

LINCOLN COUNTY-NM
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BY LOREE1



Ordinance No. 2008-3

Lincoln County Indigent Hospital/Health Care Ordinance

ADOPTING PUBLIC ASSISTANCE PROVISIONS RELATING TO HEALTH CARE FOR INDIGENTS, IN ACCORDANCE WITH THE INDIGENT HOSPITAL AND COUNTY HEALTH CARE ACT; PROVIDING FOR THE ANNUAL ADJUSTMENT TO IHC INCOME AND CLAIMS POLICY LIMIT SCHEDULES; PROVIDING FOR THE SEVERABILITY OF PARTS HEREOF; REPEALING ORDINANCES IN CONFLICT HEREWITH; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Board of Commissioners of Lincoln County, New Mexico, desires to adopt the following provisions known as the Lincoln County Indigent Hospital/Health Care Ordinance (IHC Ordinance) as a result of legislation passed by the New Mexico State Legislature during the regular 2004 session; and

WHEREAS, the Board of Commissioners of Lincoln County, New Mexico, adopted Ordinance No. 1999-04 imposing a second one-eighth percent (1/8%) increment; and

WHEREAS, the Board of County Commissioners of Lincoln County, New Mexico, thereafter adopted the Indigent Hospital/Health Care Ordinance under Ordinance Numbers 2000-01, 2000-04, 2001-06, 2002-04, 2003-08, 2003-11, 2004-03 and 2005-1; and

WHEREAS, the Board of County Commissioners of Lincoln County, New Mexico, hereby makes provision for the adoption of adjustments to the IHC Income and Claims Policy Limit Schedules by Resolution of the County Commission; 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 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 Lincoln County or its inhabitants.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LINCOLN COUNTY AS FOLLOWS:

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APPENDIX 1 - Indigent Health Care Claim Policy

SECTION I. GENERAL PROVISIONS.

- 1.1 **Title.** This Ordinance shall be known and may be cited as "Lincoln County Indigent Hospital/Health Care (IHC) Ordinance" and may be referred to herein as the IHC Ordinance.
- 1.2 **Authority.** The Ordinance is created pursuant to the Indigent Hospital Claims and County Health Care Act, Section 27-5, NMSA 1978.
- 1.3 **Purpose.** The purpose of this Ordinance is to assist the indigent residents of Lincoln County to obtain health care. To further this goal, the County has adopted this Ordinance which recognized the County's responsibility to assist indigents in paying for health care.
- 1.4 **Interpretation.** The County Manager shall interpret the meaning of the provisions of this Ordinance. Whenever any provision of this Ordinance conflicts with other laws, rules, regulations, or ordinances, the more restrictive shall govern.
- 1.5 **Approval of Claims by IHC Board.** All IHC claims paid to eligible recipients shall be approved by the IHC Board whose members shall consist of the Lincoln County Board of Commissioners, and the Chairman of the County Commission shall serve as Chairman of the IHC Board. Each claim is reviewed independently and all decisions are based upon the information submitted. Lincoln County reserves the right to deny any claim.
- 1.6 **Decision in Writing.** The IHC Board shall state in writing the reasons for their decision to approve or disapprove any claim. Notification of denied claims shall be mailed to claimant at his last known address.
- 1.7 **Administrative Expenses.** In accordance with Section 27-5-1, NMSA 1978, a percentage of funds received by the County shall be reserved and budgeted for administrative expenses. The funds budgeted as administrative expenses shall not be available for payment of IHC claims.
- 1.8 **Claims Subrogation.** The IHC Board is permitted to recover costs and payments in accordance with Sections 27-5-14 and 27-5-15, NMSA 1978.

- 1.9 **Open Meetings.** The IHC Board shall conduct their meetings in accordance with the Open Meetings Act, Section 10-15-1, NMSA 1978.
- 1.10 **Appendices.** The schedules attached to this Ordinance as Appendices may be revised, modified or amended by resolution of the Board of County Commissioners.
- 1.11 **Amendments.** Amendments to this Ordinance shall be approved by the IHC Board at a public hearing after providing notice of the public hearing in accordance with New Mexico State Statutes.

SECTION II. DEFINITIONS.

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

“Alcohol Rehabilitation Center” - an agency of local government, a state agency, a private nonprofit entity or combination thereof that operates alcohol abuse rehabilitation programs that meet the standards set by the Department of Health.

