

**TITLE: LDF 7301 Discount for the Uninsured Patient Procedure****PROCEDURE STATEMENT:**

This procedure provides the eligibility criteria and the basis for determining presumptive charity and uninsured discount amounts and how the discounts are applied to Self-Pay accounts in accordance with the Patient Protection and Affordable Care Act (PPACA). The uninsured and presumptive charity discount only applies to patients defined as uninsured or self-pay patients.

**I. DEFINITIONS:****A. Amount Generally Billed**

The maximum charge that may be billed to an uninsured/self-pay patient who is eligible for Financial Assistance under the JPS Discount for the uninsured patient Policy ([LDF 7300 Discount for the Uninsured Patient](#)) is known as the Amount Generally Billed (AGB). No uninsured/self-pay patient eligible for Financial Assistance will be charged more than the AGB for the Eligible Service(s) (as defined below) provided to the patient by the hospital.

**B. Federal Poverty Level (FPL)**

The FPL is defined by the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code. Current FPL guidelines can be referenced at [ASPE Poverty Guidelines](#).

**C. Presumptive Charity Discount**

A discount provided to uninsured/self-pay patients with an FPL up to 400%.

**D. Presumptive Eligibility Determination (Federal Poverty Level or FPL Scoring)**

Presumptive Eligibility Determination is the process of determining a patient's eligibility for financial assistance based upon information other than that provided by the patient or based upon a prior financial assistance eligibility determination. JPS may in its sole discretion make a Presumptive Eligibility Determination to provide charity care or discounted care to a patient. In making a Presumptive Eligibility

Determination, JPS may rely on information included in publicly available databases and information provided by third-party vendors who utilize publicly available databases to estimate whether a patient is entitled to Financial Assistance.

### **E. Uninsured Discount**

A discount provided to an Uninsured/Self-Pay Patient at point of service who does not qualify for a charity discount or who has an FPL equal to or greater than 400%.

### **F. Uninsured / Self-Pay Patient**

An Uninsured or Self-Pay Patient is one:

1. Who does not meet the requirements of the JPS Connection Program (See Policy [LDF 5000 JPS Connection Program Policy](#));
2. Who does not have health coverage from a health insurer, health care service plan, or government-sponsored health care program (e.g., Medicare or Medicaid); and
3. Whose injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital.

## **II. GUIDELINES**

### **A. Self-Pay Charity or Uninsured Discount**

- 1) Uninsured/Self-Pay Patients are financially responsible for services received.
- 2) A charity or Uninsured Discount may not apply to bundled pricing or special programs where package pricing and/or discounts are offered, nor to any cosmetic procedures.
- 3) If third party coverage or other funding is identified, any uninsured discount applied will be reversed and the appropriate third-party will be billed. The Uninsured/Self-Pay Patient will be subsequently billed for any remaining balance.
- 4) The Uninsured Discount will not apply to balances after third-party insurance has paid. The Uninsured/Self-Pay Patient will be subsequently billed for any remaining balance.



**B. Determining Charity Discount Amount – Amounts Generally Billed (AGB)**

- 1) IRS Regulation 501r requires JPS to calculate the Amount Generally Billed to patients who have insurance and to assure patients who qualify for financial assistance are not charged more than the average amount reimbursable by insurance.
- 2) JPS will give Uninsured/Self-Pay Patients a percentage discount on gross charges for medically necessary or emergency care, reducing the amounts they owe to that of which a patient's insurance typically pays.
- 3) JPS re-calculates this discount percentage each year.
- 4) To calculate this amount, JPS uses the Medicare fee-for-service alone "look-back" method described in the IRS and Treasury's proposed rules on the Patient Protection and Affordable Care Act (PPACA).

In following this method, JPS uses medical claims data from the past year to determine what portion of gross charges are typically paid (by the payer and the covered individual) for claims for emergency and medically necessary care where the primary payer was Medicare fee-for-service.

**C. Automated Financial Assistance Determination**

- 1) Uninsured/Self-Pay Patient will be assessed for an FPL score through a presumptive automated third-party software.
- 2) If the automated system determines a FPL level up to 400%, the patient is then auto-qualified for the corresponding financial assistance discount level (See Exhibit A) and a coverage code is added in EPIC.
- 3) After the applicable discount is applied, the patient will be responsible to make a deposit at the time of service. Any remaining balance will be billed to the patient and continue through the normal billing cycle.
- 4) If the automated system determines an FPL level equal to or greater than 400%, the patient is considered over income for a financial assistance discount; however, the Uninsured/Self-Pay Patient will receive an Uninsured Discount of 40%.
- 5) If the automated system is unable to determine an FPL level (no SSN, insufficient data, data mismatch) and the value returned is leaving the FPL field blank, the Uninsured/Self-Pay Patient will receive an Uninsured Discount of 40% at the time of service. The patient can also manually apply for financial assistance. (See Section D, below.)



#### **D. Manual Financial Assistance Determination**

During the application period (up to 270 days after the first billing statement), an Uninsured/Self-Pay Patient may choose to apply for financial assistance using the manual process.

To apply for financial assistance, uninsured/self-pay patients must submit a complete written application (including supporting documents) in person at any one of our Eligibility locations or by fax (817) 702-3834, email [enroll@JPSHealth.org](mailto:enroll@JPSHealth.org), or mail to the Eligibility Center 101 W Allen Ave. Fort Worth, TX 76110.

Applications can also be accessed:

- At any JPS location (registration desk or financial screening department)
- Download online at [www.jpshealth.org](http://www.jpshealth.org) or request by email (send request to [Enroll@JPSHealth.org](mailto:Enroll@JPSHealth.org))

#### **E. Extraordinary Collection Actions (ECA)**

JPS will not pursue extraordinary collection action as defined by the IRS for facility charges. This policy applies to self-pay balances for facility charges only. This ***does not*** apply to professional billing.

#### **F. Catastrophic Medical Expenses**

JPS, at its discretion, may grant charity in the event of a catastrophic medical expense. These patients will be handled on an individual basis.

#### **G. Medicaid Non-Covered Services**

Certain categories of non-covered services, including benefits exhausted, for a Medicaid recipient will be eligible for charity adjustments in accordance with this Section II. (See Guidelines (A) 2.)

#### **H. Out of Network (OON)**

JPS, at its discretion, may grant an uninsured discount in the event a patient with an OON insurance plan does not have OON benefits.

#### **I. Bankruptcy**



Charges will be adjusted to charity upon verification that a patient has filed for bankruptcy protection.

**J. Incarcerated Patients**

Charges for services provided to incarcerated patients will be adjusted to charity after any applicable third party payments.

**K. Deceased Patients**

Upon verification of no estate, charges will be adjusted to charity.

**REFERENCES:**

Patient Protection and Affordable Care Act-501 (r)

[ASPE Poverty Guidelines](#)

**NOTES AND ATTACHMENTS:**

[LDF 7300 Discount for the Uninsured Patient](#)

[LDF 5000 JPS Connection Program Policy](#)



### Exhibit A

<b>Financial Assistance Discount Guidelines</b>		
	Presumptive Charity Discount	Uninsured Discount
Federal Poverty Level	0 – 399.99% FPL	400% or > FPL
Discount Amount	80 %	40 %