

WALKER COUNTY HOSPITAL DISTRICT

WALKER INDIGENT CARE PROGRAM POLICY

Effective Date: 09/01/2025

- I. MISSION STATEMENT:** Walker County Hospital District was created by a majority of voters in 1975. It is the responsibility of the District to provide an adequate level of healthcare services for needy inhabitants of the District. Such services shall be provided by the mandated provider, Huntsville Memorial Hospital, Huntsville Texas.
- II. PURPOSE:** To establish rules and procedure that will identify any qualified resident of Walker County Hospital District ("WCHD" or "District") who qualifies for Walker County Hospital District Assistance ("WCHDA") through the Indigent Care Program.
- III. POLICY:**
 - A. The WCHD is responsible for health care services for the needy inhabitants of the District as provided by the Texas Constitution and the statute creating the District.
 - B. The WCHD is the payor of last resort pursuant to Section 61.060(c) of the Texas Health and Safety Code (i.e., Indigent Healthcare Act) and is not liable for payment or assistance to an eligible resident in the District's service area if any other public or private source of payment is available.
 - C. If another source of payment does not adequately cover a health care service a public hospital provides to an eligible resident of the District's service area, the District shall pay for or provide the health care service for which other payment is not available.
- IV. GENERAL:** This policy is intended as a guideline for eligibility determination of the individual and for the responsibility of the Huntsville Memorial Hospital to exercise its best judgment in determining the ability of patients and or legally responsible individuals to qualify for the Walker County Hospital District Indigent Care Program and receive Walker County Hospital District Assistance (WCHDA), taking into consideration the rights and human dignity of the applicant.
- V. DISCLAIMER:** In the event that any provision of this Policy is more restrictive than Chapter 61 of the Texas Health and Safety Code, it is the intent of the WCHD for Chapter 61 to supersede this Policy.
- VI. ELIGIBILITY:** The request for assistance and the proof of eligibility is the responsibility of the applicant. To qualify for WCHDA, a person must meet the following minimum eligibility criteria:

A. Citizenship Eligibility. A person applying for WCHDA must be one of the following:

- 1) A natural born citizen;
- 2) A naturalized citizen;
- 3) A Sponsored Alien;¹
- 4) Documented Alien;² or
- 5) Legally Admitted Alien.³

B. Residence Eligibility.

- 1) A person must live in the WCHD when the person applies.
- 2) A person lives in the WCHD if the person's home or fixed place of habitation is located in the District and the person intends to return after any temporary absences.
- 3) A person with no fixed residence or a new resident in the District who declares intent to remain in the WCHD is considered a District resident.
- 4) A person does not lose their residency status because of a temporary absence from the WCHD.
- 5) An applicant who is absent from the WCHD for more than 180 days must re-apply for eligibility.
- 6) A person cannot qualify for WCHDA for more than one hospital district or county simultaneously.
- 7) Persons not considered residents:
 - a) An inmate or resident of a state school or institution operated by any state agency;
 - b) An inmate, patient, or resident of a school or institution operated by a federal agency;
 - c) A minor student primarily supported by his parents whose home residence is in another District, county or state;
 - d) A person who moved into the WCHD solely for the purpose of obtaining health care assistance; or
 - e) A person who maintains a residence or homestead outside the WCHD.

¹ A "sponsored alien" means a person who has been lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act (8 U.S.C. Section 1101 et seq.) and who, as a condition of admission, was sponsored by a person who executed an affidavit of support on behalf of the person. *See* Tex. Health & Safety Code, Section 61.008(c).

² A "documented alien" means a person that possesses a valid green card and has had the status for at least five (5) years from their legal entry date into the United States.

³ A "legally admitted alien" means an alien legally admitted for permanent residence who is 1) an honorably discharged U.S. veteran, 2) U.S. active duty military personnel, or their spouse, or 3) a minor unmarried dependent child of an honorably discharged U.S. veteran or U.S. active duty military personnel.

C. Verifying Residency: A resident of the WCHD must submit a minimum of two of the following documents as proof of residency within the WCHD:

- 1) Texas driver's license or other official identification;
- 2) Rent or mortgage agreement;
- 3) Property tax receipt;
- 4) Voting record or registration;
- 5) School enrollment records;
- 6) Statement from a landlord, a neighbor, or other reliable source; or
- 7) two (2) consecutive months of receipts in the name of the applicant for:
 - a) Utility bills; or
 - b) Rent/mortgage payments;
- 8) No medical or hospital bills, invoices, nor claims may be used to prove/verify a residence.