“Ambulance Provider or Ambulance Service” - a specialized carrier based within the state authorized under provisions and subject to limitations as provided in individual carrier certificates issued by the public regulation commission to transport persons alive, dead or dying en route, by means of ambulance service. The rates and charges established by the public regulation commission tariff shall govern as to allowable cost. Also included are air ambulance services approved by the board. The air ambulance service charges shall be filed and approved pursuant to Subsection D of Section 27-5-6, NMSA 1978, and Section 27-5-11, NMSA 1978.

“Behavioral Health” - mental health and substance abuse.

“Board” - a county indigent hospital and county health care board.

“Claim” - billing statements for an episode of illness, injury or other medical treatment as deemed necessary to an indigent patient.

“Claimant” - a person who makes a claim for IHC assistance for medical services he or she

received.

"Claimant's Agent" - the individual authorized to provide consent for treatment of the claimant as specified in the New Mexico Hospital Association Legal Handbook.

"Claimant's Representative" - the provider or individual that is authorized by the claimant or the claimant's agent to submit a Formal Application on behalf of the claimant.

"Commission" - the New Mexico Health Policy Commission.

"Cost" - all allowable costs of providing health care services, to the extent determined by resolution of a board, for an indigent patient. Allowable costs shall be based on Medicaid fee-for-service or Medicare DR-G (diagnostic-related group) reimbursement rates for hospitals, licensed medical doctors and osteopathic physicians.

"County" - a county except a class A county with a county hospital operated and maintained pursuant to a lease with a state educational institution named in Article 12, Section 11 of the Constitution of New Mexico.

"Department" - the Human Services Department.

"Drug Rehabilitation Center" - an agency of local government, a state agency, a private nonprofit entity or combination thereof that operates drug abuse rehabilitation programs that meet the standards and requirements set by the Department of Health.

"Elective Surgery or Treatment" - non-emergency hospital surgery or treatment, as recommended by physician(s). This treatment is not medically necessary to the patient's health or well-being, but can be requested by the patient.

"Employed" or "Contracted" - a physician who is employed by or contracts with a medical provider to provide services which are billed by the medical provider for the provider on routine, normal or regular basis.

"Fund" - a county indigent hospital claims fund.

“Health Care Provider” -

- (1) a nursing home;
- (2) an in-state home health agency;
- (3) an in-state licensed hospice;
- (4) a community-based health program operated by a political subdivision of the state or other nonprofit health organization that provides prenatal care delivered by New Mexico licensed, certified or registered health care practitioners;
- (5) a community-based health program operated by a political subdivision of the State or other nonprofit health care organization that provides primary care delivered by New Mexico licensed, certified or registered health care practitioners;
- (6) a drug rehabilitation center;
- (7) an alcohol rehabilitation center;
- (8) a mental health center; or
- (9) a licensed medical doctor, osteopathic physician, dentist, optometrist or expanded practice nurse when providing emergency services, as determined by the board, in a hospital to an indigent patient; or
- (10) a licensed medical doctor or osteopathic physician, dentist, optometrist or expanded practice nurse when providing services in an outpatient setting, as determined by the board, to an indigent patient with life threatening illness or disability.

“Health Care Services” - treatment and services designed to promote improved health in the county indigent population, including primary care, prenatal care, dental care, provision of prescription drugs, preventive care or health outreach services, to the extent determined by resolution of the board.

“Home Health Agency”- a profit or non-profit organization which provides skilled nursing care, physical therapy, speech or occupational therapy, home health aide, medical supplies and prescribed

medication to an indigent patient. This organization is required to be certified and licensed by Medicare and the State of New Mexico.

“Hospice Services” - an organization which provides care for the terminally ill patient which is licensed and certified by Medicare and the State of New Mexico. These services include physicians’ services, skilled nursing care, physical and speech therapy, pastoral care, medically necessary prescribed medication related to terminal care, equipment, intravenous and other supplies.

“Hospital” - a general or limited hospital licensed by the Department of Health, whether nonprofit or owned by a political subdivision, and may include by resolution of a board the following health facilities if licensed or, in the case of out-of-state hospitals, approved, by the Department of Health:

- (1) for-profit hospitals;
- (2) state-owned hospitals; or
- (3) licensed out-of-state hospitals where treatment provided is necessary for the proper care of an indigent patient when that care is not available in an in-state hospital.

