment, business offices, and financial services that are located in Center facilities, and other public places as elected. The Center widely publicizes a summary of this charity care policy on the Center website, in brochures available in client access sites and at other places within the community serviced by the Center. Such notices and summary information are provided in accordance with the Center's Cultural and Linguistic Competency Plan.

RELATIONSHIP TO COLLECTION POLICIES

The Center develops policies and procedures for internal and external collection practices (including actions the Center may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the client qualifies for charity care, a client's good faith effort to apply for charity care from the Center, and a client's good faith effort to comply with his or her payment agreements with the Center. For clients who

qualify for charity care and who are cooperating in good faith to resolve their discounted bills, the Center may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. The Center will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any client without first making reasonable efforts to determine whether that client is eligible for charity care under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the client owes the unpaid charges and that all sources of third-party payment have been identified and billed by the Center.
2. Documentation that the Center has attempted to offer the client the opportunity to apply or be assessed for charity care pursuant to this policy and that the client has not complied with the Center's financial assessment requirements.
3. Documentation that the client does not qualify for financial assistance on a presumptive basis.
4. Documentation that the client has been offered a payment plan but has not honored the terms of that plan.

REGULATORY REQUIREMENTS

Implementation of this Policy does not negate or supersede compliance with all other federal, state, and local laws, rules, and regulations applicable to the services outlined herein.

STAFF TRAINING REQUIREMENTS

Staff will adhere to parameters outlined in TAC Rule §355.8215 and Healthcare Financial Management Association guidance found in June, 2019 Statement 15: "Valuation and Financial Statement Presentation of Charity Care, Implicit Price Concessions and Bad Debts by Institutional Health Care Providers" in relation Charity Care.

V. REQUIRED DOCUMENTATION

None

VI. REFERNCES

- Texas Administrative Code Rules, Title 1, Part 15, Chapter 355, Subchapter J, Division 11, §355.8215
- https://pfd.hhs.texas.gov/acute-care/public-health-provider-charity-care-program
- Attachment T, HHSC Public Health Provider Charity Care Program FFY 2022
- Texas Health and Safety Code, §533.035 Local Mental Health Authorities, §534.067 Fee Collection Policy, and §534.068 Audits
- Omnibus Budget Reconciliation Act (OBRA) of 1987, as amended by OBRA 90
- Texas Administrative Code Title 25, Part 1, Chapter 412, Subchapter C Charges for Community Services
  - §412.103 Definitions
  - §412.106 Determination of Ability to Pay
  - §412.114 References

- Texas Administrative Code Title 25, Part 1, Chapter 412, Subchapter G Local Mental Health Authority Notification and Appeal
    - §401.464 Notifications and Appeals Process