

Luna County Resolution

No. 20-18

REPLACES

Luna County Resolution No. 13-28

Luna County Indigent Health Care Program Policy and Procedures

Effective as of March 1, 2020

Approved by the Luna County Board of County
Commissioners on
February 13, 2020

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Mission Statement

The Luna County Indigent Health Care Program's mission is to promote the health and well being of residents of Luna County through programs which improve access and availability of health care services in the community.

Vision Statement

The vision of the Luna County Indigent Health Care Program is to improve the quality of life in Luna County by identifying and addressing the health care needs of the residents of Luna County through collaboration with community partners.

INTRODUCTION

The Luna County Indigent Health Care Program (“IHC”) is a program administered by the Board of County Commissioners, in its capacity as the Indigent Hospital and County Health Care Board (“Board”). The IHC program was established in accordance with the Indigent Hospital and County Health Care Act, NMSA 1978, §27-5-1 through 27-5-18 (“Indigent Act”).

The program provides assistance to medically indigent patients (“Patients”) who are residents of Luna County for authorized costs of ambulance and health care services (“Services”) provided by IHC designated health care providers (“Providers”). Providers eligible for IHC funding include in-state ambulance services and in-state hospitals licensed by the New Mexico Department of Health. Services may include in-patient and/or out-patient hospital services. Out-patient hospital service may include diagnostics, such as labs and radiology, limited to Mimbres Memorial Hospital.

The Program shall also be utilized for Primary Care Services, Physicians and for other services as deemed necessary by the IHC Administrator for individuals held at the Luna County Detention Center. This includes providing for payment of medical claims by individuals committed to the custody of the Luna County Detention Center.

SECTION 1

THE APPLICANT AND APPLICATION

The applicant must be the Patient. If the Patient is a minor, a parent or legal guardian having legal custody must file the application. In the event of the death of the Patient, the applicant shall be either the surviving spouse or the executor or administrator of the estate. If the Patient is incapacitated, the applicant shall be the guardian, conservator, or other legally responsible party.

The application process and income verification for Patients who have received Services by any Provider within Luna County will be processed and submitted by those institutions in cooperation with the Luna County IHC Coordinator(s). In some cases, Patients may apply directly to the IHC program office, but in either case, reimbursement is always made to the Provider directly.

The Provider staff shall provide application materials, schedule an interview with each Patient, and provide assistance in completing the application and verification process. The Provider staff shall ensure that the application is complete and all necessary verification documents to prove eligibility are attached. The Provider staff shall attach a claim statement and itemized bill to each application and submit the claim to the IHC staff at 700 South Silver Avenue, Deming, NM 88030. A separate application and claim must be filed for each Patient. No application will be accepted by the Provider staff prior to the Patient receiving Services. Failure to properly complete the application or to provide eligibility documentation may result in denial of the claim. Applications for Services by Providers outside of Luna County must be submitted by the Patient directly to the IHC staff for processing.

The Patient must sign a verified statement of qualification which shall constitute an oath of the person signing it, and any false statements in the verified statement made knowingly constitute a felony. All claims and applications and any information contained therein shall be subject to verification by the IHC staff.

Applications are valid for one year from application date, except in certain cases where the IHC staff finds that information must be updated with each claim.

Where Services have been rendered to a person incarcerated in Luna County Detention Center, or to a Patient who is unable to provide traditional documentation to verify eligibility, the program/facility administrator or representative may attest to the Patient's indigency and residency; provided that the means of determining eligibility shall be part of his or her record at that facility and shall be available for auditors upon request.

SECTION 2

THE INDIGENT PATIENT

*In order to be eligible for IHC program assistance, a Patient must be medically indigent as defined by New Mexico Statute §27-5-4 C., must be a resident of Luna County and must **not** be eligible for Medicaid.*

Individuals committed to the custody of the Luna County Detention Center shall be considered medically indigent for the purposes of this policy.

A Patient who has received Services from an IHC designated Provider, and who can normally support himself/herself and dependents on present income and available liquid assets, but, taking into consideration this income and those assets and the requirement for other necessities of life for himself/herself and dependents, is unable to pay the costs of ambulance transportation or medical services or both is defined as medically indigent. As provided by the Luna County Commission "it shall not include any person whose annual income together with his spouse's annual income totals an amount which is fifty percent (50%) greater than the per capita personal

income” for New Mexico as shown for the most recent year available in the survey of current business published by the United State Department of Commerce. See Attachment A for the income limits.

