

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Melinda Galler, Assistant City Manager

DATE: August 14, 2019

SUBJECT: APPROVAL OF ADMINISTRATIVE POLICY 3.0 FINANCE - SECTION XI – CHARITY CARE SERVICES

BACKGROUND

Since 2015, the City of Lewisville has participated in a program to help recover losses incurred by the City when the Fire Department transports Medicaid and uninsured patients by ambulance. The funds are available through the Texas Ambulance Supplemental Payment Program, (TASPP) which is a federal program administered by the Texas Health and Human Services Commission. The TASPP helps offset a portion of the uncompensated care the City is incurring related to ambulance services provided to Medicaid and uninsured patients.

The first payment to the City was made in September 2016 for \$385,906. In 2017 the reimbursement increased to \$475,857 and then decreased slightly for 2018 to \$427,127. Beginning October 1, the program as it exists today will no longer be available. For the City to continue to recover any of the uncompensated care cost, the City must implement a charity care program. With the implementation of a charity care program, the reimbursement is estimated to increase to \$700,000 a year.

ANALYSIS

The Lewisville Fire Department is currently using Zoll Billing Pro for ambulance billing. The Zoll program includes a charity care payment predictor model that meets the October 1 requirements established for the TASPP program. The predictor module uses a FICO calculated score (does not affect credit score) to determine whether an uninsured patient qualifies for the program. When patients qualify for the program, they are notified and given the option to participate.

Charity care services do not include bad debt, payment shortfalls, insurance allowances, courtesy allowances, or discounts given to patients who do not meet the City's charity care policy. Charity care services become effective as of October 1, 2019 and will only be available as long as the State of Texas provides reimbursement for charity care services through the Texas Ambulance Services Supplemental Payment Program/Medicaid 1115 Waiver.

Subject: ADMINISTRATIVE POLICY 3.0
August 14, 2019
Page 2

RECOMMENDATION

That the City Council approve the policy as set forth in the caption above.