

GOVERNMENT OF GUAM  
OFFICE OF THE GOVERNOR  
AGANA, GUAM

EXECUTIVE ORDER NO. 84-18

INTERIM GUIDELINES FOR MEDICALLY INDIGENT PROGRAM TO BE  
IMPLEMENTED BY DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES

WHEREAS, P.L. 17-25 and P.L. 17-37:7 transferred Administration of the Medically Indigent Program to the Department of Public Health and Social Services effective October 1, 1983,

WHEREAS, these laws required DPHSS to provide the same services as the Medicaid Program but were silent as to eligibility criteria and other aspects of this program,

WHEREAS, DPHSS has not yet promulgated regulations to govern the Medically Indigent Program as it is required to do by P.L. 17-37:7,

WHEREAS, the Medically Indigent Program is intended to be the last resort for the provision of medical services for those individuals who cannot pay for medical services,

NOW THEREFORE, I, Ricardo J. Bordallo, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam do authorize DPHSS to use the following guidelines to administer the Medically Indigent Program until such time as DPHSS can promulgate regulations governing such program.

ELIGIBILITY STANDARDS

To be eligible for coverage, an applicant for the Medically Indigent Program must be one who does not have the financial ability or resources to pay for medical services as determined by the Medically Indigent Program eligibility standards according to the following three sets of criteria: Income Limitations, Resource Limitations and Residence Requirements. Eligibility shall begin the month the application is received.

A. Income Limitations:

1. Medically indigent households who fall within the following gross income limitations will not have to pay any out-of-pocket expenses on services covered by the Medically Indigent Program.

<u>FAMILY SIZE</u>	<u>GROSS MONTHLY INCOME ALLOWED</u>
1	\$410
2	\$542
3	\$648
4	\$754
5	\$845
6	\$935
7	\$1,027
8	\$1,106
9	\$1,184
10	\$1,264

For each additional member over 10, \$60 will be added to the Gross Monthly Income Allowed.

2. If an applicant household for assistance under the Medically Indigent Program has a gross income which exceeds the gross income limit of its category as described above, and exceeds that limit by an amount not greater than \$300, he is still eligible for partial coverage. The following is a table of the percentage of client's liability for each range of available income per month above the income guide:

CLIENT'S LIABILITY BASED ON PARTIAL COVERAGE

<u>AVAILABLE INCOME PER MONTH ABOVE INCOME GUIDE</u>	<u>PERCENTAGE LIABILITY GUIDE (CLIENT'S LIABILITY)</u>
\$1 - \$25	7%
\$25 - \$50	15%
\$51 - \$75	22%
\$76 - \$100	30%
\$101 - \$125	37%
\$126 - \$150	45%
\$151 - \$175	53%

\$176 - \$200	61%
\$201 - \$225	69%
\$226 - \$250	77%
\$251 - \$275	85%
\$276 - \$300	93%
Over \$300	100%

The client's liability requirement will be disregarded if the amount of medical expenses incurred is from \$1 - \$25. When the amount of medical expenses exceeds \$25.00, the client will be responsible for paying the appropriate client's liability rate.

3. DPHSS Director may adopt the policy of considering food stamp benefits as part of the total gross monthly income for households that are receiving food stamps.

**B. Resource Limitations**

1. The maximum allowable liquid resources of all members of the medically indigent household shall not exceed \$1,000. In determining the liquid resources of a household applying for the Medically Indigent Program, the following shall be included as liquid assets unless otherwise exempted in this section:
  - a) Cash on hand;
  - b) Checking or savings account amount;
  - c) Stocks or bonds;
  - d) shares in Credit Union;
  - e) Lump sum payments.
2. The AFDC and Medical Resource Limitations are adopted for the Medically Indigent Program with the following two exceptions:
  - a) The Medically Indigent Program will allow one (1) additional vehicle for either employment or educational training purposes other than at the secondary education level. The amount of the additional vehicle will be excluded from the maximum resource limit.
  - b) An additional property other than the one being lived in will be allowed. The value of this property will be excluded from the total maximum resource limit.
3. The third vehicle should not have an equity value of \$2,500 (appraised value minus principal balance).
4. The value of the third property should not exceed \$1,000.

