


White River Health District dba Deschutes Rim Health Clinic  
Policies and Procedures

<b>DEPARTMENT:</b> Finance 	<b>POLICY NAME:</b> Sliding Fee Discount Program (SFDP)	<b>POLICY NUMBER:</b> FN-01
<b>EFFECTIVE (ORIGINAL) DATE:</b> 03/01/2016	<b>RESPONSIBLE PARTY:</b> Chief Financial Officer	<b>REVISED DATE:</b> 10/01/2020
<b>APPROVAL DATE:</b> 10/21/2020	<b>DATE REVIEWED:</b> 09/24/2020	<b>APPROVED BY:</b> BOARD OF DIRECTORS
<b>CFO:</b>	<b>BOARD CHAIR:</b>	

**POLICY STATEMENT:**

It is the policy of DRHC to provide discounted services to those who qualify, based on family size and income in relation to the current Federal Poverty Guidelines, thereby reducing barriers to accessing and utilizing DRHC's services for low-income individuals and families.

**AUTHORITY:**

Section 330(k)(3)(G) of the PHS Act; 42 CFR 51c.303(f), 42 CFR 51c.303(g), 42 CFR 51c.303(u), 42 CFR 56.303(f), 42 CFR 56.303(g), and 42 CFR 56.303(u)

**DEFINITIONS:**

*Family:* A group of two or more persons related by birth, marriage, adoption, or legal partnerships (i.e. domestic partnerships) who live together; all such related persons are considered as members of one family. This includes students, regardless their residence, who are supported by their parents or others related by birth, marriage, or adoption, or legal partnerships (i.e. domestic partnerships). Self-declaration is used for family size.

*Income:* Is defined as total annual cash receipts, before taxes from all sources, including wages and salaries before any deductions, net receipts from self-employment; regular payments from social security, unemployment compensation, alimony, child support, military family allotments, pensions, and regular insurance or annuity payments, dividends, interest, net rental income. Documentation to support income are pay stubs, recent federal tax return, copy of W2 form, gross income verification completed by the employer, and/or copies of bank statements. Other documentation may be used if needed and approved by Clinic Manager and/or CFO.

**Sliding Fee Discount Program**

White River Health District dba Deschutes Rim Health Clinic  
Policies and Procedures

*Income to Poverty Ratio:* Income to poverty ratio represent the ratio of family or unrelated individual income to their appropriate poverty threshold. Ratios below 1.00 indicate that the income for the respective family or unrelated individual is below to the official definition of poverty, while a ratio of 1.00 or greater indicates income above the poverty level. A ratio of 1.25, for example, indicates that income was 125% above the appropriate poverty threshold.

*Federal Poverty Guidelines:* Poverty guidelines are issued each year in the Federal Register by the Department of Health and Human Services (DHHS). The guidelines are a simplification of the poverty thresholds for use for administrative purposes – for instance, determining financial eligibility for certain federal programs.

**POLICY:**

DRHC assures no patient will be denied health care services due to an individual's inability to pay for such services and assures that any fees or payments required of the patient for such services will be reduced or waived to enable full access to DRHC's in-scope services, thereby minimizing financial barriers to care for patients living at or below 200% of the Federal Poverty Guideline (FPG). DRHC will prepare a corresponding schedule of discounts to be applied to the payment for such fees or payments, by which discounts are adjusted based on the patient's ability to pay. DRHC makes every reasonable effort to secure patient payment for services in accordance with the schedule described herein and to collect reimbursement for health services to patients covered by public and private insurances.

The Sliding Fee Discount Program applies to all required and additional health services in DRHC's HRSA-approved scope of project, assuring all patients of DRHC have full access to in-scope services, regardless the service type or mode of service delivery, and regardless of the patient's ability to pay, while allowing DRHC to maximize reasonable revenue sources. To facilitate patient access and utilization, DRHC assures that all patients are made aware of the sliding fee discount program by providing them with up-to-date information regarding eligibility (based on family size and income) and the application process. Signage is posted throughout DRHC facilities, in language and literacy levels relative to the needs of individuals and families served by DRHC. The following elements guarantee amounts owed for services by eligible patients are adjusted based on the patient's ability to pay:

- All individuals and families with annual incomes at or below 200% of the FPG may apply.
- A full discount is applied for individuals and families with annual incomes at or below 100% of the FPG, or allowance for a nominal charge only, consistent with this policy.
- An adjustment of fees (partial sliding fee discount) is made for individuals and families with incomes above 100% and at or below 200% of the FPG, based on household size and income.
- No sliding fee discount is available to individuals or families with annual incomes above 200% of the FPG.

***Responsibility of the Board of Directors***

Being that these policies form the foundation for operating procedures, the approval of the full Board of Directors (BOD) – with its community based and patient-focused perspective – is required for this policy to become active and implemented throughout the organization.

