

**LOUISIANA STATE UNIVERSITY
HEALTH CARE SERVICES DIVISION
BATON ROUGE, LOUISIANA**

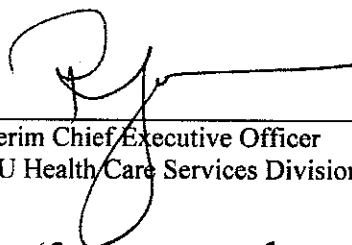
POLICY NUMBER: 2525-12

CATEGORY: Patient Accounting Financial Services

CONTENT: Medically Indigent Eligibility Determination for LSU-HCSD
Provided Services

EFFECTIVE DATE: September 1, 2003
Revised October 21, 2003
Revised June 11, 2004
Revised March 31, 2005
Revised May 4, 2005
Revised January 27, 2006
Revised/Reviewed May 30, 2008
Revised/Reviewed: October 13, 2008
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Reviewed: May 30, 2012
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Interim Chief Executive Officer
LSU Health Care Services Division

6.12.12

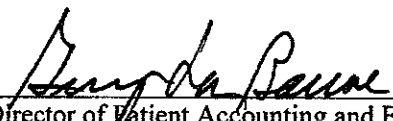
Date



Deputy Chief Executive Officer
LSU Health Care Services Division

6/5/2012

Date



Director of Patient Accounting and Financial Services
LSU Health Care Services Division

5/31/2012

Date

I. STATEMENT OF PURPOSE, SCOPE AND ELIGIBILITY

The LSU-HCSD Medically Indigent Eligibility Determination policy will standardize the method by which LSU-HCSD facilities will determine patient responsibility for the charges incurred by the patients and how they can qualify for medically indigent services/treatment through its facilities or programs. For *non-Medicare patients*, the Federal Poverty Income Guidelines will be used as the basis for determining whether a person or family is financially eligible for assistance or service. For *Medicare beneficiaries*, in addition to the Federal Poverty Income Guidelines, an analysis of the patient's assets is required.

Any bona fide resident of the State of Louisiana in need of medical services, including but not limited to the uninsured, shall be eligible for treatment by any general hospital owned or operated by the LSU-HCSD. Those persons who are determined not to be medically indigent shall be processed in accordance with LSU- HCSD billing and collection policies. In no event shall emergency treatment be denied to anyone. Persons seeking medically indigent treatment shall furnish all information requested by the facility or program office providing the service. Eligibility established at any LSU – HCSD facility shall be used for service/treatment in any facility or program throughout the LSU-HCSD.

The LSU-HCSD Medically Indigent Eligibility Determination Policy will apply to all services for which there is a charge to the patient except as expressly prohibited by Federal or State statutes, rules or regulations, any services elective not-medically necessary in nature, and for patients that have third party payer coverage.

Nothing in this policy is intended to be in conflict with Federal or State law, rule or policy pertaining to the provision of services to the indigent.

II. DEFINITIONS

The following definitions shall apply to the LSU-HCSD Medically Indigent Eligibility Determination policy.

Assets – Only the resources or property that are easily convertible to cash and unnecessary for the patient's daily living. Examples are monies in a: Checking Account, Savings Account, Certificate of Deposit (CD), Cash in a Safety Deposit Box, Stocks, and/or Bonds. IRAs and 401Ks are excluded until money is removed.

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Policy 2525-12
Page 2525-12.2

Medicare Assets Testing – An analysis performed on the assets presented and electronically documented are in total not to exceed the allowable limit of \$2,000 per person or \$3,000 per couple. Included in this analysis, the hospital should take into account any extenuating circumstances that would affect the determination of the Medicare patient's indigence.

Louisiana Resident - Persons are considered a resident of the State of Louisiana when they actually live in the state and can provide evidence of intent to remain; there is no requirement of United States citizenship, but the applicant must be a US citizen or a qualified alien.

Qualified Alien – Person authorized by the U.S. Citizenship and Immigration Services (USCIS) for legal entry and continued stay in this country.

Greater New Orleans Community Health Connection (GNOCHC) – effective October 1, 2010, the DHH Medicaid Waiver Program provides for primary and behavioral health care services to low-income (up to 200% of the FPL) uninsured residents of Jefferson, Orleans, Plaquemines and St. Bernard Parishes.

Medically Indigent - A person whose family unit resources or property and income is at or below two hundred percent (200%) of the Federal Poverty Level (FPL) for the size of the family unit, rounded to the nearest dollar, and in accordance with all regulations and qualifications set forth in this policy. As of the program implementation date, LSU HCSD Hospitals accepts DHH's eligible enrollees in the GNOCHC program as appropriately screened persons for the MI eligibility adjustment.

Gross Income - As used herein means sum of income from salaries, Social Security benefits, pensions, rents, self employment or any other source which is applicable to the family unit. This income shall be rounded to the nearest dollar when applied to the LSU-HCSD scale for medically indigent eligibility determination.

