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Financial Classification of "P" and "V" Formulated:	Reformatted:	02/23/99
02/23/99	Revised:	02/23/99

Financial Classification of "P" and "V"

Purpose	To provide instruction in the registration of patients who are potentially eligible for Medicaid and clearly distinguish (in Invision) the level of a patient's compliance with the Medicaid application process by correctly applying the financial classification.
Audience	All registration entities, Physicians' Billing Service, Patient Financial Services.
Policy	Patients who are potentially eligible for Medicaid will be financially classified according to their level of compliance with the Medicaid application process.

Procedure:

To correctly assign the financial classification of "P" (Potentially eligible for Medicaid) and "V" (Verified as compliant with all steps of the Medicaid application process), to all patients.

Patients who are potentially eligible for Medicaid coverage will be classified according to their verified compliance with the Medicaid application process. The following guidelines will be adhered to during the case registration/screening of all patients being services at U.T.M.B.

Financial Classification of "P" – "Potentially Eligible"

- Any un-sponsored patient will be reviewed for potential eligibility at every encounter utilizing specific eligibility criteria and only those patients who are verified as potentially eligible will have the classification assigned to their case. ***It is critical that patients are accurately identified for this classification. All patients classified as "Self Pay, "Indigent or "Potentially eligible should be confirmed as potentially eligible by administering the criteria attached.***
- The patient will be provided a Medicaid application and Department of Human Services contact information. It is expected that the registration clerk will assist the patient in the application completion process and facilitate a direct referral of the application and the patient to the Department of Human Services. DHS Eligibility Workers are stationed on campus and are the preferred referral source.
- The patient will be classified as a financial classification of "P" and the appropriate third party code of 3pend applied to the case.
- The patient will be required to make the appropriate deposit towards services as a full pay/self pay patient would (50% of estimated charges).
- The patient will be informed that they will be required to provide written verification at their next encounter that all steps of the application process have been completed.
- Patients that are potentially eligible for Medicaid assistance will not be classified at a discounted rate until a valid denial has been issued. Denials based on non-compliance (did not keep appt., did not provide requested documentation) are considered invalid denials.
- Because a patient classified as "P" will be required to pay as a self-pay/full-pay patient, there is no limit to the amount of time a patient can be classified as a "P".

Financial Classification of "V" – Verified as compliant with all steps of the Medicaid application process

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- Only patients who have complied with the following application steps will have the financial classification of "V" applied to their account:
 1. Completed and submitted a Medicaid application and have been issued an A# (application number issued by DHS)
 2. Attend a face-to-face interview with Department of Human Services.
 3. Provide all requested documentation to Department of Human Services
 - **EACH OF THESE STEPS MUST BE VERIFIED BY THE PATIENT PROVIDING DOCUMENTATION OR BY PHONE CONFIRMATION WITH THE PATIENT'S DHS ELIGIBILITY WORKER.**
 - **Spenddown patients must complete steps 1 and 2 only. Step 3 can only be accomplished after the services have been provided and medical bills accumulated.**
- As long as the patient is awaiting an eligibility determination, the account should be registered with 3PEND as the third party code with the application number entered as the policy number preceded with an "A" (ex: A1234567).
- **The Financial Classification must be manually overridden with a "V", as it will have automatically defaulted to a "P".**
- Each time the patient presents, there should be an inquiry made as to the status of the application using either the Client Eligibility Inquiry system or contacting D.H.S.
- **Deposit Requirements:** In addition to the appropriate steps being followed, the following deposit requirements should also be met for any services provided while the patient is awaiting final eligibility determination.
 - Regular Medicaid, all steps completed – collect 25% of estimated charges
 - Spenddown , steps 1 and 2 completed – collect 25% of estimated **spenddown** amount
 - SSI, steps 1 and 2 completed – collect 25% of estimated charges
- When final determination has been made:
 - If certified:** Revise the current and any associated accounts with the verified third party coverage. *** Patients who made a deposit, will be refunded by the billing offices if their certification covers the dates and services that have been provided.**
 - If valid (compliant) denial:** Register the patient based on indigency guidelines.
 - If in-valid (non-compliant) denial:** Register the patient as full-pay/self-pay and require appropriate deposit. Patients who do not comply with the complete application process will not be qualified for a discount.
- ***It should be understood that the financial classification of "V" is not a guarantee of eligibility as there are several areas of eligibility criteria to be met.***