“Indigent” - “Indigent” is based on the definition of “indigent patient” pursuant to NMSA, Section 27-5-4, Paragraph C, that defines indigent patient as persons to whom an ambulance service, a hospital or a medical care provider determined to be eligible under the provisions of the Ordinance 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 requirement for other necessities of life for himself and his dependents, is unable to pay the cost of such medical services. The policy of the IHC Board, established by the rules and regulations of this Ordinance pursuant to NMSA 1978, Section 27-5-6, Paragraph C, specifies the provisions and criteria for determining which person are qualified indigent persons and therefore eligible to receive IHC assistance, consistent with the above-referenced statutory provision. The IHC Board has permitted the use of the Lincoln County IHC Income Schedule as a tool to be used to determine the income for an individual or family.

"Indigent Patient" - a person to whom an ambulance service, a hospital or a health care provider has provided medical care, ambulance transportation or health care services, 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 requirement 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. If provided by resolution of a board, it shall not include any person whose annual income together with his spouse's annual income totals an amount that is fifty percent 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 States Department of Commerce. Every board that has a balance remaining in the fund at the end of a given fiscal year shall consider and may adopt at the first meeting of the succeeding fiscal year a resolution increasing the standard for indigency. The term "indigent patient" includes a minor who has received ambulance transportation or medical care or both and whose parent or the person having custody of that minor would qualify as an indigent patient if transported by ambulance or admitted to a hospital for care or treated by a health care provider or all three.

"Lincoln County IHC Income Schedule" - an income schedule that was developed to make assistance more accessible to individuals who have a larger household size. The HUD Section 8 Income, U.S. Bureau of Census schedule was the beginning base used in determining the IHC Income Schedule. Each year a review will be made by the IHC Coordinator to determine if the Income Schedule will need to be changed for the ensuing fiscal year.

"Liquid Assets" - assets that can quickly or easily be converted to cash (including but not limited to bank accounts, CD's, and marketable securities)

"Medicaid Eligible" - a person who is eligible for medical assistance from the Department.

"Medically Indigent" - an individual who needs medical care or treatment, but due to their individual circumstances are financially unable to pay the cost of such treatment.

“Mental Health Center” - a not-for-profit center that provides outpatient mental health services that meet the standards set by the Department of Health.

“Non-emergency Transportation” - the transporting of indigent patients by a non-emergency vehicle. This type of transport does not require any medical treatment to be rendered to the patient, unless as otherwise specified in the provider agreement with the Department of Transportation.

“Non-sole Provider” - medical providers which provide services to county residents in the surrounding service area. These providers consist of ambulance, hospice care, home health care, other providers as permitted by the Indigent Hospital and County Health Care Act, and some hospitals which are not considered as Sole Community Providers. These providers are eligible to receive direct payments from the County.

“Outpatient Hospital Services” - hospital sponsored ambulatory care service for medical or surgical treatment of one or more organizational units, or components thereof, of the hospital, that are under the responsibility of the hospital and through which non-emergency health services are provided to patients who do not need to remain in the hospital overnight as defined in the JCAHO Manual. Outpatient services are provided by Home Health Agencies, Hospice, Health Care Providers, and Community Health Centers.

“Planning” - the development of a county-wide or multi-county health plan to improve and fund health services in the county based on the county’s needs assessment and inventory of existing services and resources and that demonstrates coordination between the county and state and local health planning efforts.

“Primary Health Care” - means the first level of basic or general health care for an individual’s health needs, including medical and dental diagnostic and treatment services, prescribed medication, referrals and supportive services. All dental services must be provided in coordination with primary medical services. Primary medical services are those provided as part of either general family practice, obstetrics, gynecology, pediatrics, or general internal medicine.

“Pro-rata Formula” - approval or payment if IHC claims when different hospital or ambulance

providers are involved in the treatment of a patient will be based on a percentage of the charges pro-rated to the amount of total claims submitted within a ninety (90) day period from the beginning date of the treatment. The pro-rated percentage of all claims will be calculated from each provider and will be paid their percentage of the determined yearly maximum limit per claim.

“Sole Community Provider” - the term given to a hospital under the provisions of the Medicare guidelines established in 42 C.F.R. 412.92 pursuant to Title 18 of the Social Security Act. This provider is reimbursed from the State of New Mexico through the Sole Provider Fund on a quarterly basis.

