

KEY ISSUES FOR DISCUSSION

Indigent Care

Technical Advisory Committee

September 18, 2007

How should indigent care be defined for purposes of distributions from the Indigent Care Pool?

- ▣ **Should it be limited or prioritized to address services rendered to the uninsured? (We are using the term uninsured to mean individuals with no insurance and individuals who have no insurance for the services they require.)**
- ▣ **Should it include hospital losses associated with failure to collect co-pays and deductibles from otherwise insured patients?**
- ▣ **Should it exclude all other types of uncollected patient service receipts?**
- ▣ **Should it be limited to services rendered to patients who meet specified low-income thresholds (e.g. those provided under the new Patient Financial Aid mandate)?**

What should be the basis for calculating hospital subsidy awards?

- ▣ **Should accounting write-offs continue to be used as the primary basis for determining annual awards?**
- ▣ **linked to the actual units of service a hospital provides for targeted uncompensated care? Should uncompensated care to uninsured patients be treated for subsidy purposes the same as non-payment of co-pays and deductibles?**
- ▣ **Should actual hospital losses be subsidized at each hospital's costs or should it be based on a specified payment proxy (e.g. Medicaid rates)?**
- ▣ **Should out-of-pocket collections received from targeted uncompensated care populations be a factor in adjusting a calculated subsidy awards?**
- ▣ **Should a progressive scale continue to be used to increase subsidy levels for hospitals providing a greater proportion of uncompensated care relative to their total patient service volume?**

What other factors should be considered in determining a hospital's eligibility or their relative share of available annual subsidies?

- ▣ **Should there be a minimum level of uncompensated care a hospital needs to annually provide to be eligible for subsidies?**
- ▣ **If so, should care up to this level be subsidized?**
- ▣ **Should there continue to be subsets of available annual funding that increases subsidy coverage for certain categories of hospitals?**
- ▣ **If so, should subsidy determinations within these subsets be solely based on an uncompensated care award formula which is uniformly applied to all program components?**

What requirements should be considered to insure the accuracy of data to be used for subsidy award determination purposes?

- ▣ What is the minimum data hospitals should be required to report to secure funds from the indigent care pool?**
- ▣ Are there new data reporting requirements or readily available alternative data sources that need to be considered?**
- ▣ How can relevant data reported by hospitals be improved?**
- ▣ What are some reasonable procedures that can be considered to validate data accuracy?**