

### Charity Care and Financial Assistance Policy

- Policy:** Border Region Behavioral Health Center (BRBHC) will provide to eligible individuals who have healthcare needs and are uninsured, underinsured, or otherwise unable to pay, for medically necessary care based on their individual financial situations.
- Applicability:** This policy applies to all Border Region Behavioral Health Center (BRBHC) staff/contractors/interns/volunteers to ensure that the financial capacity of individuals who need quality healthcare services does not prevent them from seeking or receiving care. Under this policy, individuals are expected to cooperate with BRBHC's procedures for obtaining charity care and/or other forms of payment for financial assistance, and to contribute to the cost of their care based on their ability to pay in compliance with local, federal, and state laws.
- Purpose:** The purpose of the policy is to explicate the provisions of charity care services and provide eligibility criteria for financial assistance, describe the basis for calculating amounts charged to individuals, describe the method by which individuals served may apply for financial assistance, describe how BRBHC will publicize its policy, and outline amount limitations that BRBHC will charge for eligible services provided to individuals who qualify for financial assistance. This policy will allow for BRBHC to manage its resources and allow the provision of appropriate levels of assistance in compliance with charity care guidelines.
- Definitions:** Under this policy, the terms below are defined as follows:
- Bad Debt:** 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 individuals above 150% of the Federal Poverty Level (FPL). Bad Debt is not eligible for reimbursement from federal charity care programs
- Charity Care:** Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from the Center's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.
- Family:** According to the Census Bureau, a group of two (2) or more people who reside together and who are related by birth, marriage, or adoption. In addition, according to Internal Revenue Service rules, if a individual claims someone as a dependent on his/her income tax return, that person 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 earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' 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).

**Gross charges:** Total charges at the Center's full established rates for the provision of client care services before deductions from revenue are applied.

**Uninsured:** A person who has no level of insurance or third-party assistance with meeting his/her payment obligations.

**Underinsured:** A person who has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

**Sliding Scale Fee Schedules:** Client financial share calculated utilizing rules, regulations, and contractual requirements of the Center's various funding agencies. (HHSC MH/IDD; HHSC ECI; HHSC Autism; TCOOMMI, etc.)

**Procedures:**

**A. Charity Care Eligibility Criteria.**

- a) **Eligible Services.** Healthcare services provided by BRBHC without charge or at a discount to qualifying clients fall under the guidelines of charity care. The services include but are not limited to:
  - i. Behavioral Health Services
  - ii. Primary Care Services
  - iii. Immunizations
  - iv. Other preventative services
- b) **Eligibility Criteria.** Eligibility for charity care will be considered for individuals who fall under the categories of uninsured, underinsured, or who are unable to pay their care at

the time of their financial determination as documented in the BRBHC electronic health record. The granting of charity care is based on individualized determination of financial need and does not include access based on age, gender, race, ethnicity, citizenship status, sexual orientation, or religious affiliation.

**B. Completion of Application and Financial Assessment.**

- a) Financial need is determined through the completion of individualized financial assessments and may include:
  - i. An application or assessment, in which the individual or the individual's Legally Authorized Representative (LAR) are required to cooperate and supply personal financial and/or other information pertinent to determine financial needs.
  - ii. The use of external publicly available data sources providing the individual's or LAR's ability pay (such as credit scoring).
  - iii. Good faith efforts by BRBHC to explore alternative sources of payment and coverage from public and private pay programs as deemed appropriate and assist clients in the process of applying for such programs.
  - iv. Consideration of the client's available assets and all other financial resources available to the client.
  - v. A review of client's outstanding accounting receivables and liabilities for services rendered in the past and payment history.
- b) A request or assessment for charity care and individual determinations may be conducted throughout the length of the treatment episode, however it is BRBHC's practice that an attempt will be made within the first 30 days of treatment.
- c) Applications and financial need assessments must be conducted utilizing BRBHC's person-centered, trauma-informed, and Certified Community Behavioral Health Clinic values. Requests for charity care shall be processed promptly with notification to the individual and/or LAR in writing within 30 days of receipt of a completed application assessment.
- d) The need for charity care eligibility will be re-evaluated at least annually and/or at the time of a significant reported change by the individual and/or LAR which may affect eligibility to the charity care program.