“Sole Community Provider Hospital”

- (1) a hospital that is a sole community provider hospital under the provisions of the federal Medicare guidelines; or
- (2) an acute care general hospital licensed by the Department of Health that is qualified, pursuant to the rules adopted by the State agency primarily responsible for the Medicaid program, to receive distributions from the sole community provider fund.

SECTION III. IHC ELIGIBILITY PROVISION.

3.1 Individuals Eligible for IHC Assistance. Individuals are eligible for IHC assistance if (1) they qualify as medically indigent; and (2) they have been residents of Lincoln County for at least ninety (90) days, or are detainees in the Lincoln County jail.

3.2 Individuals Not Eligible for IHC Assistance. Individuals are not eligible for assistance if (1) they are eligible for medical assistance from the New Mexico Human Services Department as specified in Section 27-5-3, NMSA 1978; (2) do not qualify as medically indigent; and (3) do not meet the residency and eligibility requirements.

3.3 Residency and Eligibility Requirements. All eligible individuals must be residents of Lincoln County for at least ninety (90) days prior to receiving medical services.

A. Proof of Residency: A Claimant 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 patient has resided in Lincoln County for at least ninety (90) days; (2) voter registration card; and (3) payment receipt of a utility bill, rent receipts, etc. College students attending college outside of the County shall be considered residents of the County.

B. Proof of Identity: A Claimant must provide proof of identity such as: (1) A valid New Mexico Drivers License; (2) A valid picture Identification card issued by the United States Government or the State of New Mexico; (3) A valid United States birth certificate, original or certified copy; (4) A valid United States passport; (5) A valid United States Immigration and Naturalization Service Certificate of Naturalization; (6) A valid United States Immigration and Naturalization Service Certificate of U. S. Citizenship; (7) A Valid Native American Tribal Membership document; (8) Other valid government Identification Card containing picture, name, and date of birth.

3.4 Medically Indigent Persons Eligibility. In addition to residency and identity 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 Ordinance 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, taking into consideration the person's income and family's size based on the following provisions and criteria:

A. Basic Eligible Annual Income Criteria. In order to be qualified as medically indigent and eligible for IHC assistance, a claimant's annual household income as determined in Paragraph 3.4D of this Section, shall not be greater than the Lincoln County IHC Income Schedule as may be established annually hereafter by Resolution.

B. Payment by Claimant. Once claimant is deemed as eligible, the claimant, claimant's

spouse and/or dependents must agree to exhaust every financial resource of the family, to the extent possible, to make payment(s) of their medical bills. This includes all insurance or other programs or funding assistance available to the claimant. Claimants are eligible to receive IHC assistance for insurance deductibles exceeding One Thousand Dollars (\$1,000) or the Medicare co-insurance which exceeds \$50.00.

- C. **Determination of Annual Income.** The income indicated on claimant's most recent Federal income tax return will be accepted as the claimant's annual income, unless the claimant's income has changed due to a loss of a job or a substantial increase to income. In these circumstances, the current monthly income may be taken into consideration in order to calculate the most recent annual income. Pay stubs or some other form of documentation must be provided to verify this change to income. The claimant is required to provide a complete federal income tax return (with all attached schedules and forms) and pay stubs as part of the IHC application. If the claimant did not file a federal return, the claimant is required to complete a notarized tax waiver form and provide proof of income.
- D. **Assets.** A household that has liquid assets in the amount of \$20,000 or less and an individual who has liquid assets in the amount of \$10,000 or less will be eligible for indigent health care claims assistance. Any real estate owned by a claimant, other than their primary residence, will be subject to a \$20,000 limit in order to be eligible for indigent health care claims assistance.

3.5 **Medical Providers Eligible for IHC Approval or Reimbursement.**

- A. A general or limited hospital licensed by the Department of Health, whether owned by a political subdivision or not-for-profit or for-profit corporation.
- B. An in-county home health agency licensed and certified by Medicare and the State of New Mexico.

- C. An in-county hospice which is licensed and certified by Medicare and the State of New Mexico.
- D. An in-state ambulance provider.
- E. An in-county oxygen provider.
- F. Behavioral health providers that provide eligible medical care and treatment services as specified by this Ordinance.
- G. Physicians, Certified Registered Nurse Anaesthetists (CRNAs), and Certified Nurse Practitioners (CNP) .

Only the above-listed medical providers are eligible for IHC reimbursements.

