

Application and Income Sources

Hospital Discounted Care

Chandra Vital, State Programs Sections Manager

Taryn Graf, State Programs Work Lead

Mercedes Vieira-Gomes, State Programs Health Care Coordinator



COLORADO

Department of Health Care
Policy & Financing

Objectives

- Uniform Application
- Income Sources
 - Unearned
 - Earned
- Determination Notice
- Questions

Uniform Application



COLORADO

Department of Health Care
Policy & Financing

Uniform Application

- Applications are **not** to be filled out by patients
- Providers may accept documents in person, through the mail, via email, facsimile, etc.
- Applications can be started at any point between the screening and 181 days past the patient's Date of Service(DOS)/Date of Discharge(DOD), whichever is later

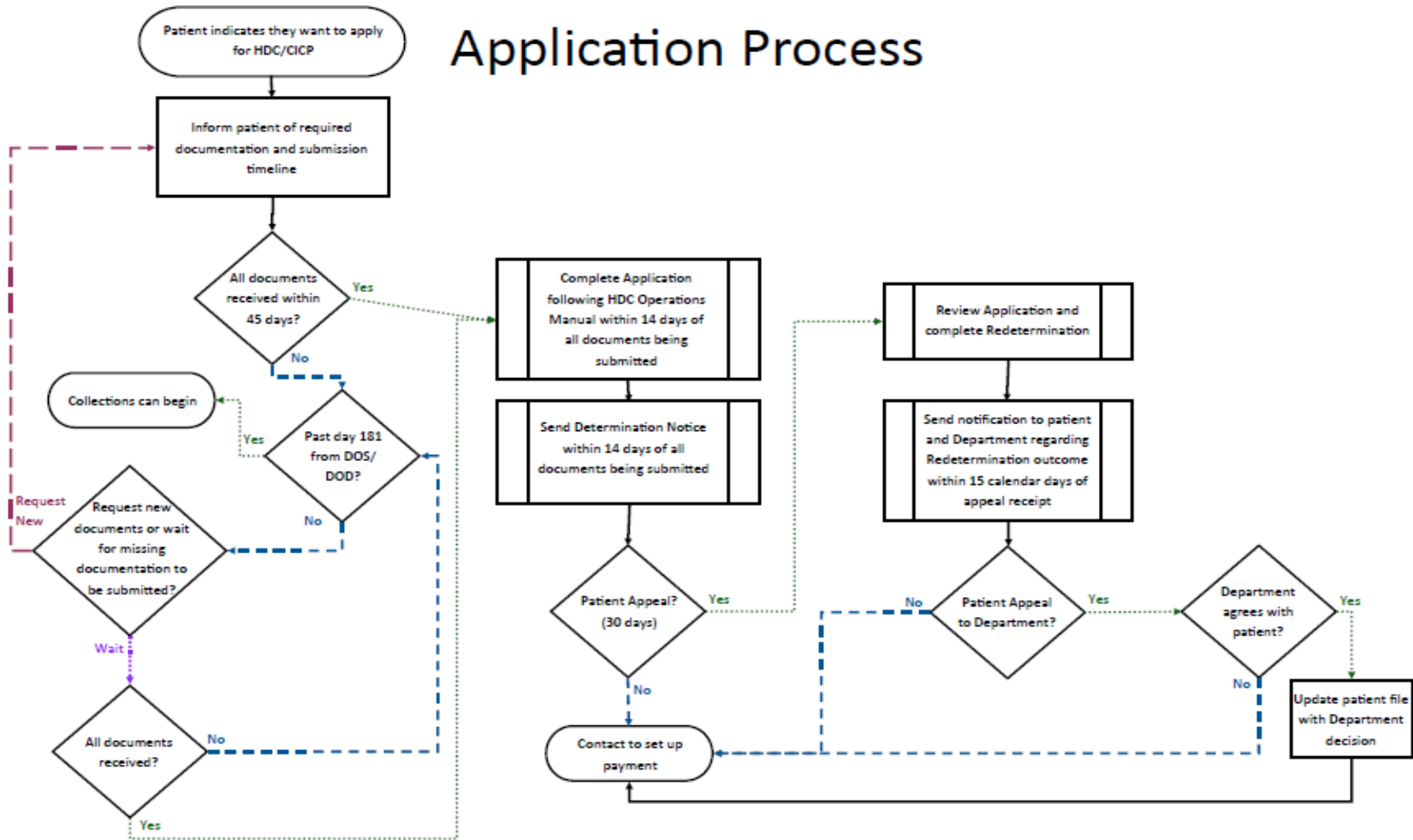


Uniform Application Timeline

- Once an application is started, household has 45 days to submit all required documentation
 - If documentation is missing after 45 days, hospital may request new documentation to ensure most recent information is being used
 - If a 45-day application window ends on or after 182 days past the patient's DOS/DOD, the facility may begin the collection process on the 46th day

Application Flowchart

Application Process



Health First Colorado/CHP+

- Patients who are current Health First Colorado or CHP+ members are considered insured and are not eligible for Hospital Discounted Care or Colorado Indigent Care Program (CICP)
 - Not eligible to apply to have as a secondary discount

Deductions

- Hospitals are allowed to count deductions as they see fit for their individual patient populations
 - Deductions must be uniform across all patients and should be spelled out in policy
 - Can be documented or self-declared, based on hospital policy
- Including deductions is completely optional for hospitals

Residency Documentation

- To show Colorado residency (in no particular order):
 - Colorado ID
 - Pay Stub with home address listed
 - Rental agreement or mortgage statement
 - Bank statement
 - Utility bill
 - Any official document that shows their name and address
- Patients can also self-declare their intent to remain in the state to satisfy the residency requirement

Question 1

- Patient is undocumented and does not have identification. Are they eligible to apply for Hospital Discounted Care?
 - A. Yes
 - B. No

Answer 1

- Patient is undocumented and does not have identification. Are they eligible to apply for Hospital Discounted Care?
 - A. Yes
- Neither an ID nor lawful presence documentation are required for the application, facilities are allowed to accept whatever they deem acceptable to prove the person is a Colorado resident

Notes Section

