



New Mexico Hospital Association

Financial Assistance Research Project August 2012

Summary

This analysis documents that New Mexico's hospitals currently provide financial arrangements that closely mirror what is mandated in other states. More specifically:

- Outside of Bernalillo County, all other hospitals actively encourage access to the Indigent Hospital and County Health Care program, up to 150% of the per capita personal income in New Mexico;
• All of the reviewed hospital Financial Assistance Policies (FAPs) include self-pay discounts and 94% offer payment plans.

Background

The purpose of this project was to assess the extent to which the New Mexico Hospital Association's (NMHA) members have written policies guiding the provision of financial assistance, the transparency of that information, and their debt collection plans. Colorado recently completed a similar study. Last session's HB16 as well as Section 9007(a) of the recently upheld Patient Protection and Affordable Care Act (PPACA) provided a framework for analysis. Section 9007(a) only applies to non-profit hospitals although all of NMHA's non-specialty hospitals participated in this endeavor.

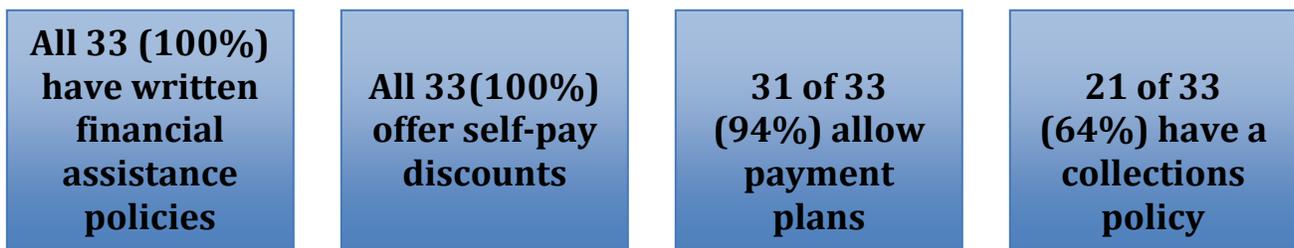
Project Activities and Findings

The three components of this assessment included:

a) Anonymous Calls to each hospital to determine the uninsured public's experience in seeking care;

- 23 of NMHA's 43 members (53%) transferred the call correctly the first time;
• 32 of the 36 non-specialty members (89%) courteously outlined specific program options such as the County Indigent Program, Medicaid, self-pay discounts and hospital Charity Care program OR recommended who to call for next steps in the process; and
• 31 of the 36 non-specialty members (86%) offer payment plans.

b) Analysis of Financial Analysis Policies



- Using PPACA 9007(a) as benchmark (33 of 36 submitted policies)
• Rulemaking for the related IRS Section 501(r) is not final yet.

c) Review of 2010 Form 990, Schedule H for Charitable Hospitals

- 12 of 15 hospitals showed an aggregate Total Community Benefit of approximately 5%