Family Unit/Dependent - A family unit is any group of individuals related by blood, marriage, adoption or resident, whose income can be legally applied to the patient's medical expenses. Children over eighteen (18) years of age and not in high school, emancipated minors and children living under the care of individuals, not legally responsible for their support shall not be considered in the family unit, unless they are claimed on their Federal Income Tax. For minor children, in the event there is a divorce in the family unit, a legal document is required to verify which parent is the responsible party. If no legal document is present, then the parent accompanying the child at the time of service is responsible for the bill until such documentation is obtained.

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Policy 2525-12
Page 2525-12.3

In case of a minor not claimed as a dependent, such as, new birth or new custody, for income tax purposes, the parents are still responsible for payment based on the medically indigent eligibility qualification table but may increase the dependent deductions by the patient(s) in question.

Responsible Persons -As used herein, "Responsible Persons" means the patient's parents or guardians if the patient is under the age of eighteen, unless someone else claims the patient as a dependent, in which case it is that person. If the patient is over eighteen, the patient is responsible for his/her contribution based on his/her gross family income and allowed deductions, unless claimed as a dependent, in which case the claimant becomes responsible for the charges toward the cost of care based on the claimant's family income.

Third Party Payer - As used herein shall mean any Commercial Insurance or Commercial Health Benefit Plan which is or may be legally liable for payment of charges incurred from medical services.

Elective Not-Medically Necessary Procedures - As defined within this policy, elective not-medically necessary procedures are those considered cosmetic or reproductive in nature or are part of a special flat fee program.

III. REGULATIONS

- A. A person, who fails to supply the information necessary for accurate medically indigent eligibility determination, shall be presumed to be able to pay the full charge for services rendered. Emergency treatment shall not be denied to anyone. For non-emergent cases the patient should be given the option to either pay a non-refundable minimum deposit, a portion of the deposit or be rescheduled when the information can be provided. In emergency cases patients will be advised of their financial responsibility prior to discharge.
- B. Patients, who choose to pay the non-refundable deposit, will be given a reasonable deadline of ten (10) calendar days (for inpatients the 10 days will be from discharge) to provide the information to be evaluated for medically indigent eligibility determination. If information is supplied within the ten (10) calendar days and medically indigent eligibility is determined, the account will be appropriately classified as Medically Indigent for the balance of that account and through the next qualifying period. If the patient fails to provide the required information within the ten day time frame, the account will be considered as self-pay and billed accordingly. However, if the information is provided after the designated time frame and medically indigent eligibility is determined, the effective eligibility will apply for future cases only and not retroactive for previous services.

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Policy 2525-12
Page 2525-12.4

- C. Any person who is potentially eligible for medical assistance benefits from any Federal or State program that cannot or refuses to provide evidence of application for and follow through with application for said benefits shall be presumed to be able to pay the full charge for services rendered and shall be billed accordingly.
- D. Medically indigent eligibility will be determined at registration in accordance with this policy using the LSU-HCSD medically indigent eligibility qualification table (Attachment 1) based on household gross income and number in the family unit.

The GNOCHC program enrollees are considered medically indigent eligible when treated by a non-participating GNOCHC provider or for non-covered benefit services of the program. LSU HCSD Hospitals accepts DHH's eligible enrollees in the GNOCHC program as appropriately screened persons for the MI eligibility adjustment. No separate application will be required for free care eligible patients that have been enrolled into GNOCHC by DHH.

Eligibility for persons who are self employed will be based on guarantor's income as reflected on the most current year Federal Income Tax Form. The responsible person shall be advised of his responsibility to report any change in the family unit income, employment, composition, etc.

- E. In accordance with Medicare regulation: CCH 5239 Indigent or Medically Indigent Patients (Provider Reimbursement Manual, Part 1, 312 B), Medicare beneficiaries medically indigent eligibility will be determined once the patient has passed the "assets test" (Attachment 2). For Medicare patients, medically indigent eligibility applies only to the unpaid deductible and coinsurance amount of a patient hospital bill and does not apply to the deductibles or co-pays related to physician direct patient care services. Eligibility also does not apply to patient medical services which are the financial responsibility of the patient, i.e., medically unnecessary services, self-administered drugs, telephone charges. Medicare Advantage plans are health plan options that are separate from "original Medicare" and therefore are considered a Commercial Health Insurance Plan.
- F. For Medicaid recipients, medically indigent eligibility applies only on those portions of the hospital bill for which the patient has financial responsibility, i.e., patient spend-down portion, and non-covered medical services and does not apply to medical services that are non-compliant with the Medicaid Program requirements, i.e., Primary Care Physician referrals.

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Policy 2525-12
Page 2525-12.5

- G. Patients with Commercial Insurance or Commercial Health Benefit Plan coverage are not eligible for medically indigent eligibility determination due to health plan and legal requirements requiring patients to be billed for their full cost-share portion of the provided services.

