# PROPOSED REGULATION OF THE BOARD OF TRUSTEES OF THE FUND FOR HOSPITAL CARE TO INDIGENT PERSONS

### **LCB File No. R054-10**

Proposed Amendments to NAC 428 Prepared by the Nevada Association of Counties for the Board of Trustees of the Fund for Hospital Care to Indigent Persons March 16, 2010

[Proposed deletions]
Proposed additions

#### **CHAPTER 428 - INDIGENT PERSONS**

428.010	Severability.
428.020	Definitions.
428.030	Eligibility for reimbursement.
428.040	Investigation of persons for contractual liability.
428.050	Patient's income.
428.060	Patient's assets.
428.070	Application for reimbursement.
428.080	Preliminary review of applications; physicians' charges and ambulance costs.
428.090	Review of applications by board; reimbursement of hospitals.

**NAC 428.010 Severability.** If any of the provisions of this chapter or any application to any person, thing or circumstance is held invalid, it is intended that the invalidity not affect the remaining provisions, or their application, that can be given effect without the invalid provision or application.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84)

### NAC 428.020 Definitions.

As used in this chapter, unless the context otherwise requires, the words and terms defined or used in NRS 428.115 to 428.255, inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84)

**NAC 428.030 Eligibility for reimbursement.** A hospital is eligible to receive reimbursement for hospital care from the fund only if all of the following requirements are met:

- 1. The patient's injuries are examined and recorded in a hospital within 15 days after the date of the accident.
  - 2. The patient receives inpatient or outpatient hospital care.
- 3. The hospital makes timely efforts to collect the amount of charges for hospital care furnished. These efforts must include documented evidence of full or partial unavailability of the following sources of possible payment:
- (a) Third persons contractually liable and adequate efforts to secure the patient's application for or compliance with the requirements of eligibility for payment.
  - (b) The patient's income.

- (c) The patient's assets.
- 4. Unless waived by the Board of Trustees of the Fund, the hospital submits to the appropriate board of county commissioners, within 2 years after the patient is discharged, its request for a determination that the patient is an indigent person.
- 5. Unless waived by the Board of Trustees of the Fund, [Application] application for reimbursement is made by the hospital or hospitals providing the hospital care within 30 days after receipt of a certification of the patient's indigency from a county.
- 6. The [claim for] hospital [care is examined for] certifies the patient's appropriateness of admission, length of stay, medical necessity and utilization of health care.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84; A 6-20-90)

**NAC 428.040 Investigation of persons for contractual liability.** Third persons whose contractual liability for a patient's hospital care must be investigated include:

- 1. Any person responsible for the patient's support, including relatives or a guardian;
- 2. The Armed Forces, if the patient is a member;
- 3. The insurer of the patient's individual or group health, accident or cash benefit plan, or disability insurance, or that of any person responsible for the patient's support;
- 4. The entity responsible for any benefit payable under any worker's compensation or occupational disease act or under federal employer's liability;
  - 5. The Social Security Administration for Medicare;
  - 6. Labor unions;
- 7. The insurer of any third party's liability insurance or any third party liable for the injury to the patient;
  - 8. The insurer of any benefits payable under any automobile insurance policy; and
  - 9. Public agencies such as:
  - (a) The State through the Department of Health and Human Services; or
  - (b) City or federal agencies.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84)

### NAC 428.050 Patient's income. A patient's income includes:

- 1. Cash on hand from the first of the calendar month;
- 2. Wages or anticipated earnings for his household;
- 3. Income from a trust, pension, government program, or any other source not dependent on employment;
  - 4. Contributions from his family; and
  - 5. Borrowed money.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84)

#### NAC 428.060 Patient's assets. A patient's assets include:

- 1. Real value of nonresidential property less encumbrances;
- 2. Cash, stocks, bonds, trust funds and bank accounts;
- 3. Life insurance policies with cash value, except burial policies;
- 4. Nonessential vehicles, livestock and trailers; and
- 5. Any other property which is not exempt from execution pursuant to NRS 21.090.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84)

## NAC 428.070 Application for reimbursement.

- 1. A hospital's application for reimbursement must include the following documents:
- (a) A completed copy of the application by the hospital to the appropriate county for certification of indigency;
  - (b) A copy of the certification of indigency by the appropriate county;
  - (c) An itemized statement of all charges for hospital care furnished to the patient;
- (d) A copy of all physician's charges itemized according to the *most current edition of the*[Physicians'] American Medical Association's Current Procedural Terminology[, 4th edition]
- (e) Records documenting the hospital's efforts to collect the amount of charges for hospital care from third persons or programs liable;
  - [f] A police officer's report of the accident;
- -(g) (f) A release of medical and financial information by the patient or his guardian or parent in favor of the Board;
  - (g) An assignment of the claim to the Board; and
  - (h) A summary of the diagnosis.
- 2. In addition to the documents required to be submitted in section 1. A hospital's application must include a law enforcement officer's report of the accident.
- (a) If a law enforcement officer did not respond to the accident, the Board may accept a report from an emergency medical technician or other certified first responder.
- [2.] 3. The most recent edition of the [Physicians'] American Medical Association's Current Procedural Terminology[, 4th edition,] is adopted by reference. This publication is available by mail from [Book and Pamphlet Fulfillment: OP 341/7,] the American Medical Association, [P.O. Box 10946,] 515 N. State Street, Chicago, Illinois [60610-0946] 60654, or by telephone at [312.645.5000, at a price of \$33.] (800) 621-8335.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84; A 6-20-90)

# NAC 428.080 Preliminary review of applications; physicians' charges and ambulance costs.

- 1. Upon receipt of an application from a hospital for reimbursement, the Executive Director *of the Nevada Association of Counties* or his designee, on behalf of the Board, will review the application to determine its completeness and conformance with requirements for eligibility.
- 2. Each application determined by the Executive Director *of the Nevada Association of Counties*\_or his designee to be incomplete or not in conformance with requirements for eligibility will be returned to the applicant without further action. A notation will be made on each returned application as to why it is incomplete or not in conformance with requirements for eligibility.
- 3. Physician's charges will be reviewed and payment [determined according to the Physicians' Current Procedural Terminology, 4th edition.] made based on an overall percentage established by the Board.
- 4. Applications determined by the Executive Director *of the Nevada Association of Counties* or his designee to be complete and in conformance with the requirements of eligibility will be referred to the Board.
- 5. Unless approved by the Board, ambulance costs incurred as a result of a transfer of a patient from one hospital to another are payable only when:
  - (a) A hospital is unable to provide specialized care or equipment; and
- (b) The medically necessary transfer occurred within 3 days after admission to the first hospital.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84; A 6-20-90)

**NAC 428.090 Review of applications by Board; reimbursement of hospitals.** The Board will review all applications referred to it by the Executive Director. If an application is approved, the hospital will be reimbursed as follows:

- 1. For urban hospitals, 85 percent of all eligible charges.
- 2. For rural hospitals, 100 percent of all eligible charges.
- 3. At each meeting of the Board, pro rata for all eligible charges that were not previously reimbursed to the extent money is available in the Fund.

(Added to NAC by Bd. of Trustees of Fund for Hosp. Care to Indigent Persons, eff. 4-17-84; A 6-20-90)