

## **ORDINANCE 001-2011**

### **CATRON COUNTY INDIGENT HEALTH CARE ORDINANCE**

ADOPTING A PUBLIC ASSISTANCE POLICY RELATING TO HEALTH CARE FOR INDIGENT PATIENTS, IN ACCORDANCE WITH THE INDIGENT HOSPITAL AND COUNTY HEALTH CARE ACT; PROVIDING FOR THE SEVERABILITY OF PARTS HEREOF; AND DECLARING AN EFFECTIVE DATE.

**WHEREAS**, the Board of County Commissioners of Catron County, New Mexico, desires to adopt the following policy known as the Catron County Indigent Health Care Ordinance (IHC Ordinance); and

**WHEREAS**, the Board of County Commissioners of Catron County, New Mexico, adopted Ordinance No. 004-2008 imposing a second one-eighth percent (1/8%) increment; and

**WHEREAS**, the IHC Ordinance is in compliance with Section 27-5-1, NMSA 1978, (Indigent Hospital and County Health Care Act); and

**WHEREAS**, the Board of County Commissioners finds that this Ordinance is necessary to provide for the safety, preserve the health and welfare, promote the prosperity, order, comfort, and convenience of Catron County or its inhabitants.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF CATRON COUNTY AS FOLLOWS:**

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**SECTION I. PURPOSE AND ADMINISTRATION**

**A. Purpose:** The Catron County Indigent Health Care (IHC) Policy is established pursuant to the Indigent Hospital and County Health Care Act, Sections 27-5-1 through 27-5-18 NMSA 1978. The general purpose of this program is to recognize the County’s responsibility for medical care of indigent patients as defined in Section B. Catron County is the responsible agent to the extent of funds available for indigent patients domiciled in Catron County for at least three months.

**B. Administration of IHC Policy:** The provisions of this policy shall be administered and implemented by the Catron County Government.

**C. IHC Administrator:** The provisions and procedures shall be managed and administered by the Indigent Health Care Administrator, who is a representative of the office of the County Manager, under the supervision of the County Commissioners.

**D. Interpretation, Supplements and Revisions to Provisions:**

**1. Interpretation:** It is the objective of this policy that all persons pay for their own medical care to the extent possible. The provisions of this policy shall be interpreted strictly to insure that every reasonable attempt has been made to prove that the person applying for such assistance is eligible.

**2. Addenda:** Addenda that are consistent with the provisions of this policy may be written by the IHC administrator and included as a part of this policy upon review and approval of the County Manager.

**3. Revisions:** Amendments or revisions to this policy shall be approved by resolution by the IHC Committee and, after approval for agenda inclusion, action for approval shall be taken at the next scheduled regular Commission meeting.

**E. Approval of Claims by Indigent Health Care (IHC) Committee:** All IHC claims paid to eligible recipients shall be approved by the Catron County Indigent Health Care Committee whose members shall be comprised of the Board of Catron County Commissioners and the Chairman of the County Commission shall be Chairman of the IHC Committee as required by Section 27-5-5 NMSA.

**1. Decisions in Writing:** The Administrator shall notify the claimant in writing of the reasons for disapproval of any claim.

**F. Exceptions to Provisions:** The IHC Committee may provide exceptions to the provisions of this policy in exceptional cases when the provisions of the policy are determined to be inappropriate or inadequate to render a reasonable decision. The Committee shall specifically state the reasons for the exception to be recorded in all cases.

**G. Severability Clause:** If any section, subsection, clause, phrase or portion of this policy is, for any reason, held invalid or unconstitutional by any government agency or court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

## **SECTION II. IHC ELEGIBILITY PROVISIONS**

**A. Persons Eligible for IHC Assistance:** To be eligible for IHC assistance, a claimant must meet all the residency, medically indigent, and all other eligibility provisions and requirements specified in this policy.

**B. Persons Not Eligible for IHC Assistance:** Individuals are not eligible for IHC assistance if they are eligible for medical assistance from the State Human Services Department as specified by Section 27-5-3, NMSA; or any other payor; or they are determined not to be medically indigent according to the requirements of this policy. Each incident is reviewed and determined independently based upon the information that is received. Coverage will not extend to undocumented persons. Catron County reserves the right to deny any claim.