- Out of the ordinary situations that occur during the application process should be included in the notes section to aid in an audit
- Better to have too much information than not enough
 - Helpful for auditors as well as for redeterminations for the household

Completing the Application

- Application does not require a wet signature

Patient/Guardian Name	Patient/Guardian Signature and Date
<input type="checkbox"/> Patient was contacted by <input type="checkbox"/> phone <input type="checkbox"/> email <input type="checkbox"/> other: _____ and documentation of contact is attached in lieu of signature.	

- Hospitals have 14 calendar days from the date all required documentation is submitted to complete the household's determination and send the determination notice in writing

Determination Card

- Cards are not mandatory for Hospital Discounted Care
- The Begin and End date cells are unlocked so that they can be changed if needed
 - Begin date should be the earlier of the date the application was started or the first date of service the patient is applying to cover

Determination Portability

- Allowable and encouraged to accept determinations from other Facilities
- Patients that qualify for CICP will automatically qualify for Hospital Discounted Care
 - No reason for your facility to do a brand new application
 - You can either clarify income from other provider or ask the patient for their determination letter
- Newest card template (Version 1.6) shows 4% and 2% amounts even if only CICP is selected



Backdating

- Patients may have determinations from other hospitals
- If the second hospital accepts the first hospital's determination, apply the determination to any account that falls within the effective dates listed on the card
 - Best practice to apply determination to any service within at least the previous 181 days if that time period extends back further than the effective date listed on the card

Clinic Determinations

- Hospitals may accept copay cards or determinations from federally qualified health centers (FQHC), rural health clinics (RHC), or other CICP Clinic
 - Transfer the patient's household information into the Uniform Application
 - Contact the clinic, FQHC, or RHC and request the patient's calculated monthly or annual household income
 - Additional household members may have been included in the application that do not appear on the patient's clinic issued card or rating letter



Clinic Determinations Notes

- Be sure to include the date, time, and the name of the person from the clinic that gave the patient's information in the notes of the Uniform Application
- Keep a copy of the patient's clinic issued card or rating letter with the Uniform Application



Questions?