3.6 Medical Treatment Eligibility and Payment. Eligible persons may receive IHC assistance for medical care and treatment received from an eligible medical provider as listed in Section 3.5. Patient must incur a bill of at least \$50 in order to be eligible for assistance. However, there shall be no minimum payment required as applies to detainees in the Lincoln County jail and all inmates may be eligible to receive IHC assistance for medical care and treatment. The local hospital will be considered as the only "Sole Provider" and will receive reimbursement from the State through the Sole Provider Fund. Claims for the Sole Provider will only be approved by the IHC Board. Non-sole providers will receive reimbursement as approved by the IHC Board. Eligible claims for charges applied to private insurance deductibles which exceed One Thousand Dollars (\$1000) shall be reimbursed at the Medicaid fee-for-service or Medicare DR-G reimbursement rates. Applicants who receive Medicare may receive assistance with all remaining balances over Fifty Dollars (\$50) after Medicare payments have been made. In circumstances where there are multiple providers and the medical expenses will reach the maximum limitation amount, the Pro-Rata formula will be used to calculate the amount of reimbursement to each medical provider. IHC claims will be based on the order that expenses for treatment are incurred up to the maximum. Payment will be made in the

order claims are approved by the IHC Board.

A. **Claim Eligibility and Limitations for IHC Approvals or Payment.** The Indigent Hospital and County Health Care Act, Section 27-5-1, NMSA 1978, limits approvals or payments to Medicaid fee-for-service or Medicare DR-G reimbursement rates for hospitals, licensed medical doctors, CRNAs, CNPs, and osteopathic physicians. All other providers will be reimbursed at actual costs, which shall not exceed the determined established annual limits per patient and providers as set forth by the IHC Board.

- (1) **Ambulance Transportation.** These services are allowed based upon the expense incurred to include the care and transport of a patient to the "nearest" general or limited hospital. Claims that reach the maximum allowed policy limit may be subject to the Pro-Rata payment formula whenever there are multiple providers.
- (2) **Home Health Services.** These services are allowed based on the actual need of the patient. Services include supplies, skilled nursing services, home healthcare durable equipment, prescribed medication, physical therapy, occupational and speech therapy. These services should be provided as deemed necessary for the patient's care and reimbursed to the provider at the rates specified on the provider agreement. The total sum of IHC payments shall be considered as a separate expense above any other medical claim limit and shall be limited to the established annual limit per patient. Services must be provided by a contracted home health provider licensed and certified by Medicare and the State of New Mexico. The total payments to a contracted home health service provider shall not exceed the established annual limit as determined by the IHC Board.
- (3) **Hospice Care Services.** These services are allowed based on the actual need of the patient. The total sum of IHC payments for these services shall be considered as a

separate expense from the other medical claim limits. The total sum of IHC payments for these services shall be considered as a separate expense from the other medical claim limits. The total sum of payments shall not exceed the established annual limit per patient. The total payment to a contracted Hospice provider shall not exceed the established annual limit as determined by the IHC Board.

- (4) **Mental Health Services.** Claims will be permitted for psychiatric treatment services rendered by a contracted behavioral health care provider. Treatments for attempted suicide will also be permitted within the same fiscal year. The combination of both of these treatments will not exceed the determined policy limit for approval or payment as set forth by the IHC Board.
- (5) **Primary Care Services.** Primary care services are provided to individuals for the basic or general health care needs of the patient and shall be made available by the sole community provider through County-owned clinics and/or providers employed by said sole community provider.
- (6) **Substance Abuse.** IHC approval or payment is available for only one inpatient substance abuse claim when deemed medically necessary, as well as unlimited outpatient substance abuse claims. However, the sum of both inpatient and outpatient treatment cannot exceed the policy limit. Also, the total sum of all IHC payments to any approved behavioral health care provider shall not exceed the established annual limit per provider.
- (7) **Physicians.** A licensed medical doctor, certified registered nurse anaesthetist, certified nurse practitioner, osteopathic physician, dentist, optometrist or expanded practice nurse when providing emergency services, as determined by the board, 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 board, to an indigent patient with life threatening illness or disability.

(8) **Other Services.** The IHC Board may allow other services which will benefit all indigent patients as deemed necessary.

B. **Claims Not Eligible for Payment.** The following claims are not eligible for payment: (1) hospital elective surgery or treatment; (2) nursing home care; (3) medical social worker; (4) nutrition counseling (5) insurance co-pays (6) prescription medications, except those administered directly by the provider; and (7) extended home health aides.