D. Financial Eligibility:

- 1) Services shall be provided to those residents of the WCHD who have a gross yearly income less than or equal to 100% of the means-tested Federal Poverty Income Level, and who are not eligible for Medicare, Medicaid or any other health care assistance and/or reimbursement programs.
- 2) WCHDA may request that the applicant verify their gross yearly income by supplying any of, but not limited to, the following:
 - a) IRS Forms 1040, W-2, etc.;
 - b) Wage and Earnings Statement(s);
 - c) Last three (3) consecutive pay check stubs for everyone in the household;
 - d) Social Security Remittance; and
 - e) Workers' Compensation Remittance.
- 3) The income of all household members is considered in determining financial eligibility.
- 4) Any applicant filing for WCHDA who is not employed is expected to be actively seeking employment. If unable to work due to disability, applicants are expected to apply for disability or Medicaid benefits during the 180-day period of eligibility.
- 5) Failure to provide information necessary to complete a financial assessment may result in a negative determination. However, an application may be reconsidered upon receipt of the required information.

E. Applicant's Fiscal Year: The fiscal year is defined as the twelve (12) month period beginning with the applicant's acceptance into WCHDA.

F. Eligibility Renewable: Services will be provided to an applicant once accepted into WCHDA for twelve (12) full months or the dollar caps set forth in this Policy. Each applicant will be responsible for reapplying for benefits as required under this Policy.

VII. SERVICES

A. Basic Health Care Services: The eligible services to be supported by WCHDA are the basic services required by Section 61.028 of the Indigent Health Care Act that include the following, as provided by Huntsville Memorial Hospital and other contracted provider offices following receipt of prior approval:

- 1) Physician services include services ordered and performed by a physician that is within the scope of practice of their profession as defined by law.
- 2) Annual physical examinations once per calendar year by a physician or a physician assistant. Associated testing, such as mammograms, can be covered with a physician referral.
- 3) Immunizations when appropriate.
- 4) Medical screening services, including blood pressure, blood sugar, and cholesterol screening.
- 5) Laboratory and x-ray services ordered and provided under the personal supervision of a physician.
- 6) Family planning services or preventive health care services that assist an individual in controlling fertility and achieving optimal reproductive and general health.
- 7) Medically necessary skilled nursing facility services ordered by a physician, and provided in a skilled nursing facility that provides daily services on an inpatient basis.
- 8) Prescriptions for up to five prescription drugs per month. New and refilled prescriptions count equally toward this five prescription drugs per month total. Drugs must be prescribed by a physician or other practitioner within the scope of practice under law.
- 9) Rural health clinic services must be provided in a hospital-based rural health clinic by a physician, a physician assistant, an advanced practice nurse, or a visiting nurse.
- 10) Medically necessary inpatient hospital services provided by HMH by or under the direction of a physician, and for the care and treatment of patients.
- 11) Medically necessary outpatient hospital services provided by HMH by or under the direction of a physician that are diagnostic, therapeutic, or rehabilitative. Outpatient hospital services include hospital-based ambulatory surgical center services.

12) WCHDA will provide for prescription medications purchased from contract providers within the boundaries of the WCHD in accordance with this policy.

B. Extended Healthcare Services: In addition to the Basic Health Care Services requirements set forth pursuant to Section 61.028 of the Texas Health and Safety Code, the WCHDA may provide other established optional health care services that the WCHDA determines to be cost-effective. The extended healthcare service(s) provided may include the following:

- 1) Emergency medical services are defined as a medical service whose purpose is to provide immediate assistance to a condition manifesting itself by acute systems of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in: 1) placing the patient's health in serious jeopardy; 2) serious impairment of bodily functions or serious dysfunction of any bodily organ or part.
- 2) WCHDA patients are to notify emergency medical services, if possible, that their preferred destination is HMH. However, emergency medical services are independently responsible in determining the most appropriate treatment provided to patients.