However, if the third party coverage does not provide benefits for the hospital services due to health plan exclusions, or other exclusions resulting from a pre-existing condition, or in a waiting period prior to eligibility, or if the policy benefits have been exhausted, the patient may be considered for medically indigent eligibility determination. This does not apply when a patient has third party coverage that does not provide hospital benefits at an LSU-HCSD facility for services that would otherwise be authorized in the payer's network of providers.

IV. MEDICAL EXPENSE QUALIFICATION RULE

- A. Self-pay patients may be determined medically indigent eligible by presenting documented previously incurred eligible medical expenses, for the twelve (12) months immediately preceding treatment, from any health care provider, which are equal or above twenty percent (20%) of the gross income of the family unit. Only approved valid medical expenses will qualify the patient for medical treatment at no additional cost to the family unit, for the next twelve months from the date of service.
- B. The charges incurred on current treatment or admission will be considered as a medical expense when computing the 20% calculation.

V. MEDICALLY INDIGENT ELIGIBILITY QUALIFICATION TABLE (Attachment 1)

- A. Family income shall be determined in accordance with gross monthly or annual income information provided by the patient/guarantor at the time of financial screening.
- B. Except as previously defined, any individual or family unit whose income is at or below two hundred percent (200%) of Federal Poverty Level will be determined as medically indigent and shall be eligible for treatment/services in any LSU-HCSD facility at no cost to the family unit.
- C. Any family unit whose gross income is greater than two hundred percent (200%) of the Federal Poverty Income Guidelines for that family unit will be responsible for the full amount of the charges for medical services, except as determined in Section IV.A.

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Policy 2525-12
Page 2525-12.6

The gross income and the Federal Poverty Income Guidelines are rounded to the nearest dollar when determining eligibility.

- D. The Medically Indigent Eligibility Determination Table will be revised each year to include the changes in the Federal Poverty Income Guidelines that are published annually in the "Federal Register". The effective date of the annual update will be the first day of the month following the notification of the changes in the Federal Register.

VI. APPLICABILITY

This policy shall apply to all divisions and facilities of the LSU-HCSD.

VII. IMPLEMENTATION

This policy becomes effective upon the approval and the signature of the CEO of the LSU-HCSD. Subsequent revisions to this policy shall become effective on the date the revised policies are approved by the Executive Vice President/Chief Executive Officer of the LSU HCSD or designee.

VIII. RESPONSIBILITY

It shall be the responsibility of each Division Director and Hospital Administrator or designee(s) to adhere to the procedures set forth in this policy

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Policy 2525-12
Page 2525-12.7

Louisiana State University – Health Care Services Division (LSU-HCSD)
Medically Indigent Qualification Table
 2012 Federal Poverty Guidelines Released February 1, 2012
 Effective date April 1, 2012

Family Unit	1	2	3	4	5	6	7	8
Poverty Guidelines	11,170	15,130	19,090	23,050	27,010	30,970	34,930	38,890
Guidelines X 200%	22,340	30,260	38,180	46,100	54,020	61,940	69,860	77,780
Monthly	1,861.67	2,521.67	3,181.67	3,841.67	4,501.67	5,161.67	5,821.67	6,481.67

Add \$3,960 to poverty guidelines for each additional member (over 8).

Medically Indigent Qualification Table

No. in Family Unit	Gross Monthly Income
1	\$1,861.67
2	\$2,521.67
3	\$3,181.67
4	\$3,841.67
5	\$4,501.67
6	\$5,161.67
7	\$5,821.67
8	\$6,481.67

Add additional \$660.00 to monthly income for each additional dependent.

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Policy 2525-12
 Page 2525-12.8

**LSU – HCSD Health System
Medicare Medically Indigent Assets Test**

Assets – Only the resources or property that are easily convertible to cash and unnecessary for the patient’s daily living. Examples are monies in a: Checking Account, Savings Account, Certificate of Deposit (CD), Cash in a Safety Deposit Box, Stocks, and/or Bonds. IRAs and 401Ks are excluded until money is removed.

Medicare Assets Testing – An analysis performed on the assets presented and electronically documented are in total not to exceed the allowable limit of \$2,000 per person or \$3,000 per couple. Included in this analysis, the hospital should take into account any extenuating circumstances that would affect the determination of the patient’s indigence.

General Information

- Count assets as of the first day of the month.
- Validate assets from most recent statement, i.e. monthly, quarterly, semi-annually.
- Changes in the assets during the month do not affect assets count for the month.
- Do not count as an asset any money considered as income.

Added to the beginning of the Medicare beneficiary’s MI Application:

- Amount in Checking Account \$ _____
- Amount in Savings Account, CDs \$ _____
- Cash in Safety Deposit Box \$ _____
- Amount in Stocks, Bonds \$ _____
- TOTAL \$ _____

Performed By

Date Performed

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Policy 2525-12
Page 2525-12.9