**C. The Applicant:** The applicant will be the patient, the patient's spouse, the patient's parent or guardian if the patient is a minor, or the guarantor of the hospital bill. In the event of the death of the patient, the executor or relative of the deceased, if any, will be the applicant. The applicant for the deceased may be the person responsible for the hospital costs incurred or it may be any interested party providing information on behalf of the deceased if there is no legally responsible party involved.

**D. Residency Eligibility Requirements:** In order to be eligible for IHC assistance, a person must qualify as medically indigent and must be a resident of Catron County as evidenced by residing continuously in a permanent or principal living quarters in the County for at least ninety (90) days prior to the first day the medical facility has recorded the person as receiving medical services. The applicant must provide proof of residency such as (1) a notarized proof of

residency form completed by a non-related landlord or individual verifying that the applicant has resided in Catron County for at least 90 days; (b) voter registration; (c) payment receipt of utility bills, rent receipts; or (d) any other proof or combination of evidence of residency for 90 days as determined necessary by the IHC staff. Those who are residing in the County but who do not have a permanent residence, may prove eligibility as a resident by submitting two affidavits from persons who are either: 1) government officials (sheriff, postmaster, etc.) or 2) landowners on whose property the individual resides.

**E. Medically Indigent Persons Eligibility:** In addition to residency requirements, a claimant is qualified as medically indigent and eligible to receive IHC assistance if the person or the person's spouse or dependent is determined under the provisions of this policy to be unable to pay for eligible medical treatment or care that has been received after the individual has attempted to make payment and has exhausted all other financial resources for such payment to the extent possible.

**F. Determination of Annual Income:** The Catron County Indigent Health Care program is an income based program. To determine annual income the following criteria shall be used. The Adjusted Gross Income amount indicated on all household members' most recently signed Federal or State Income Tax Return shall be accepted as the Claimant's annual income. If the household's income has changed due to a loss of a job or there is a substantial decrease to income, the current monthly income shall be taken into consideration in order to determine eligibility. Pay stubs or other proof of income may be used to verify this change. The claimant is required to provide a completed Federal or State Income Tax Return (with all attached forms) and pay stubs as part of the IHC application.

**1.** Income of self-employed individuals is the income shown as Net Profit or Loss on form 1040 Schedule C. Self-employed claimants must submit a profit and loss statement for the most previous year.

**2.** If the claimant did not file a Federal or State Income Tax Return, the claimant shall be required to complete a notarized tax waiver form. If the claimant declares no income, a wage statement from the Employment Office may be required.

**3.** In the case of a recent legal separation or non-legal separation, the burden of proof as to the separation as well as the income to be included is on the applicant.

**4.** Non-dependent children living in the same household may be considered as adults with income which contributes to the monthly gross income when the non-dependent child is applying for IHC funds.

**5.** Dependent Family Members: Dependents are defined under IRS Code §152 (US Code: Title 26, Subtitle A, Chapter 1, Subchapter B, Part V, Section 152).

**G. Assets:** Liquid assets in the amount of \$20,000 or less per household or \$10,000 or less for a single individual shall be deemed acceptable as eligible for IHC assistance. Life insurance shall be exempt.

**H. Per Diem and Other Payments:** Per diem and child nutrition payments are exempt because they are considered reimbursement for out of pocket expenses. Stipends for Foster Grandparent Program and Senior Companion Program volunteers are exempted from income for IHC purposes.

**I. Income Guidelines:** The IHC Committee shall use 100% of the current Federal Poverty Guidelines as published by the United States Department of Health and Human Services to determine eligibility. (Refer to the website: <http://www.hhs.gov>). Eligibility is determined by income and household composition. Individuals living in the household, whether related or not, whether dependent or not, are considered household members. For purpose of this program, the family unit size shall be determined as of the date of application.

### **SECTION III. APPLICATION FOR IHC ASSISTANCE**

**A. IHC Application Provisions:** The provisions of this section are required in order for an application to be accepted and considered by the County for IHC assistance.

**B. Applicant Cooperation:** Failure of applicants to cooperate in the investigation of information or in providing the County authorization to obtain information is grounds for rejecting the application.

**C. Acceptance of IHC Applications:** The County, at its discretion, will refuse to accept any IHC application that does not include all required information or documents, or any other applicable information that is requested by the County.