C. Restrictions:

- 1) Basic Services: WCHDA will provide for inpatient services only at the hospital and/or skilled nursing facility within the boundaries of the WCHD or on property owned by the WCHD.
- 2) Medically necessary inpatient and outpatient procedures in Section 7(A)(10) & (11):
 - a) Inside District: Medically necessary inpatient and outpatient procedures shall be performed at a hospital within the boundaries of the WCHD.
 - b) Outside District: Medically necessary inpatient and outpatient procedures that cannot be performed by a hospital or medical provider inside the WCHD boundaries may be treated outside of the District subject to the following requirements:
 1. Procedure declared "medically necessary" by a healthcare provider inside the District's boundaries;
 2. Procedure arranged by the WCHDA, with consideration given toward the healthcare provider's recommendation; and
 3. Procedure paid for by the WCHDA subject to the rules set forth in this Policy; Chapter 61 of the Texas Health & Safety Code, and the Texas Administrative Rules.

D. WCHDA shall not provide, nor be financially responsible for, any other services no matter where nor by whom provided.

VIII. APPLICATION PROCEDURE

A. The applicant shall be responsible for the completion and submission of a WCHDA application. An applicant may apply for the WCHDA after receiving services at HMH, or no more than 90 days in advance of receipt of healthcare services if screening and application processes permit such advance screening. This application needs to be submitted to WCHDA's agent:

Huntsville Memorial Hospital
Financial Counseling
(936) 293-4464
110 Memorial Hospital Drive
Huntsville, TX 77340

B. An application will be considered complete only if it includes the following information:

- 1) The applicant's full name; physical address, mailing address;
- 2) The applicant's social security number;
- 3) Proof of income for the past three months to determine gross income;
- 4) The names and income of all other household members and their relationship to the applicant;
- 5) Information about all medical insurance, and hospital or health care benefits that household members may be eligible to receive;
- 6) Complete accurate information about the applicant and other household members gross income including all assets, property, and equity value of any vehicles or property;
- 7) Employment status of all individuals in household;
- 8) List of financial resources of all household members;
- 9) The applicant's signature and date completed;
- 10) List of qualified dependents; and
- 11) All needed verifications as requested, including authorizations to release information.

C. Incomplete Information

- 1) Incomplete applications, in any form or fashion, will be denied.
- 2) Denied applications may be appealed at any time a change in circumstances or conditions justify a re-determination of eligibility.
- 3) A person who intentionally misrepresents information to receive benefits they are not entitled to receive shall be responsible, to the fullest extent of the law, for the cost of those services received.
- 4) If any applicant needs assistance in completing the Indigent Care Application they will be offered assistance by calling 936-293-4464 or

936-291-3411. If an applicant does not receive assistance at the above numbers, they should call the WCHD Business Office at 936-295-0038.

IX. APPEALS PROCESS

- A. Applicants have the right to appeal a denial of their application or eligibility.
- B. All appeals must be in writing and filed within ninety (90) days of a denial.
- C. In the event that the WCHDA or its agent and the applicant cannot resolve the appeal, the WCHDA must submit a Form 3073, Eligibility Dispute Resolution Request, within ninety (90) days to the Texas Health and Human Services Commission.
- D. Appeals shall be submitted to the WCHDA or its designated agent and state the reason(s) why the applicants should be considered eligible.
- E. WCHDA will designate a hearing officer to hear all appeals.
- F. The hearing officer shall have the authority to hold an evidentiary hearing, or decide the case from the case file and documentation provided including any and all documents presented with the appeal.
- G. Appellant will be notified in writing of the decision. If denial is the result of an application error that can be corrected by the applicant, the applicant will be informed of the correctable error and provided 45 days to resubmit their application for further consideration.
- H. Copies of all hearing decisions will be maintained for a period of one (1) year in the WCHDA office.

X. MAXIMUM HOSPITAL DISTRICT LIABILITY

- A. To the extent the WCHD is financially able to do so, the maximum amount paid by WCHDA to a recipient for each recipient's fiscal year for health care services provided by all assistance providers, including hospital care is:
 - 1) \$50,000; or
 - 2) The payment of 30 days of hospitalization or treatment in a skilled nursing facility, or both, whichever occurs first.
- B. For claim payment to be considered, a claim should be received:
 - 1) Within ninety-five (95) days from the approval date for services provided before the household was approved or
 - 2) Within ninety-five (95) days from the date of service for services provided after the approval date.
- C. The payment standard is determined by the day the claim is paid. WCHDA approved providers must dispense services and supplies.
- D. Prescription Drug Information
 - 1) WCDHA prescription drug coverage includes a maximum of five medically necessary prescription medications per month regardless of

the price of the medication, excluding experimental or cancer medications or prescriptions just for weight loss.

