**Appendix C**

**Guidelines Regarding Financial Assistance for Patients at UT Academic and Health Institutions** **from the Executive Vice Chancellors for Academic and Health Affairs**

The University of Texas System is committed to enhancing the health of Texas, the nation, and the world through the creation of new knowledge and its applications, the education of a diverse population of health professionals of exemplary quality, and the provision of the highest quality health care and preventive services to its patients and community service.

In the current environment, we face the competing pressures of a significant population of uninsured and underinsured Texans and an urgent need for our clinical enterprises to generate funding to support our education and research efforts. Our tradition of service calls us to care for the most vulnerable patients in our communities. However, we must simultaneously preserve the fiscal integrity and strength of our institutions in order to serve the future.

The following guidelines have been developed through our work with the State Auditor and the January 2009 Health & Human Service Commission report on uncompensated care; these guidelines replace the appendix to UTS 154 on reporting unreimbursed medical care.

* Hospitals owned and operated by the UT System will provide emergency care regardless of a patient’s ability to pay as required by the Emergency Medical Treatment and Active Labor Act, as amended.
* The leadership at each UT institution will balance institutional need for fiscal responsibility with community need for health care to determine the appropriate level of financial assistance that may be granted. The leadership may determine that financial assistance is not appropriate for certain elective, non-emergent procedures. The leadership may limit financial assistance to Texas residents within a defined service area.
* Texas residents in need may apply for financial assistance for care to be received at UT institutions. Applicants must provide relevant financial information to qualify for assistance as determined by each institution’s policies and procedures.
* “Need” may be determined by evaluation of several factors including, but not limited to, family income, other financial resources, and the volume of medical expenses relative to family income and financial resources.
* In cases where a Texas resident has no effective coverage for a specific procedure, encounter, or hospital stay, UT institutions may consider that patient as uninsured and may grant financial assistance to those who apply and qualify.
* UT institution staff will assist applicants to find any available support from other public and private sources before granting UT financial assistance. If no other assistance is available, UT institutions may provide financial assistance to qualified Texas residents.
* UT institutions may develop payment plans with Texas residents that allow for payment of outstanding patient financial responsibilities over an agreed period of time, considering family resources and ongoing medical expenses.
* For Texas residents who do not qualify for financial assistance, UT institutions may grant varying levels of discounts for prompt payment. These discounts must be tied to a commensurate reduction of administrative collections expense.
* For Texas residents who apply and qualify for financial assistance with family income greater than 100% of the federal poverty guideline, UT institutions may institute a sliding scale fee system in lieu of or as a supplement to stated charges and discounts.
* For Texas residents who apply and qualify for financial assistance, guidelines for maximum discounts relative to family income level are shown below. Note that UT institutions’ financial assistance programs may involve consideration of other factors, such as other financial resources and the volume of medical expenses. In addition, financial assistance programs may require varying fees and deposits from patients who are granted financial assistance.

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| **For uninsured and underinsured Texas residents who qualify for financial assistance** | |
| Family Income Level as % of Federal Poverty Guideline | Maximum Discount on Patient Responsibility Remaining after Payment from Other Sources |
| Up to 200% | Up to 100% |
| 201 to 300% | Up to 75% |
| 301% to 400% | Such that total reimbursement from all sources is comparable to the average negotiated commercial rate |