BOARD APPROVAL: _____



Title: Sliding Fee Discount Policy

Revision: 9/4/2014 **Review Date**: 6/13/2018 **Board Approval**: 07/31/2019 **Revision Date**: 02/29/2020 **Last Revision Date**: 01/13/2021 **Most Recent Board Approval**: 01/27/2021

Purpose: To ensure that the Center provides services to all patients without regard to the patient's ability to pay. This sliding fee discount policy applies to all services and all patients.

Policy:

No patient will be denied services because of inability to pay. Patients will be expected to comply with the efforts of the Front Office Staff to ascertain the existence of any third-party insurance coverage a patient may possess, and/or to exhaust all other payment sources, or otherwise appropriately document the patient's ability to pay for services.

Patients lacking adequate third-party insurance coverage will be expected to provide appropriate information for the completion of a financial assessment. Based upon the proof of income presented, the patient will be informed of his/her eligibility for the Sliding Fee Program by the Front Office Team Staff, in person or via telephone. Individuals with Limited English Proficiency patients will be notified in accordance with Center's LEP Policy.

Please NOTE: If you have third-party insurance and are unable to pay your co-insurance (Medicare and/or commercial insurance that do not restrict discounts due to contractual or legal limitations) or deductible on non-covered services you may be eligible for our Sliding Scale Program and/or make a payment arrangement with our billing clerk. Underinsured patients will be determined by examining the patient's proof of income in comparison to their deductible/coinsurance. Proper proof of income is the most current tax return, the most recent paystubs, most recent statement from social services (such as an Award Letter), or a letter from the caregiver with explicit amounts of money that are given on a monthly basis.

Discounts are offered to uninsured and underinsured patients based upon family/household size and annual income. Household size is determined by mother, father, and dependent children under 18. Other adults in the household, even though related, are not included. Income includes: earnings, unemployment compensation, worker's compensation, social security, supplemental security income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Noncash benefits (such as food stamps and housing subsidies) do not count.

| Family Size | <100 % FPL Level I | 101-150% FPL Level II | 151-175% FPL Level III | 176-200% FPL Level IV |
|---------------------------------|--------------------------|-----------------------------|------------------------------|-----------------------------|
| 1 | 12,880 | 19,320 | 22,540 | 25,760 |
| 2 | 17,420 | 26,130 | 30,485 | 34,840 |
| 3 | 21,960 | 32,940 | 38,430 | 43,920 |
| 4 | 26,500 | 39,750 | 46,375 | 53,000 |
| 5 | 31,040 | 46,560 | 54,320 | 62,080 |
| 6 | 35,580 | 53,370 | 62,265 | 71,160 |
| 7 | 40,120 | 60,180 | 70,210 | 80,240 |
| 8 | 44,660 | 66,990 | 78,155 | 89,320 |
| add for additonal members | 4,540 | 6,810 | 7,945 | 9,080 |

Sliding scale discounts will be based on the most recent Federal Poverty Index guidelines as indicated in the scale below.

Patients lacking proper proof of income at the initial visit must provide this documentation within sixty (60) business days or the Sliding Scale Program eligibility provision will be cancelled. Should this action occur, the patient will then be placed in the full-pay (100%) category until income verification is provided unless other arrangements have been approved by the registration supervisor. Final determination of the eligibility and proof of income documents will be signed and reviewed by the Registration Staff.

When determining the Master Fee Schedule KMHA will utilize the Optum 360 Custom Fee Analyzer. The Master Fee Schedule will be reviewed annually and approved by the Board of Directors. Nominal fees for the sliding fee scale will be determined by the HCH Advisory Committee as well as the Board of Directors annually. Information used in making this determination will be obtained from assessments of patient income levels, insurance status, percentage of population below the Federal Poverty Line, and comparisons to other area FQHC HCH Programs. In addition to this, annual reviews of historic Self Pay AR Reports will be analyzed in order to identify any barriers that may be present regarding patient's ability to pay nominal fee amount.

Patients qualifying for a sliding scale discount will be expected to pay a nominal (flat) fee for Level I and a discounted rate for Level II-IV based on our sliding fee scale at the time services are rendered. This payment will cover all charges incurred as part of a single visit, including ancillary services such as those received from laboratory and injections. Charges for all services rendered are to be recognized at their full value within the KMHA fee schedule and fully discounted apart from the applicable flat fee established for the services.

| | | - |
|-----|------|-----|
| Non | nnal | Fee |
| | | |

Discounted Class Price (Levels II – IV)

| | Level I | Level II | Level III | Level IV | | |
|------------------------------|--|---------------------------|---------------------------|---------------------------|--|--|
| 340B Pharmacy Drugs | \$2 plus acquisition cost | \$4 plus acquisition cost | \$6 plus acquisition cost | \$8 plus acquisition cost | | |
| Medical | \$5 | \$10 | \$15 | \$20 | | |
| Behavioral Health | \$5 | \$10 | \$15 | \$20 | | |
| Dental (Preventive) | \$30 | \$40 | \$50 | \$60 | | |
| Dental (Dentures/Partial) | \$300 Full Set Dentures or \$400 Per Partial + applicable Level charges 100% FPG or below would pay \$300 + \$30 = \$330 | | | | | |
| | 101-150% FPG would pay \$300 +\$40 = \$340 151-175% FPG would pay \$300 + \$50 = \$350 176-200% FPG would pay \$300 + \$60 = \$360 | | | | | |

Level 1 – patients at or below 100% FPG will receive a 100% discount of charges with a nominal fee as outlined above. Nominal Fee was determined by assessing the collection rates by discount pay class, write-off rates by discount pay class, patient surveys and board input.

Patients that fall between Levels II – IV will receive a 100% discount of charges with a discounted price as outlined above.

Persons over 200% of FPG will be responsible for the full charge and receive no discount. NOTE: Dentures and Partials are discounted across all income levels.

Patients who are over the 200% FPG will be responsible for the fully loaded 340B cost (cost of medication + Administrative Fee + Dispense Fee).

<u>Applicability:</u> This policy applies to all patients and all services offered at the clinic. No patient will be denied services regardless of inability to pay.