- 2) The quantity of drugs prescribed depends on the prescribing practice of the provider and the needs of the applicant. However, each prescription is limited to a 30-day supply and is limited to a 30 day supply per refill.
- 3) New and refilled medications count equally toward the five medications per month total. Drugs must be prescribed by a physician or other practitioner within the scope of practice under law.

E. Basic and Extended Health Care Services do not include services and supplies that:

- 1) Are provided to an applicant before or after the time period that applicant is eligible for the WCHDA;
- 2) Are payable by or available under any health, accident, or other insurance coverage; by any private or governmental benefit system; by a legally liable third party, or under other contract;
- 3) Are provided by military medical facilities, Veterans Administration facilities, or United States public health service hospitals;
- 4) Are related to any condition covered under the worker's compensation laws or any other payor source.

XI. PROCEDURE TO CHANGE ELIGIBILITY OR SERVICES PROVIDED: Pursuant to Section 61.063 of the Health and Safety Code, WCHDA may not change its eligibility standards to make the standards more restrictive and may not reduce the health care services it offers unless it complies with the requirements of this section:

- A. Publish Notice of Intent to Change: Post Notice in Newspaper ninety (90) days before the date on which a change would take effect. This notice of the proposed change must be published in a newspaper of general circulation in the hospital's service area and set a date for a public hearing on the change. The published notice must include the date, time, and place of the public meeting. The notice is in addition to the notice required by Chapter 551, Government Code.
- B. Public Hearing. The WCHDA shall have a public hearing no later than the 30th day before the date on which the change would take effect. The meeting must be held at a convenient time in a convenient location in the hospital's service area. Members of the public may testify at the meeting.
- C. Formally Adopt Policy Change: if, based on the public testimony and on other relevant information, the WCHD Board finds that the change would not have a detrimental effect on access to health care for the residents the WCHD

services; the WCHD may adopt the change. This finding must be formally adopted.

XII. DISCLAIMER

Any issue not directly addressed by this document will require a review and written approval by the CFO of HMH with the approval by HMH Hospital Administration and the WCHD Board of Managers.

All individuals will be eligible for screening for this program and authorized by this program without regard to race, age, creed, color, national origin, sex or physical handicap.

WCHDA shall have the right to amend or modify the eligibility guidelines from time to time by approval of the WCHD Board of Managers and in accordance with Chapter 61 of the Texas Health and Safety Code. Said amendments of modifications shall be effective after publication of such changes in a newspaper of general circulation in Walker County, Texas.

ADDENDUM 1

INCOME

DEFINITION:

For the purposes of eligibility for this program, income shall be defined as total cash receipts from all sources before taxes. The limits of allowable income are listed in **Addendum 2B**

A household must pursue and take advantage of all income to which they are legally entitled. There are deductions for earned income that are not allowed for unearned income.

TYPES OF INCOME:

Income is a type of payment that is a regular and predictable gain to a household. Income is either earned or unearned.

- Earned Income is income related to work
- Unearned income is income received without performing work. And includes benefits from other programs.

Alien Sponsor - Count income if the applicant is a legal alien of less than 3 years and was required to have a sponsor per immigration statutes, count the income and resources of the sponsor.

Cash Contributions - Counts as unearned income unless provided by:

- A person living in the home but not a member of the applicant's household
- A person who shares household expenses with the applicant
- No landlord/tenant relationship exists

Child Income - Exempt if minor child:

- Is still a student and
- Is not considered emancipated and
- Is working less than thirty (30) hours a week

Child Support - Counts as unearned income

Crime Victim Compensation - Exempt

Disability Insurance Benefits - Counts as unearned income

Dividends and Royalties - Counts as unearned income

Educational Assistance - Exempt

Energy Assistance - Exempt

Lump Sum Payment - Count lump-sum payments received once a year or less frequently as a resource in the month received, unless specifically exempt.