**C. Residence Requirements**

1. A recipient must be either a U.S. citizen and a resident of Guam or an alien legally admitted for permanent residence to the U.S. and a resident of Guam.

2. Residents of Guam are individuals living on Guam intending to remain permanently or indefinitely. Temporary absence, with intent to return when the purpose of the absence has been accomplished does not interrupt the residency.

## II

### AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

#### A. Inpatient Services

The following inpatient hospital services other than those provided in an institution for mental diseases or tuberculosis shall be covered:

1. Covered Inpatient Services
  - a. Maximum of 60 days in-patient hospitalization per illness. If confinement is medically necessary after 60 days, prior authorization is required.
  - b. Semi-private room and board or private rooms when medically necessary.
  - c. Coronary and intensive care.
  - d. Nursery intensive infant care.
  - e. Surgery and Anesthesia.
  - f. Operating and delivery room.
  - g. Laboratory tests.
  - h. Diagnostic radiology.
  - i. Formulary drugs prescribed by physician. Drugs not listed in the drug formulary must be authorized by the Medically Indigent Program.
  - j. Kidney Dialysis treatment.
  - k. One doctor's visit per day either by hospital resident or an intern in intensive care and coronary care unit.
  - l. Emergency room services.  
Inhalation therapy.
  - n. Physical and occupational therapy when prescribed by physician and provided by a qualified and registered therapist.
  - o. Inhalation therapy.
  - p. Deliveries of patients with no prenatal care and are eligible under the program.
2. The Medically Indigent Program shall not cover the following inpatient services:
  - a. Cosmetic surgery.
  - b. Mental Disorders and psychiatric services.
  - c. Private duty nursing services.
  - d. Personal comfort or convenience items.
  - e. Any services or items requiring prior authorization has not

been obtained or has been denied, e.g. physical therapy medical supplies, etc.

- f. Any services or items which are not medically required for the diagnosis or treatment of a disease, injury, or condition.
- g. Admissions primarily for rest care, custodial or convalescent care, etc.
- h. Care for tuberculosis or lytico (amyotrophic lateral sclerosis or parkinsonism-dementia) and services for insulin injection for diabetes.

3. The Fee Schedule for Hospital Inpatient Services shall be as follows:

a. Room and Board	Fee
Semi-private or private room rate	\$156.80/day
Intensive Care Unit (ICU)	\$420.00/day
Coronary Care Unit	\$420.00/day
Neonatal Intensive Care Unit (NICU)	\$420.00/day
Telemetry	\$258.00/day
Nursery	\$67.50/day
Skilled Nursing Facilities Services (SNFS) (Including medical care)	\$35.00/day
 b. Physician services including surgery and anesthesia	 1970 HRVS conversion factor 0.9 for internal medicine, 9.0 for surgery and anesthesia.
 c. Operating Room	 Fee for service charges.
 d. Pathology and Laboratory services	 Fee for service charges.
 e. Hemodialysis acute care	 \$75.35/1st hour \$56.25/after the 1st hour.
 Stabilization	 \$138.00/day
 f. Radiological services	 Fee for service charges.
 g. Drugs	 Fee for service charges.
 h. Emergency room services	 Fee for service charges.

- i. The following items are considered part of the routine services which are included in the room charge. No additional payment is warranted.
  1. Gloves
  2. Enema
  3. Items stocked at nursing stations or on the floor in gross supply and distributed or used individually in small quantities such as alcohol, applicators, cotton balls, band-aids, antacids, aspirins (and other non-legend drugs ordinarily kept on hand) suppositories, and tongue depressors, lotion (except for skin disease), shampoos.
  4. Items used by individual patients but which are reusable and expected to be available, such as icebags, bedrails, canes, crutches, walkers, wheelchairs, traction equipment, and other durable medical equipment.
  5. Special dietary supplements used for tube feeding or oral feeding.
  6. Dressing trays.
  7. Thermometers.
  8. Powder, cream.
  9. Underpads.
  10. Bedpans.
  11. Q-tips.