The term Patient includes a minor who has **been denied Medicaid**, and has received Services from a Provider, and whose parent or the person having legal custody of that minor would qualify as a Patient if they received Services from a Provider.

“Necessities of life” is defined to include the costs of food, shelter, clothing, utilities and vehicle/transportation expenses.

Luna County IHC Board has set financial guidelines dealing with income and assets, in addition to residency requirements, in order to determine if a Patient is eligible for IHC assistance.

SECTION 3

THIRD PARTY LIABILITY

If there is a liability claim pending such Workman’s Compensation, a lawsuit due to bodily injury, or another third party claim, IHC claims will be processed and held by IHC staff until information detailing the outcome of such liability claims is provided. The Patient must demonstrate that no other source of payment exists. If the Patient has or plans to file a personal injury lawsuit, the application must agree to subrogation.

Failure of the Patient to have available Health Care insurance through their employer or private source shall not be considered by the Board to determine eligibility.

SECTION 4

OTHER ASSISTANCE PROGRAMS

The IHC Program is the payer of last resort. The Provider staff shall make all reasonable efforts to determine whether or not the Patient is eligible under any other public or private assistance program, such as Medicaid, Medicare or Indian Health Services.

The Provider staff shall require the Patient to apply for medical assistance through all agencies available. The Patient shall provide a letter from such agencies determining the approval or denial and this shall be part of the verification process. Failure to cooperate in seeking assistance through other government agencies will be grounds for denial of the IHC claim.

A Provider shall not be paid by the IHC funds for any costs when the Patient has been determined by the Human Services Department to be eligible for Medicaid or any other assistance form HSD.

If a Patient has applied for assistance under the New Mexico Crime Victims Reparation Commission, the State requires that all collateral sources such as health insurance and programs such as the IHC Program be exhausted before assistance may be granted. In these cases, the Crime Victims Reparation Commission is the payer of last resort.

SECTION 5

RESIDENCY

The Patient must be domiciled in Luna County continuously and without interruption for at least three months (90 days) prior to the date of Service. U.S. Citizenship is not required; however, non-citizens must provide resident alien status. Only those individuals who have demonstrated that they are a permanent legal resident may be eligible to receive assistance from the IHC. Patients who reside out of the county for periods of time on a temporary basis, including temporary employment, job training, and full time students with intent to return to the county of residence may be considered for IHC assistance based on the weight of the evidence presented to the Board. Under certain circumstances, the Patient may be asked to show intent to remain in Luna County.

Residents of Luna County who are full time students attending school in New Mexico but out of Luna County **may** qualify for IHC assistance. Such Patients will be taken into consideration on a case-by-case basis.

A minor child is eligible for IHC assistance only if his/her custodial parent resides in Luna County and only if the custodial parent would qualify to receive IHC assistance. If only one of the parents of a minor child of separated or divorced parents resides in Luna County, the applicant must produce any Separation Agreement or Divorce Decree which pertains to the custody of the minor child and to the responsibility for payment of medical expenses.

SECTION 6

ASSETS

“Liquid assets” are defined to include cash and all other funds in checking accounts, savings accounts, certificates of deposit, credit union accounts, stocks, bonds, equity in real estate (other than the Patient’s primary home), and trusts.

The asset limit for a household of one is \$10,000.00; for a household of two is \$20,000.00; and for a household of three or more is \$30,000.00. The asset limit for widow/widowers is \$20,000.00.

Exempt all liquid assets if the medical bill(s) exceed the amount of savings of the household.

Exempt all or part of allowable asset limit if a Patient has high medical costs due to a catastrophic illness or injury. The Patient is required to provide a doctor's report stating the nature of the illness or injury, and the Patient's prognosis.

Life insurance shall be exempted.

Assets may be spent down to allowable limits by paying doctor bills, other medical expenses or burial expenses not covered under the IHC Program. Documentation must be provided.

SECTION 7

INCOME VERIFICATION/COMPUTATION

The gross income based on the number of individuals in the household unit size cannot exceed 150% of the Per Capita Income for New Mexico.

