

Quality Charity Care Trust Update

Louisville Metro Council

June 9, 2015

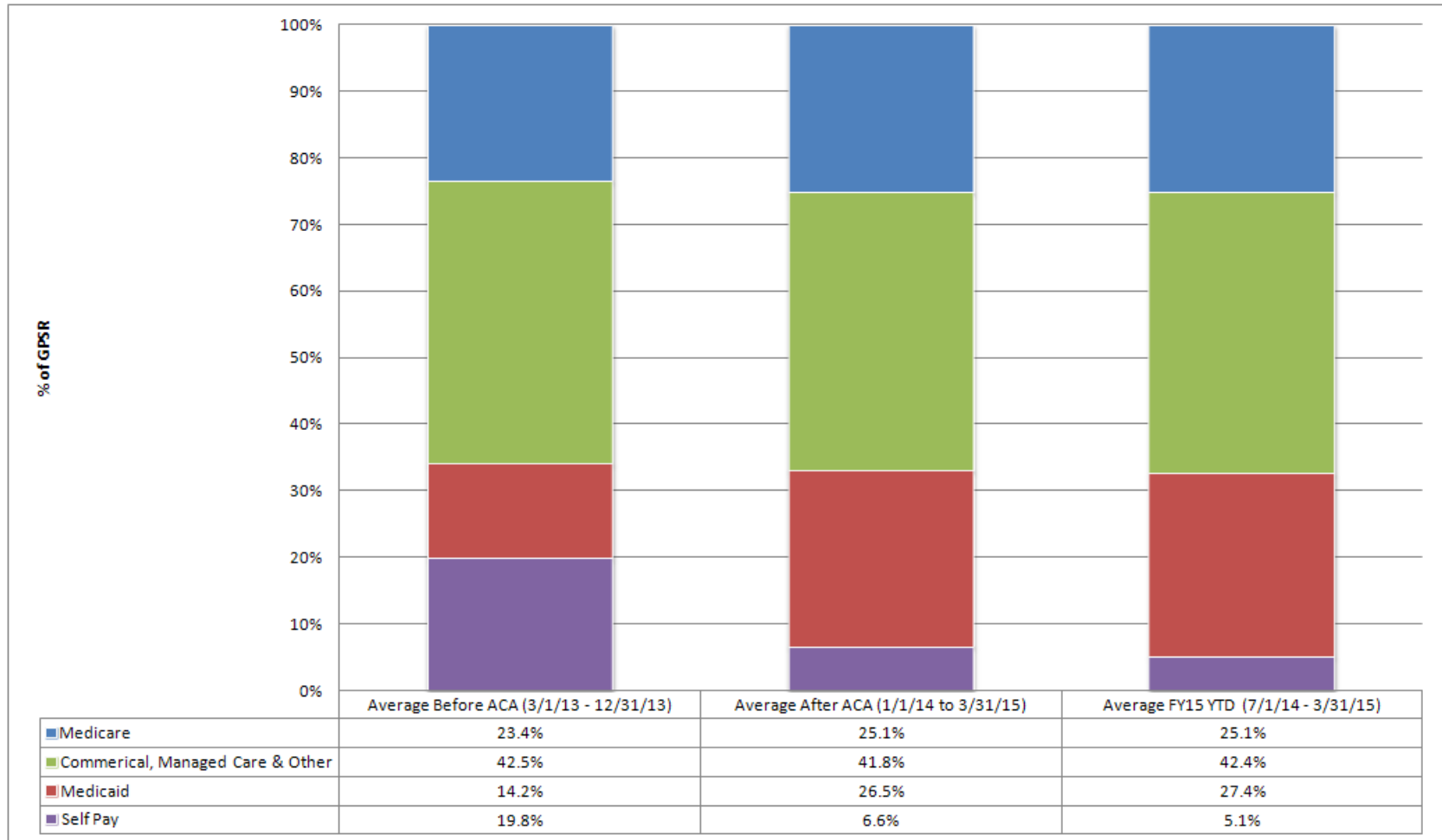
Overview

- The University of Louisville Hospital submitted all of their accounts for patients without insurance, or patients with insurance who were categorized as indigent.
- The Cabinet for Health and Family Services compared those accounts to persons enrolled in Medicaid.
- Since the ULH does not collect income and household size information which would satisfy the terms of the agreement, the state agreed to let ULH hire PARO Decision Support to estimate those items .
- In addition to income and household size, PARO included an estimate of ability to pay which was set to “Not Qualified” when they estimated the individual had the ability to pay and should be approached for collection purposes.
- The state has used this last estimate as an indicator of which patients should be considered medically needy.

Budgeted Resources

	Fiscal Year 2015	Fiscal Year 2016
State Funding	\$6 million	\$4 million
Metro Louisville Funding	\$5 million	-
Total	\$11 million	\$4 million

University Medical Center Payor Mix Trend



6 month Summary

- Of the 4,940 cases which were not immediately identified as Medicaid enrollees
 - 596 were not Kentucky residents
 - 1,435 were subsequently enrolled in Medicaid for the time of admission. Billing information is being provided.
 - 883 were estimated by PARO to have been Medicaid eligible.
 - 592 were estimated by PARO to not have been medically needy.
- Since the agreement specifies that 90% of all payments be made for Jefferson County residents, the maximum payment for the 6 month period, from all sources is \$1,700,768.19

Who is still uninsured?

- Case 1: 64 year old male, uninsured, no dependents. Resides in zip code 40212. Yearly income of \$29,491; 253% of FPL.
 - This patient would qualify for a plan in the exchange during open enrollment. Over income for Medicaid.
 - Monthly premium for a non-smoker: \$497.40 *The Insurance company may add a tobacco surcharge of up to 50% of the total premium. Tax credits may not be applied to this surcharge.
 - Estimated premium tax credit: \$296.12
 - Patient's monthly premium responsibility: \$201.28 or 8% of income
 - Tobacco surcharge up to: \$248.70
 - Smoker's potential monthly premium responsibility: \$449.98 or 18% of income
- Case 2: 54 year old female, uninsured, no dependents. Resides in zip code 40208. Yearly income of \$28,948; 248% of FPL
 - This patient would qualify for a plan in the exchange during open enrollment. Over income for Medicaid.
 - Monthly premium for a non-smoker: \$353.98 *The Insurance company may add a tobacco surcharge of up to 50% of the total premium. Tax credits may not be applied to this surcharge.
 - Estimated premium tax credit: \$152.21
 - Patient's monthly premium responsibility: \$201.77
 - Tobacco surcharge up to: \$176.99
 - Smoker's potential monthly premium responsibility: \$378.76

Future Threats

- Reduction in Federal Support of Medicaid Program.
- Reduction in Disproportionate Share Hospital Program.
- Political Concerns