Mineral Rights - Count as unearned income.

Pension/Retirement Benefits - Count as unearned income.

Property Income - Count as self-employment income if received:

- As rent;
- As lease; or,
- In an installment plan as a result of property sold. The balance of the note is not considered a resource.

Self-Employment Income - Count as earned income minus the following allowed expenses:

- Labor
- Sales tax/property tax
- Raw material/seed/fertilizer
- Rent/utilities
- Fuel
- Repair and maintenance to maintain property for income purposes
- Supplies
- Interest from business loans on income producing property
- Insurance premiums

Note: Depreciation, capital asset improvements or costs not related to self-employment are not counted.

Social Security Benefits - Count, a copy of the most recent social Security check or a benefit printout from social Security must be supplied by applicant.

Trust Fund Withdrawals - Counts as unearned income.

Unemployment Compensation - Gross benefits are counted as unearned income.

Veterans/VA Benefits - Counts as unearned income.

Wages/Salaries/Commissions - Counts as earned income.

VERIFYING INCOME

Income must be verified at initial application, when changes are reported or when a case is reviewed if questionable.

Budgeting income is the process of calculating income and deductions using a best estimate of the household's current and future income and circumstances:

- Income that is received in one month AND is likely to be received in the next month; OR,
- Income that is received in one month AND was received on a regular and predictable basis in past months; OR,
- Income that is received in one month AND is more than the maximum income limit for the household's size.
 - Earned income may be verified by any of the following:
 - Current pay stubs for current/recent month
 - W-2 forms
 - Sales records
 - Signed statements by employers
 - Unearned income may be verified by any of the following:
 - Award letters
 - Court orders or public decrees (support documents)
 - Notes for cash contributions unless the person providing the cash is also a member of the household or shares household expenses with the applicant
 - Printouts or letters from Social Security
 - Self-employment income may be verified by any of the following:
 - Business records
 - Current income tax returns
 - Quarterly profit and loss statements from CPA
 - Terminated income may be verified by any one of the following:
 - A written statement from employer with termination date
 - Notice of termination of benefits from government agency

If the applicant claims to have no income, support must be verified by one or more of the following:

- Applicant that is able to work must provide proof of registration with TWC
- Information from the last employer, showing the last date of employment, address and phone number of company, copy of last check stub, etc.
- If supported by a friend or relative, the friend or relative must sign a statement of that support
- If living off savings, a bank statement must be presented for the past 3 months

DETERMINING MONTHLY AMOUNT:

If information received is:

Yearly income	- divide by 12
Weekly income	- multiply by 4.33
Bi-weekly income	- multiply by 2.17

From the household's monthly gross income, deduct \$120.00 per employed household member for work related expenses.

ADDENDUM 1A

WALKER COUNTY HOSPITAL DISTRICT FINANCIAL INCOME GUIDELINES

INPATIENT/OUTPATIENT HOSPITAL SERVICES & PRESCRIPTION PROGRAM

ANNUAL INCOME

100% of 2025 FPL

Family Size	100% FPL
1	\$15,060
2	\$21,150
3	\$26,650
4	\$31,200
5	\$36,580
6	\$41,960
7	\$47,340
8	\$52,720

For households larger than 8, add \$5,380.00 per person.

ADDENDUM 2

RESOURCES

Resources will be used to determine eligibility for all assistance programs of the District except for the Family Health Clinic. Definitions and examples of resources are listed in Addendum 3.

DEFINITIONS

Resources - assets or possessions. Examples are cash, bank accounts, stocks, bonds, certificates of deposit, vehicles, boats, campers, land other than homestead, and mineral rights.

Fair Market Value - the amount a resource would bring if sold on the current local market.

Equity - the amount of money that would be available to the owner after the sale of a resource. This amount is determined by subtracting from the fair market value any money still owed on the item and the costs normally associated with the sale and transfer of the item.

Personal possessions - furniture, appliances, jewelry, clothing, livestock, farm equipment and other items if the household uses them to meet personal needs essential for daily living.

Inaccessible resources - resources not legally available to the household.

RESOURCE LIMIT

Total household resources cannot exceed \$3,000 for hospital bill assistance and \$2,000 for physician office visit and prescription assistance.