3.7 **Detainees.** Individuals detained at the Lincoln County Detention Center will be considered medically indigent for the purposes of this Ordinance if they do not qualify for other insurance.

3.8 **Expenses for Burial or Cremation of Indigent Persons.** To the extent that a deceased person is indigent, the burial or cremation expenses shall be paid by the County's Indigent Hospital Claims Fund in an amount up to six hundred dollars (\$600) for the burial or cremation of any adult or minor as provided in Section 24-13-3, NMSA 1978.

3.9 **Expenses for Cost of Opening and Closing Grave.** To the extent that a deceased person is indigent, the cost for opening and closing of a grave shall be paid by the County's Indigent Fund in a sum not to exceed six hundred dollars (\$600), which sum shall be in addition to the sum enumerated in Section 3.8, above, and as provided for in Section 24-13-3, NMSA 1978.

SECTION IV. APPLICATION FOR IHC ASSISTANCE.

4.1 **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.

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

- 4.3 **Individuals Who May Submit Applications.** An application may be submitted after treatment is complete or after the billing for the treatment is received.
- 4.4 **Acceptance of IHC Applications.** The County, at its discretion, may refuse to accept any application that does not include all required information or documents requested by the County.
- 4.5 **Application Verification.** Formal applications shall include but not be limited to the following:
- A. Name, address and other personal identification of the patient/claimant as deemed appropriate by the County.
 - B. Name of patient/claimant, agency, medical provider, or other representative submitting the application. 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.
 - C. Proof of residency as deemed necessary by the County to verify residency requirements.
 - D. Proof of annual income to include Federal tax returns (with all attached schedules and forms), pay stubs, and/or other information as deemed necessary by the County to verify annual income and availability of assets. If the claimant does not file a current return, a notarized tax waiver form must be completed.
 - E. A written denial from Medicaid of ineligibility must be submitted with the IHC Application.
 - F. Evidence to verify that all other sources of payment such as insurance, Medicare, Medicaid, etc. will make payment or that a pay source is not available due to patient's ineligibility. In the event of a claim resulting from an automobile accident where there is insurance coverage, patient must submit an Affidavit of Repayment.
 - G. Itemized bills shall include the treating diagnosis of all charges submitted for IHC approval or payment that have been billed by an eligible medical provider. These billings will be based on provisions of Section 4 of this Ordinance. Claims with multiple providers may be

held open for sixty (60) days in order for all providers to submit their bills. Payments will be based on the pro-rata formula. Diagnosis codes will be audited to determine if charges meet the definitions of eligible claims.

4.6 Application Deadline. A formal application with all required documentation shall be submitted to the County IHC office no later than ninety (90) days from the first date medical treatment or services were received. After the County IHC office receives the application from the medical provider, the IHC administrator will have 30 days to complete the review process. The IHC administrator may request additional documentation and/or interview the claimant. Claims received after the ninety (90) day deadline will not be considered for payment, unless the County Manager determines that an exception can be made due to extraordinary circumstance.

- A. The applicant will have ninety (90) days in which to file with the medical provider that rendered service. The claimant must provide the necessary documentation to this provider unless the medical provider is located outside the County. In this circumstance, the applicant must return the completed application to County IHC office. If the additional requested information is not received within the allotted time, the claim will be closed. Once the claim is complete, the claim will be reviewed at the next schedule monthly IHC Board meeting.
- B. All approved applications will be considered complete and current for the remainder of the fiscal year. For any claims received after an application is approved, the provider will be expected to complete a supplemental claim form. The notarized supplement form must be signed by the adult patient to authorize the medical provider to release necessary information to process the claim. After the time limit has expired for the current application, a new application will be requested with all required documentation attached.
- C. When a patient is covered by insurance, Medicare or another pay source, the ninety (90) day

claim limit will begin with the date that the pay source made the first payment on the claim.

In circumstances in which a denial has been received by the provider, the ninety (90) day limit will revert to the original date of the denial.

- 4.7 **Application Confidentiality.** All information regarding the claimant shall be kept strictly confidential. The IHC board shall, in carrying out the provisions of the Indigent Hospital and County Health Care Act, comply with the standards of the federal Health Insurance Portability and Accountability Act of 1996.