Income Sources



Income Documentation

- Facilities may NOT require documentation different from what is listed in the Operations Manual
 - Patients are not required to provide an ID to complete the application
- Patients who are experiencing homelessness are exempt from the documentation requirements
 - allowed to use self-attested information for the screening and the application

Employment Income Documentation

- For employed household members:
 - Paycheck stubs
 - Payroll history
 - Wage records
 - Letter from employer
 - Most recent tax return
 - Facility can call to verify payment information

Self-Employment Income Documentation

- For self-employed household members:
 - Paycheck stubs
 - Payroll history
 - Wage records if they pay themselves as an employee of the business
 - Business financial records
 - (P&L, ledger, business bank statement showing deposits & withdrawals, invoices & receipts, etc.)
 - Most recent business tax return

Cash Income Documentation

- For household members who work for cash:
 - Bank receipts showing cash deposits
 - Ledgers (account book, list of income and expenses, etc.) or other documentation of payments from clients/customers,
 - Letter from employer

Question 2

- Applicant gets paid in cash. His immigration status doesn't allow him to have a bank account. His employer refuses to write a letter confirming how much the patient is paid. What can be used to calculate this patient's income?
 - A. Self attested information
 - B. Can not continue the application

Answer 2

- Applicant gets paid in cash. His immigration status doesn't allow him to have a bank account. His employer refuses to write a letter confirming how much the patient is paid. What can be used to calculate this patient's income?
 - **A. Self attested information**
- Both the screening and the application can be self attested, patient attest by writing a letter or by verbal

Unearned Income Documentation

- For household members receiving unemployment benefits, their unemployment compensation documentation
- Short Term Disability payment information
- For adult household members with no income, a letter attesting they have no income

Unearned Income

- Unearned income includes:
 - Social Security Income (SSI)
 - Social Security Disability Insurance (SSDI)
 - Tips, Bonuses, and Commissions
 - Short Term Disability
 - Pension payments
 - Payments from retirement accounts
 - Lottery winnings disbursements
 - Monthly payments from trust funds
 - Unemployment income
- SSI and SSDI income is not allowed to be counted for minors or adults with disabilities who are still under the care of their parents or guardians

Bonuses, Tips, and Commissions

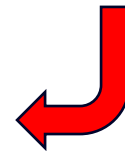
- Bonuses, tips, or commissions that are **not** on every paycheck should have that information entered in the unearned lines
- Bonuses, tips, or commissions that are on every paycheck or are recurrent should be included in the monthly income calculation

Unemployment

- Version 1.6 of the application added an Unemployment calculator that automatically set the end date for the household's determination to coincide with when the unemployment payments are expected to end
- Use the patient's original or current unemployment bank amount
 - Original would be the max benefit amount
 - Current would be max minus any payments they've received prior to the date the bank amount is verified