B. Out-patient Services

1. The following out-patient hospital services shall be covered.
  - a. Hospital-based physician's services.
  - b. Laboratory and diagnostic tests.
  - c. Diagnostic radiology.
  - d. Emergency room.
  - e. Drugs which are prescribed by physicians and cannot be bought without a prescription.
  - f. Medical and surgical supplies.
  - g. Operating room.
  - h. Dialysis treatment.
  - i. Physical and inhalation therapy (prior authorization is required).
2. The following out-patient hospital services shall not be covered.
  - a. Routine or annual physical examination.
  - b. Non-emergency use of the emergency room.
  - c. Section 2103 drugs on FDA listing.
  - d. Women's health services provided by Public Health.
  - e. Well-child services provided by Public Health.
  - f. Insulin injections.
  - g. Chronic disease services provided by Public Health.
3. The following fee schedule will be used for out-patient services.

Fee Schedule

Fee

- |    |  |   |
|----|--|---|
| 1. | Physician services including surgery and anesthesia.   | 1970 HRVS conversion factor 0.9 for internal medicine, 10 for surgery and anesthesia. |
| 2. | Operating room.  | Fee for service charges.  |
| 3. | Laboratory and X-ray.                                  | Fee for service charges.  |
| 4. | Drugs  | Fee for service charges. \$2.50 co-payment.   |
| 5. | Emergency room services.                               | Fee for service charges.  |
| 6. | Hemodialysis stabilization, Limited care               | \$138.00/day  |
|    | Hemodialysis, Self Care, Self Care Training<br>5 hours | \$218.75/day  |

C. Physician, Laboratory and X-ray claims shall be covered as follows:

1. Coverage
  - a. Medical and surgical services.
  - b. Injections and drugs dispensed by the physicians.
  - c. Services and supplies incidental to physician's services.
  - d. Kidney dialysis.
  - e. One hospital visit per day except consultation in ICU or CCU which requires justification.
  - f. Laboratory and diagnostic X-ray procedures order by physicians.
  - g. Deliveries of patients with no prenatal care and are eligible under the Medically Indigent Program.
2. The following services will not be covered:
  - a. Routine physical examination.
  - b. Cosmetic surgery.
  - c. Vaccine supply available free of charge at the Public Health Clinic.
  - d. Chiropractor's services.
  - e. Acupuncture.
  - f. Insulin injection services.
  - g. Services rendered for the following primary diagnosis:  
Tuberculosis, Amyotrophic Lateral Sclerosis (Parkinson

- Lytic) mental or psychiatric illness.
- h. Women's Health Services provided by Public Health.
- i. Family Planning Services provided by Public Health.
- j. Well-Child Care Services provided by Public Health.
- k. Chronic Disease Services provided by Public Health.

3. The following Fee Schedule for Physician, Laboratory and X-ray claims shall be used:

Fee Schedule	Fee
1. Internal Medicine	1970 HRVS conversion factory 0.9
2. Surgery and Anesthesia	1970 HRVS conversion factor of 9
3. Out-patient surgery	1970 HRVS conversion factor of 10
4. Regular	
a. Laboratory tests	1970 HRVS conversion factor of 0.4
b. Panel tests	
1. Physicians Diagnostic Laboratory:	
89420 Cardiovascular Profile	\$26.50
89425 FSH	\$33.30
89430 Serum Testosterone	\$44.90
89435 Profile 6 (PE Profile Adule)	\$44.00
89440 Executive Profile II	\$63.50
89445 Rheumatoid Profile	\$18.50
89450 Ferritin	\$24.00
89455 Liver Profile	\$22.00
89460 IgM	\$12.65
89465 IgG	\$12.65
89370 Guam Panel	\$27.00
89470 Kidney Profile	\$24.00
89475 Rheumatic Fever Profile	\$29.50
89480 PE Profile (Preschool)	\$26.00
89485 Electrolyte Profile	\$19.00
89490 Executive Profile I	\$35.50
5. Bio-Pathology Laboratory	
89370 Guam Panel	\$27.00
89375 Liver Panel	\$30.00
89380 Thyroid Screen (T3, T4, FT)	\$18.40
89385 Dilantin	\$28.00
89390 Phenobarbital	\$28.00
89395 SMAC-24	\$15.00