Total household resources cannot exceed \$3,000.00 for assistance when a person who is aged or disabled and who meets relationship requirements lives in the home.

TYPES OF RESOURCES

Resources are either countable or exempt as follows:

401K = Exempt if applicant is still employed by the employer offering the plan.

Homestead - Exempt. A homestead is the household's usual residence (within the state of Texas) and surrounding property that is not separated by property owned by others. Surrounding property that is separated by public rights of way such as roads is considered as part of the homestead. Temporary unoccupied residence due to employment training or future employment, illness, casualty, or natural disaster if the household intends to return is exempt.

Exempt a household that does not currently own a home but owns or is purchasing real property on which they intend to build or are building a permanent home, receive an exemption for the real property and if partially completed, for the home.

Burial Plot - Exempt

Income Producing Property

- Exempt if the property is essential to a client's employment or self-employment. (Examples: tools of a trade, farm machinery, stock and inventory). Continue to exempt this property during temporary periods of unemployment if the client expects to return to work.
- Exempt if the property annually produces income consistent with its fair market value, even if used only on a seasonal basis.

Individual Retirement Accounts (IRA's) - Deduct any amount of penalty incurred for early withdrawal and the remainder is counted.

Jointly Owned Property - Exempt if the property is jointly owned by the household and other owners and the household proves that:

- The property cannot be sold or divided without the other owner's consent; and,
- The other owners will not sell or divide the property.

Keogh Plans - Deduct any penalty for early withdrawal and count the remainder. Exception: The Keogh Plan does not count if there is a contractual withdrawal agreement with other people who are not household members and who share the same fund. This type of Keogh Plan is considered an inaccessible resource.

Insurance Settlements - Counts minus any amount earmarked and spent for the household's bills for burial, medical expenses or damaged/lost possessions.

Lawsuit Settlements - Counts minus any amount earmarked and spent for the household's bills for burial, legal expenses, medical expenses or damaged/lost possessions.

Life Insurance - Exempt

Liquid Resource - Counts if readily negotiable. Examples: cash, checking account, savings account, a savings certificate, notes, bonds and stocks.

Lump Sum Payment - Counts for lump sum payments included but not limited to: retroactive lump sums from Social Security, railroad retirement benefits or other payments, and refunds of security deposits on rental property or utilities.

Non-Liquid Resource - Counts. Examples: personal property, a licensed vehicle, a building and land.

Personal Possessions - Exempt. If a personal possession is sold, the money received from the sale as a liquid resource is counted.

Prepaid Burial Insurance - Exempt up to \$1,500 cash value of a prepaid burial insurance policy, funeral plan or funeral agreement for each certified household member.

Real Property - Counts, unless the household is making a good faith effort to sell it. Real property is land and any improvement on it.

Retirement Account - Exempt until the money is withdrawn, if the money is withdrawn as a monthly check, it counts as income. If the money is withdrawn as a lump sum, it counts as a resource.

Trust Funds - Exempt irrevocable trust funds or property in probate. Any withdrawals count as unearned income, not as a resource.

Vehicles - Each vehicle with a fair market value of less than or equal to \$5,000 is exempt, regardless of the number of vehicles owned by the household. The fair market value in excess of \$5,000 of each licensed vehicle is counted toward the household's total limitation on available resources.

A licensed vehicle is exempt if it is used more than fifty percent (50%) of the time for income-producing purposes. Example: a self employed applicant uses a tow truck, welding truck or tractor trailer to make a living.

The following are suggestions for determining the fair market value of a vehicle:

- The average trade-in value listed in the current National Automobile Dealer's Association (NADA) Car Guide is used. The loan value of the vehicle is used only if other sources are unavailable.
- If the household thinks that the average trade-in value listed in the NADA is incorrect because of the vehicle's condition (body damage), the household may provide verification from a reliable source, such as a bank loan officer or licensed car dealer.
- Increased value due to low mileage or optional equipment is not counted.
- The household must prove the value of antique, custom-made, or classic vehicles if an accurate appraisal cannot be made by staff.
- The household's estimated value of vehicles no longer listed in NADA is accepted unless the value is questionable and would affect eligibility. In this case the household should provide an appraisal from a licensed car dealer or some other evidence of the value, such as a tax assessment or newspaper ad showing the sale price of a similar vehicle.