Worksheet 1

UNIFORM APPLICATION					
Worksheet 1 - Earned and Unearned Income					
Payment Sources		Monthly Income		Annualized Income	
Earned Income:					
Employment Income		\$0.00			\$0.00
Monthly Unearned Income Sources:					
			Documented	Self-Declared	
Social Security Income (SSI)			<input type="checkbox"/>	<input type="checkbox"/>	\$0.00
Social Security Disability Income (SSDI)			<input type="checkbox"/>	<input type="checkbox"/>	\$0.00
Disbursement from Retirement Accounts			<input type="checkbox"/>	<input type="checkbox"/>	\$0.00
Pension Payments			<input type="checkbox"/>	<input type="checkbox"/>	\$0.00
Payments from Trust Funds			<input type="checkbox"/>	<input type="checkbox"/>	\$0.00
Disbursement from Lottery Winnings			<input type="checkbox"/>	<input type="checkbox"/>	\$0.00
Annual or One Time Income Sources:					
Bonuses (enter full amount of bonuses included on pay stubs)					\$0.00
Short Term Disability (enter full amount of payments from STD)					\$0.00
Unemployment Income (use calculator to right)		\$0.00			\$0.00
Tips and Commissions (only if not normal on pay stub)					\$0.00
Infrequent Overtime					\$0.00
Earned Income Total		\$0.00			\$0.00
Unearned Income Total		\$0.00			\$0.00
Total Income:					\$0.00



Calculator Box

Unemployment Income	
Amount in Unemployment Bank at check/validate date	*Required
Total Weekly Payment	*Required
Date Unemployment Bank checked/validated	*Required
Date of last received payment	Optional, gives better estimate of payment end
Date of last expected payment	
Total amount to include in application	\$0.00

Unemployment Example

Unemployment Income	
Amount in Unemployment Bank at check/validate date	\$ 20,306.00
Total Weekly Payment	\$ 781.00
Date Unemployment Bank checked/validated	11/12/2023
Date of last received payment	4/21/2024
Date of last expected payment	5/12/2024
Total amount to include in application	\$40,612.00

Original bank amount and effective date

Unemployment Income	
Amount in Unemployment Bank at check/validate date	\$ 2,343.00
Total Weekly Payment	\$ 781.00
Date Unemployment Bank checked/validated	4/21/2024
Date of last received payment	4/21/2024
Date of last expected payment	5/12/2024
Total amount to include in application	\$40,612.00

Current/more recent bank amount and validation date



Unemployment Calculation

- In in the last example, you can see that the amount that is calculated to include in the application is twice the original max benefit amount
- Unemployment is granted for six months, so even using the full amount over the normal calculation would result in the FPG being halved
- To ensure correct FPG is used, have to double max benefit



Calculation Example

- Weekly amount = \$781
- Monthly amount = $\$781 \times (52/12) = \781×4.333
= \$3,384.33

FPG Calculation Example

  **CICP** Hospital Discounted Care and CICP Federal Poverty Guideline C
Colorado Indigent Care Program

Monthly Household income:	\$3,384.33	OR	Annual Household income:	\$40,612.00
Household size:	2		Household size:	2
FPG Rate:	199		FPG Rate:	199

  **CICP** Hospital Discounted Care and CICP Federal Poverty Guideline C
Colorado Indigent Care Program

Monthly Household income:	\$3,384.33	OR	Annual Household income:	\$20,306.00
Household size:	2		Household size:	2 <input type="text"/>
FPG Rate:	199		FPG Rate:	100



Questions?



COLORADO

Department of Health Care
Policy & Financing

Short Term Disability Example

- A household member is being paid bi-weekly and will be on short term disability for six weeks. Their income should be calculated using six weeks of short term disability payments and 23 bi-weekly pay periods of their normal income
- 23 bi-weekly pay periods = 46 weeks + 6 weeks short term disability = 52 total weeks = 1 full year
 - Short term disability weekly amount: \$500
 - Normal bi-weekly income: \$1,600
 - $(\$500 \times 6 \text{ weeks}) + (\$1,600 \times 23 \text{ pay periods}) = \$3,000 + \$36,800 = \$39,800$ annual income

Short Term Disability (STD)

- Household members who are collecting short term disability payments are unique cases, and therefore different guidance applies to them
- Short term disability is temporary, and only pays a percentage of normal income
- Income for these household members should be calculated using a combination of their short term disability income and their normal income to make up the full 52-week year



Prior Short Term Disability

- If an applicant has received STD payments in the current calendar year, providers will need to take that into account when calculating income
 - This does NOT mean that previous STD should be included in the calculation
 - Using the Average Pay Method (APM) may be a better option, although the Year-to-Date (YTD) can be used if it can be determined how many pay periods were STD instead of normal income