89400 Electrolytes	\$50.00
89405 Iron Study	\$20.00
89406 Testosterone, Blood	\$37.50
89407 TSH	\$26.80
89408 Prolactin	\$45.10

6. X-ray 1970 HRVS conversion factor 4.0

7. Hemodialysis

a. 90970 Acute Care Dialysis, 1 hour	\$72.00
b. 90975 Stabilization Dialysis, 5½ hours.	\$72.00 per treatment
c. 90980 Limited Care Dialysis, 5½ hours	\$211.20 per month
d. 90985 Limited Care Dialysis per treatment, 5½ hours	\$7.04 per treatment
e. 90990 Self Care Dialysis, 5 hour	\$147.84 per month
f. 90995 Self Care Dialysis, per treatment, 5 hours	\$4.93 per treatment
g. 91000 Self Dialysis Teaching, 5 hours	\$100.00 per month
h. 91005 Self Dialysis Teaching per treatment, 5 hours	\$3.34

D. The program shall provide Skilled Nursing Care coverage for 180 days per year for recipients over 21 years of age. However, it shall not cover the following services:

The following services are not covered under SNF:

1. Custodial care.
2. Personal comfort items.
3. Dental services.
4. Eyeglasses.
5. Private duty nursing services.
6. Unskilled services.
7. Hearing Aids.

The fee schedule for a Skilled Nursing Facility is \$35.00/day (including medical care).

E. Optometrist services are covered if provided for by optometrists and authorized by the Medically Indigent Program.

Reimbursement will be based on the Hawaii Relative Value Studies (HRVS) Refraction - \$10.00.

F. The following Home Health Services shall be covered:

1. Medical Supplies, when prescribed by physician, are covered only if the patient is actively enrolled under the Home Care Program of the Department of Public Health and Social Services. A referral from the Home Care Program and a prescription from the attending physician including Diagnosis and an itemized list of supplies must be submitted to Medically indigent Program before a prior authorization can be issued. The following are covered:
  - a. Dressing supplies (combined 4x4s, 2x2s, gauze pads, elastic bandages, porous tapes, etc.).
  - b. Colostomy and iliastomies (original sets, replacement and ongoing care supplies).
  - c. Urinary appliances (sterile foley catheters, irrigation sets, catheterization sets, bags, tubes, etc.).
  - d. Supports and abdominal binders (not to include braces).
  - e. Syringes and needles.

2. Medical Equipment

Medically Indigent Program covers only oxygen tank and accessories for Home Care Patients only.

The following medical equipment are not covered for Home Care Patients:

- a. Nonelectric wheelchairs.
- b. Crutches.
- c. Walkers.
- d. Nonelectric hospital beds.
- e. Bedside rails.
- f. Bed pan.

A referral form the Home Care Program and a prescription from the attending physician which includes the diagnosis, the name of equipment and the anticipated period of use, should be submitted to the Medically Indigent Program before a prior authorization can be issued.

3. Physical and Occupational therapy services are covered if authorized by the Medically Indigent Program and prior authorization is obtained. Any extension of physical therapy beyond the period of three (3) weeks will require prior approval.