SECTION V. PROVISION FOR IHC APPROVAL OR REIMBURSEMENT TO MEDICAL PROVIDERS.

- 5.1 **Reimbursement to Medical Providers.** Approvals or reimbursement of IHC funds by the County shall be made to eligible medical providers based on actual billed charges for eligible treatment not to exceed the established claim limit. Allowable costs shall be based on Medicaid fee-for-service or Medicare DR-G reimbursement rates for hospital, licensed medical doctors and osteopathic physicians. All other providers shall be reimbursed at actual costs, which shall not exceed the determined established annual limits per patient and providers as set forth by the IHC Board. Charges shall be submitted on itemized bills with the treating diagnosis from the medical provider(s). The charges for such services shall not exceed the normal charges to other patients. Eligible treating diagnoses may be subject to review by the IHC administrator to verify claims meet the criteria of "emergency, life threatening or permanently disabling." Approval or reimbursements will be made to medical providers after obtaining authorization from the IHC Board.

- 5.2 **Overcharges.** Any medical provider found to be overcharging or billing greater than the normal charges to other patients for itemized services reimbursed by IHC payment is in violation of the provisions of this Ordinance. The IHC Board may, at its discretion, reduce the IHC payment of billed charges to a percentage between 20% and 65% of billed charges. The reduced percentage of

payment may be assessed for any length of period up to twelve (12) months. The provider shall be given the opportunity to provide its justification and documentation to the County prior to such action being implemented. The County may, at its discretion, hire an independent auditor paid for by the medical provider to determine overcharges. Medical providers shall provide to the County or its representative all information requested to verify charges.

5.3 Reimbursement Limited to Available Funds. Outstanding IHC claims that have been approved by the IHC Board will be paid by the County to each eligible medical provider with available Indigent Fund revenues that have been received by the County. Payment will be made based on the order of approved claims by the IHC Board. If revenues are all exhausted or encumbered, the outstanding claims will be paid based upon: (1) the order of approval by the IHC Board; (2) current complete claims; and (3) aging claims which have been completed.

5.4 Withholding of IHC Payments. IHC payments shall be withheld pending the disposition of medical payments from other possible sources, such as insurance, workers' compensation, or State and Federal funding that may cover the expenses. Upon evidence that the other possible sources will not make payment, IHC funds may be approved for payment consistent with the provisions of this Ordinance. Claims of in-state hospitals providing acute medical care shall have priority for payment over all claims regardless of the dates the other claims were submitted.

5.5 Screening and Collections By Providers. The medical provider is required to screen all potential IHC claimants and determine if the claimant will have a remaining balance after the IHC payment. If the claimant will have a remaining balance, a reasonable payment schedule will be made.

5.6 Claims, Preparation, and Verification by Providers. The sole community provider shall be responsible for screening all potential hospital-related claimants for eligibility, assisting claimants with completing the IHC application and with providing all required documentation. Completed applications with documentation will be reviewed by the IHC administrator. Those verified as

complete will be submitted to the IHC Board. Applications deemed incomplete will be returned with a letter of explanation to the provider. IHC applicants requesting services not related to sole community claims will be assisted by the provider and completed by the IHC administrator.

5.7 Disclosure by Medical Providers. Medical providers shall provide to the County reports, financial statements, random samples of paid bills or other information deemed necessary by the IHC Board or its representatives.

5.8 Agreement between County and Provider. All medical providers that are eligible for approval or reimbursement of IHC funds shall enter into an agreement with the County agreeing to abide by all provisions of this Ordinance prior to receiving an IHC funds. The medical provider shall submit copies of their state license and annual certification as part of this ongoing agreement. The IHC office should receive a copy of the renewed certification annually.

SECTION VI. DUTIES OF THE COUNTY -- SOLE COMMUNITY PROVIDER HOSPITAL PAYMENTS.

The County shall:

- (1) determine eligibility for benefits and determine an amount payable on each claim for services to indigent patients from sole community provider hospitals;
- (2) notify the sole community provider hospital of its decision on each request for payment while not actually reimbursing the hospital for the services that are reimbursed with federal funds under the state Medicaid program;
- (3) confirm the amount of the sole community provider hospital payments authorized for each hospital for the past fiscal year by September 30 of the current fiscal year based on a report prepared by the hospital using a format jointly prescribed by the County and hospital(s) that provides aggregate data, including the number of indigent patients served and the total cost of uncompensated care provided by the hospital;

- (4) negotiate agreements with each sole community provider hospital providing services for County residents on the anticipated amount of the payments for the following fiscal year; provided that the agreements shall be in compliance with federal regulations regarding intergovernmental transfers and provider contributions and shall not include provisions for reimbursements to counties of matching and sole community provider fund allocations; and
- (5) provide the department by January 15 of each year with the budgeted amount of sole community provider hospital payments, by hospital, for the following fiscal year.