APM with Previous STD

- Use the most recent pay stubs that DO NOT include any of the time periods that were covered by the STD
- Use the normal method with the normal amount of pay periods
 - Since the STD was in the past, it shouldn't impact the calculation since we look at the coming 12 months

YTD with Previous STD

- When figuring out the average paycheck amount, only the pay periods that had no STD payments should be counted in the total number of pay periods
 - This also only works if the STD falls fully in a pay period
- In most situations, the APM will be the best option when the applicant had STD during the current calendar year

Self-Employment

- Worksheet 2 must be included for any household member who owns their own business, with a few exceptions:
 - Household members who pay themselves as any other employee (income can be entered in Worksheet 1)
 - Household members using personal taxes as their documentation (total annual income/12 can be entered in Worksheet 1)
- Businesses that are losing money should still have all information included, they will be counted at \$0 not at the negative amount
 - The Uniform Application automatically reverts to \$0 if the expenses outweigh the income

Home Businesses

- Household members who run their business out of the house can include a portion of the mortgage/rent, utilities, etc. as an expense
 - Must select “Yes” in the first box
 - Follow by filling in the next three boxes for the percentages to be calculated correctly
 - These are the same things that are used in business taxes to calculate countable expenses

Worksheet 2

UNIFORM APPLICATION			
Worksheet 2 - Net Self-Employment Income			
Does the self-employed household member operate their business from their home?		Yes	
Square footage of household's home:			
Square footage used for household member's home business:			
Hours per week household member works out of their home:			
		Monthly	Annualized
Revenue:	Gross Business Income		\$0.00
Business Property Expenses:	Mortgage/Rent of Business Property		\$0.00
	Utilities		\$0.00
			\$0.00
			\$0.00
Other Expenses:	Advertising		\$0.00
	Business Phone		\$0.00
	Business Taxes (non-personal)		\$0.00
	Fuel for Business-related Travel		\$0.00
	Gross Wages		\$0.00
	Insurance		\$0.00
	Legal Fees		\$0.00
	License/Certification Fees Paid		\$0.00
	Merchandise/Cost of goods		\$0.00
	Office Supplies		\$0.00
	Repairs/Upkeep of Equipment		\$0.00
	Tools/Equipment		\$0.00
Total Expenses:		\$0.00	\$0.00
Net Profit		\$0.00	\$0.00

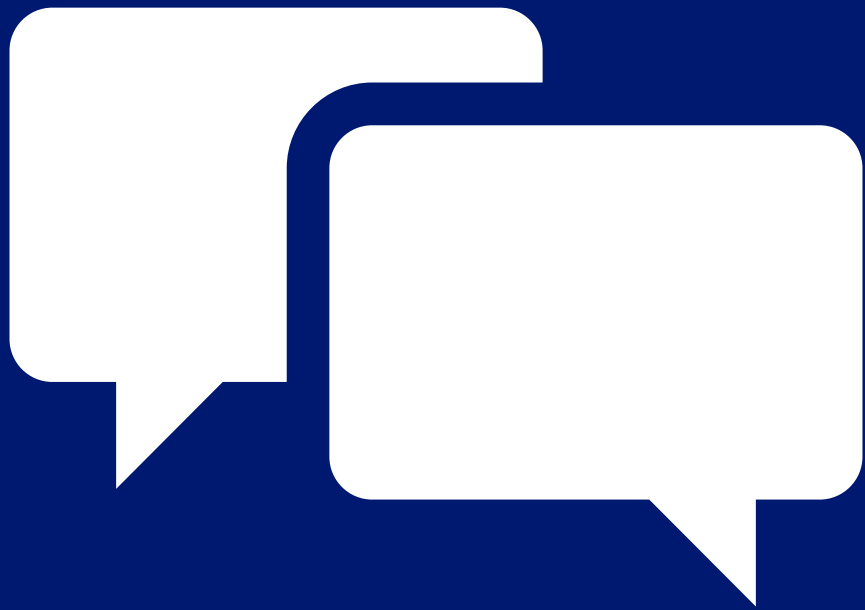
Question 3

Is rental income an allowable income source to be counted?

