

Medical Debt Statement – University Medical Center

University Medical Center (“UMC”) is committed to serving Lubbock County and the surrounding areas. UMC serves as a teaching hospital and is the only designated Level 1 Trauma Center in the region.

UMC is a governmental entity dependent on external sources for funding. As a taxpayer owned hospital, UMC is committed to utilizing scarce resources in a financially prudent manner while also maintaining the lowest tax revenue as a percent of operating budget among major hospital districts in Texas. UMC operates many financial programs for patients requiring financial assistance, including the Lubbock County Medical Indigent Program and UMC’s Charity Care Program. UMC works with patients who require interest free payment plans and partners with its Resource Assistance Department to locate applicable state or federal programs, including Medicaid and Medicare, for qualified patients. All uninsured patients who do not qualify for other financial assistance programs automatically qualify for assistance under UMC’s Charity Care policy. In 2018 and 2019, UMC provided approximately **\$164 MILLION** in unfunded care. UMC estimates that it will provide another **\$84.2 MILLION** dollars in unfunded care in 2020.

To fund its mission – of charity, education, and financial stewardship – UMC is unable to provide free care to those who do not qualify for financial assistance or who refuse to communicate with UMC to resolve their balances. Similarly, some patient payment disputes result from a failure of a patient’s employer sponsored health coverage to appropriately pay for the patient’s covered medical services or improper steerage to UMC as an out of network provider. This creates a situation where patients may think they have medical insurance coverage based on representations from their employer or insurance company but then discover their medical coverage refuses to pay for care provided, resulting in a bill to the patient.

As a last resort, UMC attempts to collect on past due balances owed. In a small number of cases, this may result in UMC filing a lawsuit against a patient for payment. With almost **1 MILLION patient encounters** from 2018 to current, UMC has filed suit against 94 patients, with UMC dismissing 13 of those cases after filing. Mr. Franklin has successfully represented the interests of the hospital.