**C. Presumptive Financial Assistance Eligibility.**

- a) There may be instances where individuals may appear eligible for the charity care program without a financial determination or application for charity care. Presumptive financial assistance eligibility may be determined based on individual life circumstances that may include:

- i. State-funded prescription programs
  - ii. Homeless or received care from a homeless clinic
  - iii. Participation in Women, Infants, and Children Programs (WIC)
  - iv. Food Stamp eligibility
  - v. Subsidized school lunch program eligibility
  - vi. Eligibility under other state or local assistance programs that are funded
  - vii. Low income/subsidized housing based on reported address
  - viii. Deceased status with no known estate.
- b) BRBHC will attempt to collect self-reported and/or third-party source reports and supporting documentation which provide sufficient evidence that charity care assistance is needed if unable to complete a financial assessment or application in compliance with good faith effort procedures.
- c) Should an individual appear to be eligible after BRBHC staff has completed good faith efforts to collect the data, BRBHC may utilize outside agencies to determine estimated income amounts for the purpose of determining charity care eligibility.
- d) After the attempts of 3.a and 3.b have been completed, should evidence of financial need and charity care eligibility continue to be present, due to the inherent nature of the presumptive circumstance, BRBHC may only grant a discount equivalent to a 100% write-off on the account balance.

#### **D. Individual Charges**

- a) BRBHC will utilize the approved Sliding Fee Scale, in accordance with financial need in effect at the time of the determination. The basis for the amounts charged to individuals served who qualify for charity care are as follows:
- i. Individuals whose family income is at or below 150% of the FPL are eligible to receive a discount rate of 100%
  - ii. Clients whose family income is above 150% but no more than 200% the FPL are eligible to receive services at a discount (partial charity care) at rates discounted utilizing the approved Sliding Scale Fee Schedules. Uncollected fees will be assessed as Bad Debt and will be ineligible for reimbursement under federal charity care programs.
  - iii. Clients whose family income exceeds 200% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on specialized circumstances, such as catastrophic illness or medical indigence, at the discretion of BRBHC. The discounted rates shall not be greater than the amount generally billed to private or

public insurance and discounted using Sliding Scale Fee Schedules. Uncollected fees will be assessed as Bad Debt and will be ineligible for reimbursement under federal charity care programs.

**E. Communication of the Charity Care Program**

- a) BRBHC will disseminate contact number and pertinent information regarding charity care in compliance with cultural and linguistic requirements through the following methods:
  - i. Notices in the monthly statement
  - ii. Printed brochures and notices
  - iii. BRBHC website
  - iv. Any other communication method suitable for individuals
- b) Charity care information will be disseminated to the following areas:
  - i. Waiting areas
  - ii. Initial Eligibility areas
  - iii. Provision of Service areas
  - iv. Finance Divisions
  - v. BRBHC website
  - vi. Community Settings served by BRBHC
  - vii. Any other pertinent area

**F. Relationship to Collection Policies**

- a) BRBHC may offer individuals who qualify for charity care and who are cooperating in good faith to resolve their discounted bills extended payment plans, exclusion from sending unpaid bills to outside collection agencies, and may cease all collection efforts.
- b) BRBHC will engage in reasonable efforts to:
  - i. Validate that the individual owes the unpaid charges in question and that all sources of third-party payment have been identified, billed, and exhausted.
  - ii. Document any attempts to offer the individual the opportunity to apply or complete the financial assessment for charity care pursuant this policy.
  - iii. Document any instances of non-compliance or good faith efforts to complete the financial assessment requirements.
  - iv. Document denial of charity care eligibility and qualification based on presumptive financial assistance eligibility as outlined in Section C of the procedures in this policy.
  - v. Document that the client has been offered a payment plan but has not honored the terms of that plan.

- c) BRBHC will not impose extraordinary collections actions such as wage garnishment; liens on primary residences, or any other legal actions for any client without making reasonable efforts to determine eligibility under charity care.

**G. Regulatory Requirements**

- a) This policy does not supersede or negate compliance with federal, state, and local laws, rules, and regulations applicable to the services outlined by BRBHC.

**H. Staff Training Requirements**

- a) Staff will adhere to parameters outlined in Texas Administrative Code Rule §355.8215 and Healthcare Financial Management Association guidance found in the 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.

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Approved by: Maria Alonso-Sanchez  
Executive Director

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Date

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Approved by: Roberto Vela  
Board Chair

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Date

Effective Date: 10-01-2022