

CHAPTER 2.0

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2.01.03 ADMINISTRATIVE PROCEDURE FOR SLIDING FEE SCALE  
DISCOUNT PROGRAM

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This section has been reviewed by the Executive Director and the  
Director, Business Operations.



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12/21/2020

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Date



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12/21/2020

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Date

**2.01.03**  
**ADMINISTRATIVE PROCEDURE FOR SLIDING FEE SCALE DISCOUNT PROGRAM**

**I. PURPOSE:**

To assure that persons receiving services have access to care regardless of their ability to pay for such services while allowing the Center to manage and maximize public and private revenue/resources in the most effective way possible.

This procedure establishes a uniform and equitable method of assessing, charging and collecting fees for services provided to uninsured or underinsured individuals, through the implementation of a Sliding Fee Scale Discount Program (SFSDP).

**II. KEY PROVISIONS:**

Persons are charged for services based on their ability to pay.

Procedures for determining persons' ability to pay are fair, equitable and consistently applied for all persons seeking services.

Paying for services in accordance with his/her ability to pay for such services supports the role of the person as a customer.

Earned revenues are maximized and support the financial viability and sustainability of the Center.

**III. SCOPE:** Center-wide

**IV. DEFINITIONS:**

Countable Gross Income: For the purpose of the Sliding Fee Scale Discount Program "countable gross income" is limited to the income of the counted family members with the exception of wages earned by an unmarried person under age 18, child support payments, food stamps, income of others living in the household not defined as "countable family members" or the SSA, SSI or SSDI benefits of a person under age 18 who is not the person being served.

**Sliding Fee Scale Discount Program (SFSDP):** A sliding fee scale discount program adjusts the amount an eligible individual owes for health care services based on the individual's ability to pay. Sliding fees are determined by current Federal Poverty Guides utilizing the family size and income. Sliding fee scales are a means of addressing the need for equitable access to health services for all individuals.

**Family Size:** For the purpose of the Sliding Fee Scale Discount Program family size is limited to the listed family members;

- An unmarried person under age 18 includes the person, and if living in the same household the person's biological or adoptive parents and the dependents of the parents.
- Unmarried person 18 years or older includes the person and person's dependents.
- Married person of any age includes the person, the person's spouse, and their dependents.

**Underinsured:** An individual covered by a source of third-party funding, but at risk of high out-of-pocket expenditures due to their plan's benefit package or who are not covered under any type of health insurance plan. This may include, but is not limited to, high deductible plans, high coinsurance/copay plans, low per diem policies, etc.

## **V. PROCEDURE:**

1. Community Healthcare provides care to eligible patients through the establishment of a Sliding Fee Scale Discount Program (SFSDP) that is based on federal poverty guidelines.
  - a. The SFSDP is established to uniformly reduce or waive fees for services based on family size and income.
  - b. The sliding fee schedule used to calculate an individual's discounted fees for services is reviewed and updated annually to reflect current Federal Poverty Guidelines.
  - c. Notification and information about the program and the application will be
    - 1) provided to all individuals at the time of the initial appointment.

- 2) Posted at all service sites
- 3) Posted on the center website
- 4) Provided to all individuals in the appropriate language/format needed for the individual.

## 2. Application for the Sliding Fee Scale Discount Program

- a. The SFSDP application must be completed to determine a person's eligibility for the program.
- b. Application for the SFSDP will be available to all persons served and will not discriminate on the basis of residency status, age, gender, race, creed, disability, sexual orientation, gender identity or national origin.
- c. The SFSDP application is completed at the time of the initial visit and is updated annually or anytime there is a significant change in a person's financial status thereafter.
  - 1) The application process will be conducted in an efficient, respectful and culturally appropriate manner to assure that administrative operating procedures for such determinations do not present a barrier to care. Patient privacy and confidentiality will be protected throughout the process.
  - 2) The uniform process for the sliding fee discount program will be applied to all applications and persons must be re-qualified for sliding fee scale discounts annually by providing new/updated income/family documentation.
  - 3) If there is a significant change in the financial status prior to a scheduled annual update the person can re-apply for consideration of current circumstances by providing current income/family documentation.
- d. The SFSDP application process includes a determination of eligibility based on family size and income only.
  - 1) Eligibility to receive services at a discounted rate through the program requires applicants to provide information regarding defined family size and proof of countable household income.
- e. The SFSDP application and eligibility determination does not consider the insurance status of the individual; however, the

application process also includes the identification of all alternative financial resources available to help the person to cover the costs of their healthcare services including, but not limited to:

- 1) Public health insurance benefits, i.e. Medicaid, CHIP, and/or Medicare
- 2) Commercial health insurance benefits
- 3) Other federal, state or local entities or health-related financial assistance programs

### 3. Determining Eligibility for the Sliding Fee Scale Discount Program

- a. Eligibility is based only on the defined family size and proof of "countable" household income.
- b. Applicants must report all "countable gross income" from all sources for all defined family members.
- c. Applicants must provide documented proof of reported income to be determined eligible for the program. Proof of income is expected to be provided when the initial or annual application is completed. If proof of income is not provided at the time the application is being completed;
  - 1) The application will be processed to determine eligibility and the sliding fee discount level at which the person will be charged for services pending the receipt of required documentation.
  - 2) The required documentation must be provided within 30 days of application. Once 30 days has elapsed, sliding fee discounts may not be applied to services from that date forward or until the documentation is provided.
- d. Documentation for proof of income will depend on the type of income reported and/or that which is readily available to the individual;
  - 1) Wages - two (2) current paystubs or direct deposit slips/statements
  - 2) W-2 withholding forms
  - 3) Federal income tax documents (a prior year or most recent quarter for self-employment)

