



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 12/3/2019

Item Creation Date: 11/15/2019

FIN/HFD-Amendment of Chapter 4 of City Code

Agenda Item#: 24.

**Summary:**

**NOT A REAL CAPTION**

Amendment to Chapter 4 of the City Code of Ordinances to allow the City to provide financial assistance to uninsured patients billed for EMS services

**Background:**

The Finance Department (FIN) and Houston Fire Department (HFD) recommend that City Council adopt an amendment to Chapter 4 of the City Code of Ordinances to allow the City to provide financial assistance to uninsured patients billed for EMS services.

The Ambulance Supplement Payment Program (ASPP) is approved by the Centers for Medicare and Medicaid Services (CMS) and administered by Texas Health and Human Services Commission (HHSC). The program originally provided additional reimbursement to ambulance service providers that served Medicaid and uninsured patients. The Program allowed reimbursement for a portion of the difference between the cost and charges for providing EMS Ambulance services. The reimbursement amount is based on a statewide pool of funds shared by all participating ambulance providers.

The ASPP Program was set to expire on December 31, 2017. However, CMS granted the State of Texas an extension for another five years through September 2022. The extension required changes in the reimbursement methodology. Reimbursement will be based on the City's cost of providing ambulance services under Charity Care, upon approval of the ordinance amendment. To meet this requirement and continue participation in the ASPP, the City is required to implement a Charity Care (hardship assistance) Assistance policy in accordance with Rule § 355.8210(b)(3) of the Texas Administrative Code, Title 1. This Rule establishes some Policy requirements, primarily by reference to the charity care principles in the Healthcare Financial Management Association ("HFMA") Principles and Practices Board Statement 15 (December 2012).

Under the amended ordinance the Finance Director will promulgate a Charity Care Assistance Policy which will allow uninsured EMS patients, who are unable to pay for the services billed due to limited income, an opportunity to apply for hardship assistance. The City's EMS billing vendor will notify patients about the Charity Care Assistance Policy. The patient will be required to apply for assistance by providing financial information such as proof of income. In certain limited circumstances, a patient may be presumed eligible under this policy if a complete application cannot be obtained. The EMS billing vendor and/or other third-party sources may provide processing and evaluation of patient applications.

No Fiscal impact is anticipated.

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