**D. Application Verification:** Formal applications shall include but not be limited to the following:

1. A completed application.
2. If other than the patient, the application shall include specific authorization in writing, signed by the claimant, or the patient's agent if the patient is unable to sign, that the representative is authorized to submit the application on their behalf.
3. Proof of residency.
4. Proof of income.
5. Proof of citizenship to include any of the following: a U.S. passport, certificate of naturalization, certificate of U.S. citizenship or a birth certificate, report or certification of birth abroad of a U.S. citizen or a U.S. citizen id card, adoption papers or military record. Along with one of the aforementioned documents, a photo id must be presented, such as a driver's license, state ID card, school identification card, federal, state or local government ID card or a U.S. military id card if it shows where you were born.

6. Proof that the applicant is not eligible for Medicaid or other assistance provided by the State Department of Human Services.

7. Evidence to verify that all other sources of payment such as insurance, Medicare, etc. are not available for payments.

8. Complete itemized bills to include the treating diagnosis of all charges submitted for IHC approval or payment. These billings will be based on provisions of Section IV of this policy. A claim form must be included with all claims.

**E. Application Deadline:** A formal application with required documentation must be submitted to the IHC office no later than 90 days from the last date medical treatment or services were received. Claims received after the 90 day deadline will not be considered for payment, unless a request for an extension is filed. If additional information is requested, the claimant will have 30 days to produce said information. Failure to do so will result in the claim being closed.

1. All approved applications will be considered complete and current for one year from the date in which the application is executed. For any claims received after an application is approved, the hospital will be expected to complete a supplemental claim form. The notarized supplement form must be signed by the adult patient to allow the hospital to release necessary information to process the claim. After the time limit is expired for the current application, a new application will be requested with all required documentation attached.

2. All applicants shall appear personally or through their representative at the office of the administrator upon request and furnish such documentation as may be required to establish indigent status.

**F. Application Confidentiality:** All information regarding the claimant shall be kept strictly confidential by the County and all financial information regarding the claimant that must be discussed by the IHC Board shall be discussed in a closed meeting.

**G. Appeal Process:** The decision of the IHC Administrator may be appealed. The appeal must be in writing and shall specify the reasons for the appeal. The appeal shall be based upon an interpretation of the policy and shall not be a restatement of the case established in the application procedure. The appellant shall submit the written appeal to the IHC Administrator within fifteen (15) working days from the date of receipt of the certified denial notification. The appellant may appear at the appeal in a closed session with the IHC Committee. The IHC Committee will review the appeal with any new information attached. The IHC Committee will render a decision on the claim in closed session of the IHC Committee meeting with the applicant. If the appellant does not appear for the appeal, the IHC Administrator will notify the appellant of the IHC Committee's decision. The decision of the IHC Committee is final.

#### **SECTION IV. PROVISION FOR IHC APPROVAL OR REIMBURSEMENT TO HOSPITALS.**

**A. Eligible Hospitals:** Acute care hospitals are eligible to receive IHC reimbursement, as permitted in the New Mexico Statute, within the payment limitations stated in this policy, for medically necessary services rendered to indigent patients determined to be eligible by the provisions of this policy. Cibola General Hospital, Gila Regional Medical Center and Socorro General Hospital shall be the only “Sole Community Providers” and will receive reimbursement from the State through the Sole Community Provider Fund once county participation has been established. Claims for the Sole Community Provider will only be approved by the IHC Committee.

**B. Excluded Services:** The following claims are not eligible for payment: (1) physician & provider fees; (2) elective surgery; (3) nursing home care; (4) ambulance transportation (including air ambulance service); (5) outpatient physical, occupational, and speech therapy; (6) clinics; (7) home health or hospice services.

**C. Maximum Payment:** The maximum amount to be paid to Sole Community Providers through the Sole Community Provider Fund for hospital services for a single claim shall be at the Medicaid-fee-for-service reimbursement rate or \$5,000, whichever is less. All other hospitals shall be paid at the straight Medicaid-fee-for-service reimbursement rate. The maximum amount to be paid for an applicant is limited to \$5,000 per episode per year and shall not exceed \$5,000 per person per annum for all medical services. Any amount after that is ineligible except under extraordinary circumstances and only if sufficient funds are available; the IHC Committee may approve an exception to this payment limit, resubmitted for end of year consideration.

