

MICHIGAN HOMES FOR VETERANS
BOARD MANUAL

Member Medical Expense Funding Policy

BP-012

Revised: 10/14/2015

PURPOSE

To establish a comprehensive program through which the Michigan Homes for Veterans can provide a funding source that enables its members to receive the best possible medical services while reducing the personal financial hardships associated with extensive medical expenses. This policy establishes the guidelines for administering this program.

PROCEDURES

Members' medical expenses may be paid from three separate sources: the Michigan Homes for Veterans Medical Escrow Fund (MHVMEF); the Michigan Homes for Veterans Posthumous Accounts; and the Michigan Homes for Veterans Post Fund Member Assistance Fund.

The MHVMEF provides funds for payment of personal medical expenses for participating Michigan Homes for Veterans members from their contributions. The Posthumous Medical Expense Account and the Post Fund Member Assistance Fund provide benefits for member medical expenses excluded from consideration under provisions of the MHVMEF at the discretion of the Administrator or designee. The combination of these fund sources allows the entire Michigan Homes for Veterans membership to have eligible medical expenses considered for payment.

Payment from the affected account is paid only after all alternative resources have been utilized. This means that Veterans Administration Out-Patient Clinics, Veterans Administration Medical Centers, and other community services having no or minimal costs need to be utilized where appropriate. This is especially vital when the member involved is a non-participant in MHVMEF and/or has no health insurance coverage at all. Alternative resources utilized subsequent to treatment and prior to the Home's accounts include Medicare, Medicaid, other health insurance carriers, personal assets, and medical write-offs. Procedures for utilizing each fund source follows:

A. Michigan Homes for Veterans Medical Escrow Fund (MHVMEF):

The Michigan Homes for Veterans Board of Managers policy establishes the Medical Escrow Fund (MHVMEF). The MHVMEF creates a fund from which certain medical expenses incurred by a participating member may be paid.

1. Funding for MHVMEF

- a. Each participating member will pay a monthly charge of twenty-five dollars (\$25).
- b. This charge is an allowable medical expense for eligible participants based on BP-016.
- c. Monthly payments to the MHVMEF are Members' funds and are part of the Pension Trust account.

2. Eligibility

All members of the Homes are eligible to participate with the following conditions:

- a. Members who are Medicare eligible must participate in Medicare (parts A, B & D) in order to participate in the MHVMEF.
- b. Members who are Medicaid eligible must participate in Medicaid.
- c. Participation in the MHVMEF requires agreement to donate any residual participant funds to the MHVMEF upon the discharge or death of the participant.

3. Payment of Medical Expenses

- a. All medical expenses must be approved by the Administrator or designee.
- b. Eligible member medical expenses are paid only after all alternative funding sources have paid their respective portions of the bill.
- c. Medical expense payments are not made until confirmation has been made that treatment was preauthorized by a Michigan Homes for Veterans staff physician.

- d. Expenses in excess of a participant's individual contribution may be authorized for payment by the Administrator or designee or as provided in sections B and C of this policy.
 - e. Members lacking the financial ability to pay into the MHVMEF may have their medical expenses considered for payment as provided in this policy.
4. Medical Expenses Eligible for Payment
- a. Medical expenses eligible for payment include patient-pay amounts for physicians, hospitals, laboratory, and diagnostic clinics and related transportation.
 - b. Ambulance bills for MHVMEF participants not covered under Medicare are paid.
 - c. Expenses for Ambu-Cab usage authorized by the Home are paid from the MHVMEF.
 - d. Local cab fares and intra-state bus fares for local medical appointments and evaluations.
 - e. Other medical/dental/optical expenses as deemed appropriate and authorized by the Administrator or designee are paid.
5. Medical Expenses Ineligible for Payment
- a. Medical and other personal expenses incurred prior to participation in MHVMEF are not paid.
 - b. Medical expenses of any nature incurred while a participant in MHVMEF without a Michigan Veterans' Home staff physician referral approval are not paid.
6. Dissolution of MHVMEF Fund

In the event that MHVMEF is dissolved for any reason, the remaining individual balances will be credited to current participant's personal fund accounts. Any balance of donated funds from prior participants will be transferred to the Post Fund Member Assistance Fund.

B. The Michigan Homes for Veterans Posthumous Medical Account Fund:

The purpose of the Michigan Homes for Veterans Posthumous Medical Expense Fund is to provide funding for on- and off-campus medical expenses not covered by alternative resources including the MHVMEF.

1. Funding

Funding for the Michigan Homes for Veterans Medical Expense Posthumous Fund Account is appropriated annually by the Home's Board of Managers. Funding is determined by need and may vary from year to year.

2. Eligibility

All members are eligible to be considered for benefits under this program. However, members who refuse to participate in Medicaid and Medicare (parts A, B & D) are ineligible for benefits under this program. They are responsible for all personal medical expenses incurred.

3. Medical Expenses Eligible for Consideration Include:

All member medical-related expenses as deemed appropriate by the Administrator or designee.

4. Payment of Medical Expenses

- a. All medical expenses must be approved by the Administrator or designee.
- b. Verification that the Michigan Homes for Veterans authorized treatment prior to payment.
- c. Ability to pay is a criterion in determining the member's eligibility to have medical expenses paid. The individual's personal assets are considered prior to approval for payment.

C. The Michigan Homes for Veterans Post Fund Member Assistance Fund:

The purpose of the Michigan Homes for Veterans Post Fund Member Assistance Fund is to provide funding for on- and off-campus medical expenses not covered by alternative resources including the MHVMEF.

1. Funding

Funding for the Michigan Homes for Veterans Post Fund Member Assistance Fund is allotted annually by the Homes' Board of Managers. Funding is determined by need and may vary from year to year.

2. Eligibility

All members are eligible to be considered for benefits under this program. However, members who refuse to participate in Medicaid and Medicare (parts A, B & D) are ineligible for benefits under this program. They are responsible for all personal medical expenses incurred.

3. Medical Expenses Eligible for Consideration Include:

All member medical-related expenses as deemed appropriate by the Administrator or designee.

4. Payment of Medical Expenses

- a. All medical expenses must be approved by the Administrator or designee.
- b. Verification that the Michigan Homes for Veterans authorized treatment prior to payment.
- c. Ability to pay is a criterion in determining the member's eligibility to have medical expenses paid. The individual's personal assets are considered prior to approval for payment.

D. This policy supersedes any and all previous policies pertaining to payment of member medical expenses.