- For new vehicles not yet listed in the NADA, the household should provide an estimate of the trade-in value from a new car dealer or a bank loan officer. If this is not possible, the household's estimate is accepted unless it is questionable and would affect eligibility.

PENALTY FOR TRANSFERRING RESOURCES - A household is ineligible if within three months before application or any time after certification it transferred a countable resource for less than the fair market value to qualify for county medical assistance.

The household is ineligible for two years beginning with the date that the resource was transferred. If spouses are legally separated, transfer of separate property by one spouse does not affect the eligibility of the other spouse.

THIS PENALTY APPLIES ONLY IF THE VALUE OF THE TRANSFERRED RESOURCE PLUS THE HOUSEHOLD'S OTHER COUNTABLE RESOURCES WOULD HAVE AFFECTED ELIGIBILITY.

ADDENDUM 3

EXCLUSIONS AND LIMITATIONS

GENERAL EXCLUSIONS

The following services and supplies are excluded:

- Not specifically provided by HMH or an approved provider.
- Not medically necessary
- Provided to a patient before or after the date the patient is eligible for the program
- Provided outside the United States
- Not claimed (billed) by the provider within 90 days from the date of service or 90 days from the date of eligibility, if the patient was eligible in one or more of the three months before the application month
- Elective surgeries
- Provided by a patient's immediate relative or household member
- Payable by or available under any health, accident or other insurance coverage, by any private or other governmental benefit system, by any legally liable third party or under other contract
- Provided by military medical facilities, or Veterans provided by military medical facilities, or Veterans Administration facilities, or United States public health service hospitals
- Related to any condition covered under the worker's compensation laws.

SPECIFIC EXCLUSIONS

The following specific services or supplies are excluded:

- Separate payments for services and supplies to an institution that receives a vendor payment or has a reimbursement formula that includes the services and supplies as a part of institutional care.
- Whole blood or packed red cells available at no cost to the patient
- Take home items and drugs or non-prescribed drugs
- Treatment of flatfoot conditions, subluxations of the foot, and routine foot care and hygiene, including cutting or removal of corns, warts, calluses, and nail trimming
- Prosthetic and orthopedic devices
- Social and educational counseling with the exception of diabetic teaching/ counseling provided at Hospital
- Custodial care
- Autopsies
- Recreational therapy
- Separate fees for completing or filing a claim under the program

- Services or supplies that are not reasonable and necessary for diagnosis and/or treatment
- Dentures
- Prescriptions for and the cost of supportive devices and special shoes
- Eyeglasses and examinations for the prescription and fitting of eyeglasses
- Hearing aids
- Medical transportation unless WCHDA approved for emergency medical services as an optional service
- Chiropractors

LIMITED SERVICES

Exclude the following services and supplies unless the specified conditions are met:

- Immunizations and vaccines unless directly related to the treatment of an injury, direct exposure to a disease, or provided by HMH.
- Services or supplies provided in a routine physical examination except in connection with family planning services provided by HMH
- Services or supplies provided in connection with cosmetic surgery unless they are:
 - Required for the prompt repair of an accidental injury;
 - Required for improvement of the functioning of a malformed body member; or,
 - Authorized for specific purposes by WCHDA or its designee before the services or supplies are received.
- Dental care except for reduction of a jaw fracture or treatment of an oral infection when a physician determines that a life threatening situation exists and refers the patient to a dentist.
- Ambulation aids and other durable medical equipment and supplies unless they are provided in a hospital setting.
- Parenteral hyperalimentation therapy as an outpatient hospital service unless medically necessary to sustain life.
- Alcohol and drug abuse treatment services unless provided in mandated hospital, Medical Center Hospital, and the hospital admission is medically necessary for the treatment of a physical condition other than the alcohol or drug abuse.
- Alcohol and drug detoxification treatment alone, unless the patient is admitted to mandated hospital, the physician determines hospital admission is medically necessary, and the hospital stay does not exceed 5 days.
- Abortions are not covered unless the attending physician certifies in writing that, in his professional judgement, the mother's life would be endangered if the fetus is carried to term.
- Outpatient psychiatric services performed by a psychiatrist, a mental health worker, or a social worker are excluded.