**Sliding Fee Discount Program**

White River Health District dba Deschutes Rim Health Clinic  
Policies and Procedures

### ***Update & Revision***

Because the Board of Directors is responsible for ensuring patients' access to services, it must periodically review evaluations of these operating procedures and assess their effectiveness in reducing barriers to care and their appropriateness for DRHC and the community. The BOD delegates policy review and recommendations to DRHC's Audit, Ethics and Compliance Committee (AEC) to bring to the BOD for their approval. The Sliding Fee Discount Schedule must be revised annually to reflect updates to the FPG. In addition, DRHC is responsible for providing staff training on implementation of the sliding fee discount program policies and supporting operating procedures.

### ***Establishing Nominal Charges***

Individuals with annual incomes at or below 100% of the FPG are responsible to pay the nominal charge per service category utilized at the time of their visit, established by DRHC, consistent with this policy. The Board of Directors is careful not to set the nominal charge so high as not to create a barrier to care while concurrently not setting the charge so low as to be less than a routine insurance co-pay. This is intended to encourage those with insurance coverage to use it, as is appropriate. If the copay is higher than the nominal charge and the insurance prohibits a waiver of the copay, this amount will be collected from the patient at the time of service. The setting of nominal charge must be considered nominal from the perspective of patients served by DRHC (for example, based on input from patient board members, patient surveys, advisory committees, or a review of co-pay amount(s) associated with Medicare and Medicaid for patients with comparable incomes) and must not reflect the actual cost of the service being provided. Consult the schedule(s) for nominal charge(s).

### ***Services Provided in Referral***

For services provided in referral, representative of a Column III arrangement (i.e., referral provider bills DRHC's patients), DRHC is responsible for ensuring that the referral provider's discounts for health center patients participating in the SFDS program meet criteria outlined in Chapter 9 of the Health Center Program Compliance Manual.

### ***Billing & Collections***

DRHC maintains a separate set of sound billing and collections policies and operating procedures that support the center's ability to carry out the sliding fee discount program, that maximize revenue from public and private third-party payors. Every reasonable effort is made to collect appropriate reimbursement from third party payors, for the full amount of fees and payments for such services without any application of discount.

Patients and third-party payors are typically billed within 30 days of service. The utmost attention is given to maintaining privacy and confidentiality of all personal information and records in the process, as patients are routinely notified of confidentiality and security protections.

Additionally, for those patients who do not have insurance, DRHC staff educate these patients to their options in determining their eligibility for public and private assistance; although it should be noted, DRHC staff do not require patients to purchase insurance. The process of billing and collections is conducted in an efficient, respectful, and culturally appropriate manner, assuring that procedures do not present a barrier to care and patient privacy and confidentiality are protected in the process.

## **Sliding Fee Discount Program**

### ***Patients with Third Party Coverage***

Patients of DRHC who are eligible for sliding fee discounts and have third-party coverage shall be charged no more for any out-of-pocket costs (e.g., deductibles, co-pays, and services not covered by their plan) than they would have paid under the applicable sliding fee discount schedule pay class. Such discounts are subject to potential legal and contractual restrictions.

### ***Waiving Charges***

DRHC has established a provision for waiving fees and nominal charges for any patient experiencing hardship circumstances such as but not limited to; homelessness, domestic violence, job loss, catastrophic illness, or other issues as deemed a hardship by DRHC management. Hardship cases will be regularly reviewed and approved/denied by the Revenue Cycle Management team, whose membership will include the Clinic Site Manager, CFO, and/or representatives from the billing service department

### ***Refusal to Pay***

If a patient verbally expresses an unwillingness to pay or vacates the premises without paying for services, the patient will be sent a statement outlining their payment obligations. If the patient is not a participant in the Sliding Fee Discount Program, a copy of the Sliding Fee Discount Program application may be sent with the notice. If the patient does not make effort to pay or fails to respond within 90 days, this constitutes refusal to pay. At this point in time, DRHC may explore options including, but not limited to, offering the patient a payment plan, waiving of charges, or referring the patient to collections.

Discharging patients is a last resort for a Refusal to Pay status, prior to any such termination all prior steps taken must be attempted and documented, including payment schedules. If after at least three financial counseling and payments plans have been set up and failed, patients will be asked to pay for current visits prior to being seen and will be allowed an appointment on a walk-in basis only for a probationary period of until they have made reasonable efforts to pay on their balance.

### ***Program Evaluation***

DRHC will evaluate, at least once every three years, the sliding fee discount program. At a minimum, DRHC will: 1) collect utilization data that allows it to assess the rate at which patients within each of the discount pay classes, as well as those at or below 100% of FPG, are accessing health center services; 2) utilize this and, if applicable, other data (for example, results of patient satisfaction surveys or focus groups, surveys of patients at various income levels, etc.) to evaluate the effectiveness of the sliding fee discount program in reducing financial barriers to care, and; 3) identify and implement changes as needed.