SECTION VII. APPEALS.

- 7.1 **County Manager or IHC Coordinator.** Any person or medical provider who is adversely affected by a decision of the County Manager or IHC Coordinator may appeal that decision to the IHC Board within ten (10) days after the date of the action of the County Manager or IHC Coordinator. The IHC Board shall hear the appeal and render a decision in writing within sixty (60) days after receiving the Notice of Appeal.
- 7.2 **IHC Board.** Any person or medical provider who is adversely affected by a decision of the IHC Board may appeal that decision to the District Court within thirty (30) days of the action of the Board.

SECTION VIII. PENALTIES.

- 8.1 **Criminal Penalties.** Any person or medical provider who intentionally violates the provisions of this Ordinance shall be punished by a fine not to exceed Three Hundred Dollars (\$300.00) or imprisonment in the County Detention Center for not more than ninety (90) days, or both, in accordance with Section 4-37-3, NMSA 1978.

SECTION IX. 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

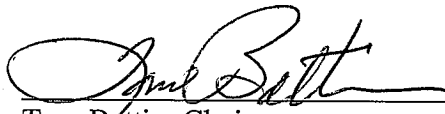
shall be stricken and be thereafter unenforceable. Such determination shall not invalidate the application or enforcement of the remaining Sections.

SECTION X. EFFECTIVE DATE AND REPEAL OF ORDINANCE.

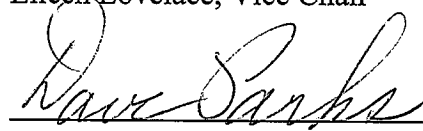
This Ordinance shall be recorded upon adoption and become effective July 17, 2008, at which time Ordinance No. 2005-1 shall be repealed.

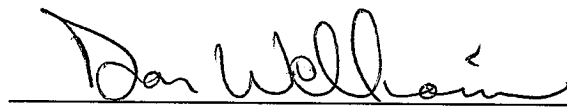
PASSED, APPROVED and ADOPTED this 17th day of June, 2008.

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


Tom Battin, Chair


Absent
Eileen Lovelace, Vice Chair

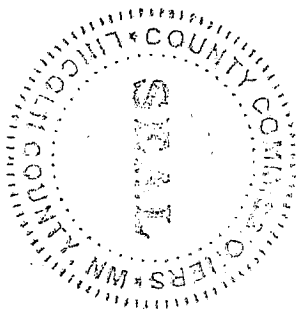

Dave Parks, Member


Don Williams, Member


Jackie Powell, Member

Attest:


Tammie Maddox
Lincoln County Clerk



APPENDIX 1

INDIGENT HEALTH CARE CLAIM POLICY

08/19/99	Adoption date of Ordinance No. 1999-04 Adopting a County Gross Receipts Tax.
7/01/00	Effective date of Lincoln County Ordinance No. 2000-1 Lincoln County Indigent Hospital/Health Care Ordinance (IHC Ordinance).
05/16/01	Effective date of Lincoln County Ordinance No. 2001-06 Lincoln County Indigent Hospital/Health Care Ordinance (IHC Ordinance).
04/26/02	Effective date of Lincoln County Indigent Hospital/Health Care Ordinance No. 2002-04 (IHC Ordinance) adopted on March 20, 2002.
06/22/03	Effective date of Lincoln County Indigent Hospital/Health Care Ordinance No. 2003-08 (IHC Ordinance) adopted on May 20, 2003.
08/10/03	Effective date of Lincoln County Indigent Hospital/Health Care Ordinance No. 2003-11 adopted on July 11, 2003.
07/01/04	Effective date of Lincoln County Indigent Hospital/Health Care Ordinance No. 2004-03 adopted on April 20, 2004.
03/17/05	Effective date of Lincoln County Indigent Hospital/Health Care Ordinance No. 2005-1, adopted February 16, 2005.

LINCOLN COUNTY-NM
TAMMIE J MADDOX, CLERK
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