G. The following drug prescriptions shall be covered:

1. Prescribed drugs are provided and reimbursement in accordance with the drug formulary which includes the name of drugs covered by the Medically Indigent Program, the strength, the Maximum Allowable Charge (MAC) and the maximum or minimum allowable quantity.
2. The MAC is based on the updates average wholesale price plus

a 5% increase for shipping costs. The agency will review and update the drug formulary once every 6 months.

3. The dispensing fee for each item of drugs is \$2.75. If the pharmacist has in his inventory drugs with ingredients which cost less than the MAC of acceptable quality, he is required to charge the Medically Indigent Program at the lower cost.

### III

#### THESE SERVICES SHALL NOT BE COVERED BY THE MEDICALLY INDIGENT PROGRAM

1. Abortion.
2. Care for tuberculosis or Lytico (amyotrophic lateral sclerosis or parkinsonism).
3. Services provided at the Intermediate Care Facility at Guam Memorial Hospital.
4. Mental Disorders and Psychiatric services.
5. Cosmetic surgery.
6. Routine physical examination.
7. Acupuncture.
8. Private duty nursing services.
9. Personal comfort or convenience items.
10. Any service or items which are not medically required for the diagnosis or treatment of a disease, injury or condition.
11. Admissions primarily for rest care, custodial or convalescent care, etc.
12. Non-emergency use of the emergency room.
13. Section 2103 drugs on FDA listing.
14. Vaccine supply available free of charge at Public Health Clinics.
15. Family Planning Services provided at Public Health Clinics.
16. Women's Health Services provided at Public Health Clinics.
17. Well-Child Care Services provided at Public Health Clinics.
18. Chronic Disease Services provided at Public Health Clinics.

19. Chiropractor's services.
20. Home Health Nursing and Health Aid Services provided by a home health agency.
21. Insulin injection and related physician services.
22. Custodial Care.
23. Unskilled Services.
24. Dentures/Restoration.
25. Orthopedic conventional shoes.
26. Preventive services.
27. Rehabilitation Services.
28. Prosthetic or Orthotic devices.
29. Podiatrists Services.
30. Local transportation services.
31. Services for any inmates or residents of a public institution.
32. Durable medical equipment other than oxygen for Home Care Patients.
33. Audiological, Speech and Language evaluation.
34. Hearing Aides.
35. Psychological services.
36. Dental Services.
37. Eyeglasses.
38. Circumcism.
39. Other services covered by Federally Funded Programs except special hardship cases to be selected by the Director in his discretion.

#### IV

#### THE FOLLOWING SERVICES REQUIRE PRIOR AUTHORIZATION IN THE FOLLOWING WAYS

A. Admission for Elective Surgery:

A prior authorization is required for patient being admitted to the hospital more than one day before the surgery is scheduled. A justification by the attending physician must be submitted to the Medically Indigent Program.

B. In-patient Hospital Services More Than 60 Days:

The Medically Indigent Program covers a maximum of 60 days hospita-

lization per illness. If confinement is medically necessary after 60 hospital days, a justification from the attending physician is required before the Medically Indigent Program will issue the prior authorization.

C. Physical Therapy, Occupational Therapy and Non-Emergency Inhalation Therapy provided at the Guam Memorial Hospital (Out-Patient) Department. These services are limited to Home Health Care patients.

Recipients who need the above services, must submit to the Medically Indigent Program a copy of the attending physician's treatment plan, which includes the patient's name; diagnosis; type, frequency and duration of treatment. If approved, a prior authorization will be issued by the Medically Indigent Program.

D. CAT Scan (Head or Body) Provided On An Out-Patient Basis:

A justification for the need of the service by the attending physician must be submitted to the Medically Indigent Program before authorization is to be issued.

E. Medical Supplies and Medical Equipment:

Medically Indigent Program covers medical supplies and medical equipment to be used by a client at home only if the patient is actively enrolled under the Home Care Program of the Department of Public Health and Social Services. A referral from the Home Care Program and a prescription from the attending physician including diagnosis, an itemized list of supplies, the type of equipment, and the anticipated period of use should be submitted to the Medically Indigent Program before an authorization can be issued. Medical equipment is limited to oxygen and accessories.

