

Patient Debt Collection Protection

ONLINE INDIGENCY TOOL

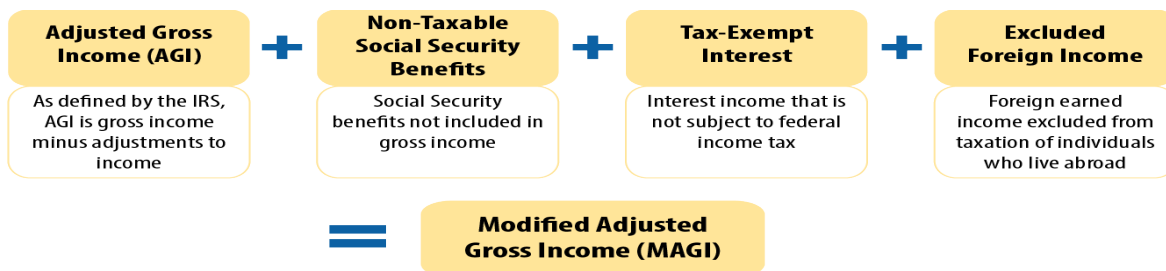
This tool may be used by patients, medical providers, medical creditors and medical debt collectors to calculate whether a patient is indigent. If a patient is indigent, the patient is protected from debt collection pursuant to the Patient Debt Collection Protections Act (the “Act”), NMSA Section 57-32-1 to 10, and the Patients’ Debt Collection Protections rule, Sec. 13.10.29 NMCA.

The determination of a patient’s indigency is based on the definitions and standards (MAGI or Modified Adjusted Gross Income) used in the New Mexico Medicaid program, administered by the N.M. Department of Human Services. Eligibility for Medicaid is NOT, however, required for a patient to be consider indigent under the Act.

The Patients’ Debt Collection Protection Act sets indigency at 200% of the federal poverty guidelines¹. Many patients who are Medicaid recipients will be considered indigent for purposes of the Act, but not all. For example, eligibility for the Children’s Health Insurance Program (“CHIP”) occurs up to 300% of the federal poverty guidelines and, while many families may fall within the 200% limit, some families will exceed the 200% limit set by the Act.

The MAGI requirements utilize specific guidelines for who is included in the household. The Medicaid rules call the “household” the “budget group”. Not everyone who lives together is part of the household. Medicaid uses the definition of household from the federal income tax rules. Thus, anyone who files a separate income tax return is not part of the patient’s household. Or, if the patient is a disabled adult, then the patient will be in their own household.

When the correct household size is identified, and the correct household income is determined, then these two numbers can be used to compare to the federal poverty guidelines to determine if the patient is at or below 200%. Household income is the gross (pre-tax) income of every required household member added together.



Use the worksheets below to determine household size (Part 1) and income (Part 2).

¹ The federal poverty guidelines are issued annually by the U.S. Department of Health and Human Services and may be found at aspe.hhs.gov/poverty-guidelines/.

PART I

HOUSEHOLD SIZE WORKSHEET

1. Is the patient a single adult, filing a tax return as single?
 - a. If yes, the number of people in the household is 1. Enter 1 in Box A below.
 - b. If no, go to (2).
2. How many people are included on the same tax return as the patient? _____
This is the number of people in the household. This number will be entered as A immediately below.

A. Household size (from worksheet) _____

PART 2

HOUSEHOLD INCOME WORKSHEET

Income can be for the last month or the last year

1. If the patient is in a household alone, the patient's Adjusted Gross Income is:
\$ _____
 2. If the household includes additional people
 - a. Use Adjusted Gross Income from federal tax return
 - b. Add up income for all household members (from Part 1)
 - i. Person 1: \$ _____
 - ii. Person 2: \$ _____
 - iii. Person 3: \$ _____
 - iv. Additional persons: \$ _____
- TOTAL: \$ _____

B. Total household income (from worksheet)

a. Monthly \$ _____

OR

b. Annual \$ _____

The Federal Poverty Guidelines (below) are used to determine whether the patient is indigent. If the patient's income is equal to or less than the amount below the household size, the patient is to be considered indigent. When you enter information in Box A (household size) and Box B (household income), this online calculator will tell you if the patient is indigent.

Household size	1	2	3	4	5	6	7+
Annual Income	<input type="checkbox"/> \$25,764	<input type="checkbox"/> \$34,848	<input type="checkbox"/> \$43,920	<input type="checkbox"/> \$53,004	<input type="checkbox"/> \$62,088	<input type="checkbox"/> \$71,160	<input type="checkbox"/> * _____

Household size	1	2	3	4	5	6	7+
Monthly Income	<input type="checkbox"/> \$2,147	<input type="checkbox"/> \$2,904	<input type="checkbox"/> \$3,660	<input type="checkbox"/> \$4,417	<input type="checkbox"/> \$5,174	<input type="checkbox"/> \$5,930	<input type="checkbox"/> * _____

C. Patient and household are:

- a. At or below 200% of the federal poverty guidelines → Indigent for purposes of the Act;**
- b. Above 200% of the federal poverty guidelines → NOT indigent for purposes of the Act.**