- A. Yes
- B. No

Answer 3

- Is rental income an allowable income source to be counted?
 - **A. Yes**
- Having rental property counts as being self-employed for Hospital Discounted Care. The monthly rental amount collected from the tenants would be the income, and the household can include the mortgage, utilities, and other things they cover as related expenses



Questions?



Determination Notice



COLORADO

Department of Health Care
Policy & Financing

Determination Notice

- Determination notice must be sent in writing within 14 calendar days of the household submitting all required documentation for the application
 - Patients whose determination notices are not sent within 14 days may appeal within 60 calendar days of the patient submitting all required documentation
- Required notice elements vary depending on what the household is found eligible or likely eligible for

Determination Validity

- An eligible determination is generally valid for one year from the date of the application or the date of service the patient is applying to cover, whichever is earlier
 - Determinations may be granted for longer periods based on facility's new or existing policies
- An ineligible determination only covers one episode of care

Eligible Determinations (1/2)

- The programs and discounts for which the patient was determined likely eligible for
 - Additional information and how to apply for each program including deadlines to apply to have services covered
- The dates for which the discounted care determination is valid
- The household size and income used to determine eligibility and the household calculated Federal Poverty Guideline (FPG)
- The patient's 4% and 2% limits based on their calculated gross household income

Eligible Determinations (2/2)

- If the patient was applying and approved for CACP, the patient's CACP rating
- If the patient was applying and approved for CACP, the patient's CACP copay cap
- If the Health Care Facility is not a CACP provider, information on where the patient may obtain CACP services
- Information on how to file a complaint and how to file an appeal with the Health Care Facility and HCPF, including but not limited to the contact information of the person at the Facility who handles appeals and HCPF's Hospital Discounted Care email (hcpf_HospDiscountCare@state.co.us)

Ineligible Determinations (1/2)

- The basis for denial of discounted care
- The programs and discounts for which the patient was determined likely eligible for
 - This must also include where to find additional information including deadlines to apply to have services covered
- The service date or dates the discounted care denial covers and an explanation that the household may qualify for coverage of future services if there is a change in household size or income

Ineligible Determinations (2/2)

- The household size and income used to determine eligibility and the household calculated FPG
- Information on how to file a complaint and how to file an appeal with the Health Care Facility and HCPF, including but not limited to the contact information of the person at the Facility who handles appeals and HCPF's Hospital Discounted Care email (hcpf_HospDiscountCare@state.co.us)

Question 4

- When is a determination letter required to be sent?
 - A. After the screening
 - B. After the application has been completed

Answer 4

- When is a determination letter required to be sent?
 - **B. After the application has been completed**
- Providers may choose to send the portion of the determination letter that lists what other programs, discounts, or coverage the patient appears eligible for after the screening instead of waiting until after the application



Questions?



Additional Training

- Application and Income
 - June 11, 11:00 a.m. to 1:00 p.m.
- Screening and Decline Screening Forms
 - June 12, 12:00 to 2:00 p.m.
- Data Reporting
 - June 6, 10:00 a.m. to 12:00 p.m.
 - June 13, 1:00 to 3:00 p.m.
- Q&A
 - June 25, 1:00 to 3:00 p.m.

Contact Us

- Questions should be sent to:
HCPF_HospDiscountCare@state.co.us
- Hospital Discounted Care Website:
<https://hcpf.colorado.gov/hospital-discounted-care>
 - Operations manual, FAQs, flowcharts, and much more
- Office Hours
 - Every other Wednesday at 9:00 a.m.
 - Meeting link and call-in information available on the Hospital Discounted Care website, no need to register