**D. Reimbursement Limited to Available Funds:** Outstanding IHC claims that have been approved by the IHC Committee will be paid by the County to each eligible hospital with available indigent fund revenues. If all available revenues are expended, excluding the allowed percentage for administrative expenses as specified in Section 27-5-6B of the Indigent Hospital and County Health Care Act, the outstanding claims will be paid based on (1) the order of approval by the IHC Committee; (2) current complete claims; and (3) aging claims based on date of service, which have been completed, until sufficient revenues are received to make the payments.

**E. Non-Sole Community Provider Hospital Payments:** The IHC Committee may elect to make claims payments on behalf of indigent patients that have received services in the State of New Mexico from Non-Sole Community Provider Hospitals, providing that they have a service agreement with the County.

**F. Outpatient Hospital Services:** All other qualifications being met and if sufficient funds are available, the IHC Fund will pay outpatient services delivered at an eligible hospital. This includes x-ray, laboratory outpatient fees, day surgery, chemotherapy, CT scan, radiation therapy, MRI, or day bed observation.

**G. Reimbursement to Hospitals:** Approvals or reimbursement of IHC funds by the County shall be made to eligible hospitals as specified based on actual billed charges for eligible treatment not to exceed the established claim limit. Charges shall be submitted on itemized bills with the treating diagnosis from the hospital(s). The charges for such services shall not exceed the normal charges to other patients. IHC approvals or reimbursements will be made to hospitals only after determination by the IHC Committee that the claimant is eligible and application is approved by the IHC.

**H. Claims, Preparation and Verification by Hospitals:** The hospital shall assist the claimant to the extent possible in correctly and accurately preparing the formal application to be submitted to the County, and shall use all resources available to screen and verify the information submitted by the claimant for a final decision by the IHC Committee.

**I. Disclosure by Hospitals:** Hospitals shall provide to the County reports, financial statements, random samples of paid bills or other information deemed necessary by the IHC Committee or its representatives as requested.

**J. Agreement between County and Hospital:** All hospitals that are eligible for approval or reimbursement of IHC funds shall enter into an agreement with the County agreeing to all provisions of this policy pertaining to hospitals prior to receiving any IHC funds. The hospital shall submit copies of their state license and annual certification as part of this ongoing agreement. The County IHC Administration should receive a copy of other renewed certification annually.

**K. Expiration of Claims; Priority of Claims:** A claim made to the board for payment for the care of an indigent patient shall not expire or become invalid because of lack of money in the fund during any fiscal year but shall be carried over into the ensuing fiscal year and, notwithstanding the provisions of any other law, shall be paid in the ensuing year. Whenever the balance of the fund is inadequate to pay all qualified claims as they become due, the claims of in-state hospitals providing acute medical care shall have priority for payment over all other claims regardless of the dates the other claims were submitted. The committee shall, however, on a regular basis, estimate future demands upon the fund, based on past experience, and set aside sufficient funds to assure payment for in-state hospitals providing acute medical care and shall then address, on a regular basis, the claims from other hospitals. (NMSA § 27-5-13)

**L. Other Collections Efforts:** Any hospital which shall make application for payment on behalf of a patient from the Fund shall immediately discontinue further efforts to make collection of outstanding balances from the patient. In the event that the IHC Fund shall make all or partial payment of the indebtedness due by the patient to the hospital, the hospital, as a condition to receipt of such payment, shall forgive the balance due from the patient.

## **SECTION V. DEFINITIONS**

The following terms are defined to be used for the purpose of this policy, regardless of common usage of such terms, or usage for other purposes:



1. **Acute Care** means by order of a physician, care of a patient placed in a hospital for emergency care; scheduled surgery requiring an operating room; therapeutic procedures which cannot be performed on an outpatient basis; monitoring of drugs; or specialized therapy on an around-the-clock basis as defined by the New Mexico Professional Review Organization. This does not include medical services that are otherwise ineligible as specified by the provision of this IHC Policy.
2. **Claim** means billing statements for an episode of illness, injury, or other medical treatment as deemed necessary to an indigent patient.
3. **Claimant** means a person making a claim for themselves or a dependent patient for qualifying medical services.
4. **Claimant Representative** means the hospital or individual that is authorized by the claimant or the claimant's agent to submit a formal application on behalf of the claimant.
5. **Cost** means all allowable costs of providing health care services, for an indigent patient. Allowable costs shall be based on Medicaid fee-for-service reimbursement rates for hospitals, licensed medical doctors and osteopathic physicians.
6. **Elective Surgery or Treatment** means non-emergency surgery or treatment which is not medically necessary for the patient's health or well-being as deemed by a licensed physician.
7. **Employed or Contracted** means as used in Section IV, G.6 a physician that is employed by or contracts with a hospital to provide services which are billed by the hospital on a routine, normal or regular basis.
8. **Family Unit** is defined as:
  - a. A group of individuals living under one roof and under one head of household as defined by IRS Code Section 2. Independent adults living together are not considered a family.
  - b. A single individual living alone.
9. **Fund** means the Catron County Indigent Fund.
10. **Health Care Provider** means a community based health program operated by a political subdivision of the state or other nonprofit health organization that provides prenatal care and/or primary care delivered by New Mexico licensed, certified or registered health care practitioners.
11. **Hospital** means a general or limited hospital licensed by the department of health, whether nonprofit or owned by a political subdivision.