- 4) Letter from employer on company letterhead
  - 5) Unemployment benefit award letter
  - 6) Retirement income statements
  - 7) Award or benefit certification documents from Federal/State agencies including SSI, SSDI, Veteran's benefits, Workers Compensation, or other income.
  - 8) Texas Employment Commission written statement of earnings
  - 9) Signed Supporter Statement of Earnings
  - 10) Special circumstances for persons who are unable to provide written verification
    - (a) Persons who have no income may, in lieu of proof of income, submit a signed self-attestation statement of zero income.
- e. All persons are notified at the time of application that the Center may verify reported wage earnings through the online Texas Workforce Commission.
  - f. The reported family size and income will be applied to the current Sliding Fee Scale to determine the amount the person will be charged for services.
  - g. Written documentation of the sliding fee determination including the discounted fees for which the person will be expected to pay for services, will be provided to the person anytime an application has been completed.

#### 4. Application of Discounted Fees for Services

- a. The determined sliding fee scale discounted rate for services will apply to all individuals who have been determined eligible for the Sliding Fee Discount Program.
- b. Persons that have public, commercial, or another alternative third-party health insurance benefits that may pay for services are expected to provide their member benefit information and complete an assignment of benefits to the Center.

- 1) The Center will bill all available third-party payers directly for services that are a benefit of the person's health care insurance plan.
    - a) The Center will make every reasonable effort to secure reimbursement for provided services from those third- party payers.
    - b) Depending on the Sliding Fee Discount Program under which the individual receives services or any legal contractual obligations and limitations of the insurance carrier, the out-of-pocket expenses such as copays, deductibles or co-insurance for individuals who have third party coverage and are eligible for sliding fee discounts may be limited to their determined sliding fee scale discount pay class.
    - c) Special considerations may be made in the person's responsibility for payment of calculated out-of-pocket expenses if it is determined that the person is underinsured and the payment of those expenses would create a barrier to access needed healthcare services.
  - 2) The determined sliding fee scale discounted rate for services will apply to services that are not a covered benefit of the person's healthcare insurance plan.
5. To ensure that charges for services are fair, equitable and uniformly applied the Center maintains a standard schedule of charges for all services.
- a. The established standard charges for all services are used as the base charges for all services regardless of a person's healthcare insurance or ability to pay status.
  - b. Utilizing the standard charge for services prior to the application of a determined sliding fee discount ensures that all persons and third-party healthcare insurances are uniformly charged for services.
  - c. Determined sliding fee discounts are then applied to standard charges to determine the sliding fee scale rate a person is able and expected to pay for services.
6. Payment for Services
- a. Services provided in an office setting

- 1) Payment of expected discounted fees, health insurance copays, and responsibilities is due at the time of the service.
- 2) Persons who maintain an outstanding previous balance on their account will be provided with a current written statement at each visit.
- 3) All persons who maintain an outstanding balance will also receive a monthly statement.

b. Services provided in a community setting

- 1) All persons who maintain an outstanding balance will receive a monthly statement

7. Collection Efforts

- a. Collection efforts will be conducted in an efficient, respectful and culturally appropriate manner, assuring that activities do not present a barrier to care.
- b. Collection efforts should be initiated at the time the person/ responsible party establishes an outstanding balance.
- c. Center staff will work with each person / responsible party to understand the unique circumstance for failure to pay for services in accordance with their determined ability to pay.
  - 1) Designated staff will first inquire as to whether the family size or income information used to calculate discounted fees for services has changed and a new application needs to be completed to re-assess the person's level of ability to pay for services.
  - 2) If the current discounted fee level still appropriate and the person / responsible party is experiencing a temporary financial set back then designated staff may work with them to develop a time-limited payment plan that considers the person's current financial situation.
  - 3) When efforts to work with the person are unsuccessful and payment of any amount has not been for more than three consecutive visits clinical staff will be notified to assess whether suspension of services will negatively impact the person's health and wellness.



- (a) Depending on the outcome of the clinical determination services may be suspended until payment is received.
  - (b) If it is determined that suspension of services would cause the person's health condition to deteriorate then clinic staff may temporarily waive fees for services until a person's condition improves.
- d. Persons in crisis will not be denied needed care for any reasons including those related to non-payment of prior services.

#### 8. Sliding Fee Scale Discount Program Evaluation

- a. The center Sliding Fee Scale Discount Program will, at a minimum be evaluated once every 3 years.
  - 1) Evaluation will include collection of utilization data as necessary to assess the rate at which patients within each of its discount pay classes, as well as those at or below 100 percent of the FPG, are accessing health center services;
  - 2) Evaluation will include other data gathered from patient satisfaction surveys of patients at various income levels to evaluate the effectiveness of its sliding fee discount program in reducing financial barriers to care;
  - 3) Evaluation process will include implementation of any changes to the program identified as needed to remove financial barriers and improve access to care.