If the Income Level is equal to or greater than the Personal Per Capita Income for New Mexico residents, as set forth in NMSA 1978 §27-5-4, then the Patient is not designated as an "indigent patient."

For the purpose of determining household unit size, household members to be included are the Patient, the Patient's spouse, and the Patient's Legal Dependents. All Patients may be required to provide tax returns, check stubs, award letters, profit/loss statements, trust documents, etc. to the Provider or IHC staff as part of the income verification process. All sources of income, earned or unearned by the household may be considered.

Current income will be considered as income received twelve months prior to the date of Service, the twelfth month will be the month of the date of Service. The income of a deceased Patient will not be included.

Additional relevant information may be required by the IHC staff and may be requested by telephone and/or by a letter allowing up to thirty (30) days for the applicant to respond to such a request. Failure to comply will result in the claim being administratively deleted or submitted by the IHC staff to the Board with a recommendation of denial.

Special Circumstances:

- A. If the applicant is an unwed mother, the annual income of the father of the baby is included as the spouse's annual income when calculating the combined annual income.
- B. Unwed couples who are living together are treated the same as married couples. Their annual incomes are combined.
- C. Couples who have been separated or divorced for less than twelve months count all income for twelve months prior to hospitalization as combined annual income.

Extenuating Circumstances: Approval may be granted in cases where the Patient's household experiences a loss of income or has high medical debt due to extenuating circumstances such as, but not limited to, a catastrophic illness or injury of a household member. The Patient may be required to provide a doctor's report stating the nature of the illness or injury, and the Patient's prognosis. IHC staff may recommend approval for the full period of eligibility, or for a one-time payment for the submitted claim or episode, based on the weight of evidence received and documentation provided by the Patient.

Income Computation:

The tax return for the prior year is the basis for determining income in most situations. Whatever is stated to the IRS will apply on dependency and income, unless status has changed. No deductions will be made for number of dependents in the household.

- A. If the applicant has been steadily employed, use the prior year's tax return, and/or payroll check stubs for twelve months prior to hospitalization. Employers' letter of income verification may be needed.
- B. If the applicant has had variable employment, use the three prior years' tax returns, payroll check stubs for twelve months prior to hospitalization and verification of income by letters from employers.
- C. If the applicant is self-employed, income is the net profit or loss shown on Line 33, Form 1040 of Schedule C, plus any other income available from other sources.
- D. If the applicant is a farm-laborer or occasional part-time employee, use the prior year's income tax return unless the applicant can provide proof of income for each of the twelve months prior to hospitalization.
- E. If the Patient is a dependent (at any age) and the dependent has income, then the dependent's income may be included with the income calculation.
- F. If the Patient is a dependent (at any age), the parent's or guardian's income is considered in the income calculation.
- G. Depreciation is not an allowable deduction to income.
- H. Unearned income shall be verified by income tax returns, award letters or viewing checks. Worker's Compensation and Unemployment Compensation shall be counted as unearned income.
- I. Two or more households may be living under one roof but are not one economic unit. This can best be established by their income tax returns which will determine if the income(s) will be considered one household.

SECTION 8
SMALL CLAIMS

IHC Claims from any Provider in the amount of \$100.00 or less will not be considered for payment by the IHC Program.

SECTION 9
LIMITATIONS ON IHC PAYMENTS

An eligible applicant may receive up to \$21,000.00 total for all hospitalization and emergency transport services per fiscal year (July 1 through June 30). The fiscal year shall be determined by the date of Service. Claims are accepted for the current fiscal year and the previous two fiscal years. Claims for services provided prior to the previous two fiscal years will not be accepted.

Services are reimbursed on the following rates:

Hospitalization:

- A. Mimbres Memorial Hospital – up to \$10,000.00 annually, with the single visit minimum of \$100.00 or greater. Room rates must be semi-private. Reimbursement is paid at Medicaid eligible rates.
- B. Any New Mexico Hospital – up to \$5,000.00 annually, with a single visit minimum of \$100.00 or greater. Payments for Services provided outside of Luna County is limited to medically necessary inpatient hospital claims reimbursed at the Medicaid rate, but not to exceed the limitations set forth herein.
- C. Any non-New Mexico hospital – no reimbursement.
- D. Hospitalization Direct Services – up to \$5,000.00 annually, for any fees directly incurred during a hospital or emergency room visit. Direct Services include physicians' fees, pathology fees, lab fees which are billed separately from the hospital facility. Reimbursement is paid directly to providers at Medicaid eligible rates.