12. **Household Members** are individuals living in the household, whether related or not, or whether dependent or not. For purposes of this program, the household's size shall be determined as of the date of service.

13. **Indigent** is based on the definition of "indigent patient" pursuant to the relevant part of N.M.S.A. 27-5-4, paragraph C, which defines indigent patient as "...a person to whom an ambulance service or hospital has provided medical care or ambulance transportation and who can normally support himself and his dependents on present income and liquid assets available to him but, taking into consideration this income and those assets and his requirements for other necessities of life for himself and his dependents, is unable to pay the cost of the ambulance transportation or medical care administered, or both." This definition also includes a minor "...who has received ambulance transportation or medical care or both and whose parent, or the person having custody, would qualify as an indigent patient if transported by ambulance or admitted to a hospital for care, or both..." The Policy of the IHC Committee pursuant to N.M.S.A. 27-5-6, paragraph C, specifies the provisions and criteria for determining which persons are qualified indigent persons and therefore eligible to receive IHC Fund assistance. These requirements, as adopted by the IHC Committee, are listed in the Catron IHC Fund Policy.

14. **Indigent Patient** means the same as "indigent".

15. **Indigent Health Care Administrator** means the person who manages and administers the provisions and procedures of the Catron County Indigent Health Care Policy.

16. **Indigent Health Care Board** means the group who approves claims to be paid to eligible recipients. As required by Section 27-5-5 NMSA (Indigent Hospital and County Health Care Act) this committee is comprised of the County Commissioners and the Chairman of the County Commission shall be Chairman of the IHC Committee.

17. **Liquid Assets** means assets that can quickly or easily be converted to cash.

18. **Medicaid eligible** means a person who is eligible for medical assistance from the Human Services Department.

19. **Non-sole Provider** means hospitals (not designated as a Sole Community Provider) which provide services to County residents in the surrounding service area. After the first year of the program, these providers will be eligible to receive direct payments from the County for eligible medically necessary services to Catron County residents.

20. **Sole Community Provider Hospital** means:

- a. a hospital that is a sole community provider hospital under the provisions of the federal Medicare guidelines; or
- b. an acute care general hospital licensed by the Department of Health that is qualified, pursuant to rules adopted by the state agency primarily responsible for the Medicaid program, to receive distributions from the Sole Community Provider Fund;

For purposes of this policy, Gila Regional Medical Center, Cibola General Hospital and Socorro General Hospital are the only Sole Community Provider hospitals.

**SECTION VI. SEVERABILITY**

In the event any section, part or sub-part of this Ordinance shall be determined to be in violation of the Constitution or Statutes of the State of New Mexico by a Court of competent jurisdiction, that Section shall be stricken and be thereafter unenforceable. Such determination shall not invalidate the application or enforcement of the remaining Sections.

**SECTION VII. EFFECTIVE DATE**

This Ordinance shall be recorded upon adoption and become effective the 7<sup>th</sup> day of October, 2011.

**PASSED, APPROVED AND ADOPTED** in regular session by the Governing Body of the County of Catron this 7<sup>th</sup> day of September, 2011 at Reserve, New Mexico.

**BOARD OF COUNTY COMMISSIONERS  
OF CATRON COUNTY, NEW MEXICO**

/s/ \_\_\_\_\_  
Hugh B. McKeen, Chairman

**ATTEST:**

/s/ \_\_\_\_\_  
Sharon Armijo, Clerk

/s/ \_\_\_\_\_  
Glyn Griffin , Commissioner, Dist 2

/s/ \_\_\_\_\_  
Richard McGuire, Commissioner, District 1