Medical supplies for Home Care Patients only are as follows:

1. Dressing supplies (combined 4x4s, 2x2s, gauge pads, elastic bandages, porous tapes, etc.).
2. Colostomy and iliastomies (original sets, replacement and ongoing care supplies).
3. Urinary applicances (sterile foley catheters, irrigation sets, catheterization sets, bags, tubes, etc.).
4. Supports and abdominal binders (not to include braces).
5. Syringes and needles.

F. Drugs:

Medically Indigent Program covers prescribed drugs in accordance with the drug formulary. Drugs not listed in the formulary must receive prior authorization. A referral from the physician and a

prescription must be submitted before authorization can be issued justifying reasons for substituting drugs.

V

OFF-ISLAND MEDICAL CARE

A. Eligibility: The same eligibility standards are in effect for off-island care as are in effect for the Medically Indigent Program as to income, residency and resources. Additionally, an applicant must have not discontinued his insurance coverage within 6 months prior to application to the Medically Indigent Program. Those with insurance eligibility must continue with their insurance coverage.

B. Coverage:

1. The ceiling for expenses in regard to off-island care will be the average annual ceiling of all insurance companies serving Government of Guam employees as determined by DPHSS.
2. All services will be pre-authorized and any new services or need for further services will also be pre-authorized before payments are made on submitted bills.
3. Those clients with cost-sharing rate requirements will be responsible for their share of costs and must make payments directly to the service providers.

The Medically Indigent Program will pay directly to service providers the appropriate rate of payment on each bill received.

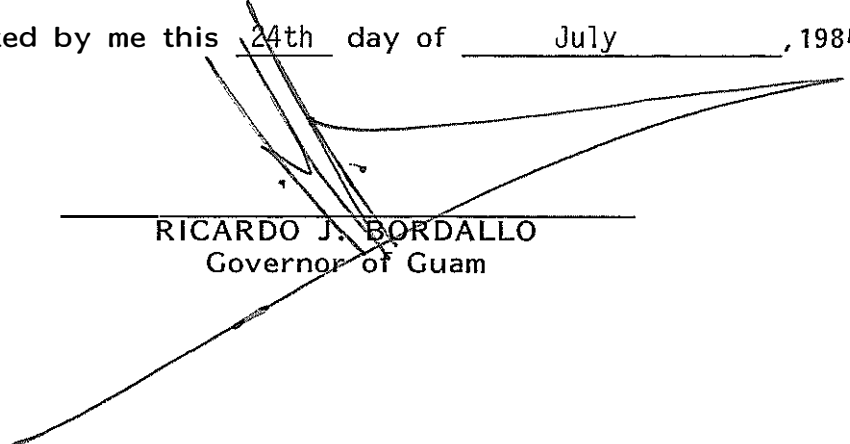
4. Air transportation will be provided to Medicaid clients and Medically Indigent Program clients with no cost-sharing rate requirement and one parent, if the patient is a minor, 17 and below, only after an assessment is made on the patient's ability to pay on a case-by-case basis by the Director in his sole discretion.
5. All off-island referrals will be reviewed by a Medical Review Board composed of three physicians who shall be selected by Director of DPHSS for appropriateness and as to whether or not the proposed treatment is medically necessary.

C. The following services will not be provided in regard to off-island care:

1. Crippled Children's Services provided by Public Health.
2. Dialysis treatment to include in-patient and hospital patient incurred charges.
3. Elective cosmetic surgery.
4. Experimental treatments.
5. Fertility procedures. Sterilization. Abortion.
6. Off-island living expenses.
7. Organ or corneal transplant.

8. Over-the-counter drugs.
9. Special appliances and materials.
10. Other services covered by Federally Funded Programs except as decided by the Director in his discretion.

Promulgated by me this 24th day of July, 1984.

  
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RICARDO J. BORDALLO  
Governor of Guam