Ambulance/Emergency Transport Services:

Emergency transport services (ground or air) may be reimbursed at a maximum of \$1,000.00 per claim. The transport of a Patient must be by an approved New Mexico certified ambulance provider. The expense incurred includes the care and transport of a patient to the “nearest” hospital.

The IHC fund is not intended to serve as reimbursement to the Patient/guarantor for payments previously made to the Provider by the Patient/guarantor.

Payments from the IHC fund shall not be considered for:

- A. Elective services, or Services not considered a medical necessity; or
- B. Treatment which includes a more expensive procedure or product when a less expensive procedure or product is available; or
- C. Work-related injuries that are covered by the New Mexico Workers' Compensation Act; or
- D. Services that have been determined by the New Mexico Human Services Department to be eligible for Medicaid reimbursement; or
- E. Medicare and other third-party insurance deductibles and co-pays, except for Services rendered at Mimbres Memorial Hospital.

Primary Care Services:

Primary Care Services are provided for individuals committed to the custody of the Luna County Detention Center for the basic or general health care needs of the detainees. Services may be provided by a licensed medical doctor, certified registered nurse anesthetist, certified nurse practitioner, osteopathic physician, dentist, optometrist or expanded practice nurse when providing emergency services, as determined by the IHC Administrator, in a hospital to an indigent patient; or a licensed medical doctor or osteopathic physician, dentist, optometrist or expanded practice nurse when providing services in an outpatient setting, as determined by the IHC Administrator, for individuals committed to the custody of the Luna County Detention Center.

The IHC Administrator may allow other services which will benefit individuals committed to the custody of the Luna County Detention Center as deemed necessary.

For individuals committed to the custody of the Luna County Detention Center, approvals or reimbursements of IHC Funds by the County shall be made to eligible medical providers based on the entirety of the actual billed charges or one hundred percent (100%) of the Medicaid rate, whichever is the lessor thereof, for eligible treatment. Charges shall be submitted on itemized bills with the treating diagnosis from the medical provider. The charges for such services shall not exceed the normal charges to other patients. Charges that do not have Medicare rates assigned to them will be reimbursed to the medical providers at a rate of 50% of the lowest contracted rate available. Approvals or reimbursements will be made to medical providers after obtaining authorization from the IHC Board.

All payments for any services are limited to funding availability. A claim made to the Board for payment for the care of an indigent patient shall not expire or become invalid because of a lack of money in the fund during any fiscal year but shall be carried over into the ensuing fiscal year.

Other services will be prioritized and reimbursed as allowed by NMSA §27-5-13 and as approved and reviewed by the Board on a case-by-case basis.

SECTION 10

PATIENT/APPLICANT RESPONSIBILITIES

Proof of financial eligibility and residency is the responsibility of the Patient. Failure to provide the required information may lead to denial of the application by the IHC staff. It is also the responsibility of the Patient to provide proof of all means of support from all sources.

SECTION 11

RIGHTS AND DUTIES OF PROVIDERS

Providers shall comply with the standards of the federal Health Insurance Portability and Accountability Act of 1996 (“HIPPA”).

Required Filings:

Prior to filing any claim with the Board every Provider shall place on file the following information per NMSA 1978 §27-5-11 (A):

1. Current data, statistics, schedules and information deemed necessary by the Board to determine the cost for all Patients in that hospital or cared for by that health care provider or tariff rates for charges of an ambulance service; and
2. Proof that that Provider is licensed under the laws of this state or any state or other governmental entity in which the health care provider operates; and
3. Any other information or data that may be deemed necessary by the Board.