White River Health District dba Deschutes Rim Health Clinic  
Policies and Procedures

**PROCEDURES:**

***Eligibility***

Assessment of all patients for sliding fee discount eligibility is based only on income and family size. All DRHC employees involved in the eligibility determination process are responsible to conduct this process in an efficient, respectful, and culturally appropriate manner to assure that administrative operating procedures for such determinations do not themselves present a barrier to care. Patient privacy and confidentiality must be protected throughout the process.

For patients who choose not to provide information that DRHC requires for assessing income and family size, even after being informed that they may qualify for the sliding fee discount program; these patients are declining to be assessed for eligibility and are therefore considered ineligible for such discounts.

1. At the time of patient registration and orientation, all patients shall be informed of the SFDP by Patient Services, regardless of insurance coverage. All patients are encouraged to complete the necessary forms for possible eligibility.
2. When notified of the Sliding Fee Discount program, the patient will be presented with application materials.
3. The patient will return the completed materials to DRHC staff. The patient will be required to attach proof of income to the application or, if applicant is unable to provide proof of income, Applicant self-declare on the complete Alternative Income Verification Form included in the application. This information will be considered in the approval process when reviewing an application.
4. The Center has in process in place to assist new applicants, or those renewing their applications, in the event the applicant has barriers to reading or writing.
5. The materials will be reviewed by DRHC staff to check for completion, if eligible by verification of income and family size, will be assigned a discount category.
6. The patient will be notified they have received discount and notified of date of approval and subsequent date of expected renewal (one year in advance of approval).
7. The application materials will be filed. Information will be entered into the patient's chart and sliding fee roster. Appropriate adjustments will be made to the patient's record to apply the discount to services rendered. Proof of income documents (if provided) shall be copied and attached to the application. Application, with attachments may be reviewed by the Clinical Site Manager or Billing Department.
8. The patient's income and family size shall be reviewed annually, 12 months past their enrollment date. Patients are also required to re-enroll if their income or family size changes during their period of eligible enrollment.

***Billing and Collections***

1. Billing and collections for services rendered to sliding fee patients will be made in accordance with DRHC's billing and collections policy and procedures.
2. The patient's visit will be counted as 'self-pay' in DRHC's record of encounters.

White River Health District dba Deschutes Rim Health Clinic  
Policies and Procedures

3. The discount provided will be aggregated with all other sliding fee discounts provided on the books and records of DRHC.
4. Full co-pays and deductibles will be collected if required by the patient's insurance.
5. At the time of service, patients will be asked to pay for nominal charge for those patients at or below 100% of the FPG and the sliding fee charge for those patients between 101-200% of FPG, relative to the established Sliding Fee Discount Schedule specific to the service category utilized by the patient. If payment is not made, patients have the options of: 1) requesting DRHC waive charges or 2) being billed for the appropriate charge. No patient will be denied access to care because of their inability to pay for services.

***Program Evaluation***

1. At minimum, once every three years, DRHC will administer and distribute a formal survey to patient Board members who utilize the Sliding Fee Discount Program (SFDP) if applicable and a sample of 20 non-member patients who utilize the SFDP.
2. The sample of 20 non-member SFDP patients will be selected in a manner that a minimum of ten (4) participants are identified per each of the five (5) discounts pay classes, if available.
3. The survey must ask questions pertaining to: 1) understanding of eligibility and enrollment processes; 2) language and literacy of materials that communicate SFDP eligibility and enrollment processes; 3) ease of eligibility and enrollment process; 4) understanding of income verification methodology; 5) ease of furnishing documentation to verify income; 6) adequacy of DRHC staff support to patients inquiries regarding SFDP; 7) understanding of discount pay classes and relation to charges; 8) reasonableness of discount pay classes & nominal charges.
4. Surveys must leave adequate space for respondents to communicate any additional comments or questions they may have that questions do not address, necessary to conduct a qualitative analysis.
5. Surveys will be collected and analyzed by DRHC's QI personnel. Results will be tallied and input into a summary report, presented to the Finance Committee will be responsible for evaluating the effectiveness of the sliding fee discount program in reducing financial and administrative barriers to care.
6. The Finance Committee will present their findings beside the summary of survey results to the full Board of Directors, who will also be responsible for evaluating the effectiveness of the SFDP in reducing financial and administrative barriers to care.
7. Decisions to amend SFDP procedures to reduce barriers for patients will be agreed to by the Board's Finance Committee and Board of Directors, drafted in a plan of action put before the full Board for vote prior to implementation by DRHC key management.
8. DRHC key management will develop and execute a schedule of trainings for SFDP eligibility and enrollment staff, to ensure new procedures are implemented and understood throughout the organization, prior to communicating them to patients.

DRHC key management will be responsible for amending all written materials and publications communicating SFDP enrollment and eligibility processes.

**Sliding Fee Discount Program**

Passed by a majority of the Board of Directors of White River Health District, with a quorum in attendance the 21st. Day of October 2020.

White River Health District dba Deschutes Rim Health Clinic

Wasco County, Oregon

By

  
Dennis Beechler, Chairman of the Board

Attest:

By

  
Sue Knapp, Secretary of the Board