NMSA 1978 §27-5-11 (B): A sole community provider hospital requesting or receiving Medicaid Sole Community Provider hospital payments shall:

1. Accept **indigent** patients and request reimbursement for those patients through the appropriate county indigent fund. The responsible county shall approve requests meeting its eligibility standards and notify the hospital of such approval;
2. Confirm the amount of payment authorized by each county for indigent patients, to that county for the previous fiscal year, by September 30 of each calendar year;
3. Negotiate with each county the amount of indigent hospital payments anticipated for the following fiscal year by December 31 of each year; and
4. Provide to the department prior to January 15 of each year the amount of the authorized indigent hospital payments anticipated for the following fiscal year after an agreement has been reached on the amount with each responsible county and such other related information as the department may request.

The Provider staff shall provide the Patient with a list stating the documents that are needed to provide the information necessary to complete the verification process.

The Provider staff is responsible to specify the date by which documentation must be provided. Care will be exercised to allow a reasonable length of time, not to exceed ninety (90) days, for the applicant to gather all necessary documentation. If the patient requests additional time, the request may be honored, but the Patient must specify a reasonable date which may not exceed 15 days of the date of the request. If the information is not provided, the claim may be submitted to the IHC staff with a request for a denial.

To verify applications:

The Provider staff will verify the applications by gathering documentation for the information given on the application form. All claims will be submitted to the IHC staff for presentation to the IHC Board for review.

The amount approved for payment from the IHC Funds shall be accepted and deemed by the Provider as payment in full. Any collection action against the Patient for any portion of the bill not covered by IHC Funds is prohibited.

SECTION 12

IHC STAFF RESPONSIBILITIES

The IHC staff will retain computerized case records for a period of not less than five (5) years. Case records will be periodically purged when it is evident that the information is no longer valid or necessary and the time limitation for retention of records has expired.

The IHC staff will request from the Finance Department a warrant for payment of approved claims on a monthly basis.

The Luna County Treasurer's Office and the Business Office for Luna County shall maintain all IHC records of payment.

Confidentiality:

- A. The IHC staff shall comply with the standards of the federal Health Insurance Portability and Accountability Act of 1996 ("HIPPA").
- B. All records dealing with physical or mental examinations or medical treatment of patients are not public records and shall remain confidential unless otherwise provided by law.

SECTION 13

AUTHORITY OF THE BOARD

The IHC Board has complete authority to authorize payment from the IHC Fund.

The Board shall state in writing the reason for rejecting or disapproving any claim to the applicant via the IHC staff and provide a copy of that determination to the Provider.

The IHC Board may under extenuating circumstances deemed appropriate, increase or decrease any payment on behalf of an indigent patient.

SECTION 14

OPEN MEETINGS LAW

The meeting of a Board quorum which is held for the purpose of approving, denying, hearing appeals of Patients, or to discuss other business within its authority shall be held in compliance with the Open Meetings Law. The Board may use a numbering or lettering system to keep confidential the identity of the individual whose claim is being discussed.

SECTION 15

APPEALS

If denied a claim, an applicant may appeal the decision in writing to the Indigent Funds Claims Board within 30 days of notification of denial. A written appeal should be addressed to:

Indigent Funds Claims Board

PO Drawer 551

Deming, NM 88031-0551

The Claims Administrator will inform the applicant in writing of the time and place of the applicant's hearing with the Indigent Funds Claims Board. The Claims Administrator may also request additional information at that time.

A meeting of the Indigent Claims Funds Board is held for the purpose of hearing the appeals of applicants. The Board may use a numbering or lettering system to keep confidential the identity of the individual whose claim is being discussed, unless the appealing applicant wishes to address the Board.

All decisions of the Board are final.

The Patient will be notified in writing within 10 days of the Board's decision. If the Board upholds the eligibility denial, the Patient has the right to file an appeal with District Court.

LUNA COUNTY BOARD
OF COUNTY COMMISSIONERS



Barbara L. Reedy
Barbara L. Reedy, District One

Linda M. Smrkovsky
Linda M. Smrkovsky, District Two

John S. Sweetser
John S. Sweetser, District Three

ATTEST:

Andrea Rodriguez
Andrea Rodriguez, Luna County Clerk

ATTACHMENT "A"

INCOME LIMITS

Based on the 2017 "Per Capita Personal Income" for New Mexico:

Household of 1	\$37,966
Household of 2	\$42,522
Household of 3	\$47,625
Household of 4	\$53,340
Household of 5	\$59,741
Household of 6+	\$66,909