



Star Community Health
520 East Broad Street
Suite 108
Bethlehem, PA 18018

Policy Title	Sliding Fee Discount Program Policy
Manual	Billing Policies and Procedures Manual
Effective Date	February 28, 2019
Date of Last Revision	July 20, 2021
Version No.	5
Owner	Brian Wessner, Director of Finance

I. Purpose

The purpose of this policy is to establish a procedure for use of sliding fee discount scale for all uninsured patients in the Star Community Health system of care.

Section 330 (j) (3) (G) of the Public Health Service Act, 42 U.S.C. 254b, requires that Federally Qualified Health Centers have the following policies and procedures:

- Establish a "sliding fee discount program" (SFDP) that includes a schedule of discounts for service, or "sliding fee discount schedule" that ensures financial barriers to care are minimized for patients who meet certain eligibility criteria.
- Prepare a schedule of fees for the provision of services consistent with locally prevailing rates or charges set at a rate that will cover its reasonable cost.
- A corresponding schedule of discounts for eligible patients that is adjusted on the basis of the patient's ability to pay sliding fee discount schedule (SFDS).
- Establish reasonable collection efforts in order to:
 - Collect payment for services in accordance with prepared fee schedule including co-payments.
 - Bill and obtain reimbursement from third party payers including Medicare, Medicaid, private insurance, or any available insurance benefits plan.
- Bill patients with incomes above 200% of federal income poverty level at full charges without application of any discounts.

II. Policy

It is the policy of Star Community Health that no one will be denied services based on the inability to pay. The sliding fee discount is available for those who qualify on family size and gross income. Potential users of the sliding fee benefit must be able to provide verifiable documentation of household family members and total family income not exceeding 200% of federal poverty levels.

Standard Fee Schedule

It is the intent of Star Community Health to comply with Section 330 of the Public Health Service Act by maintaining an appropriate fee schedule. Star Community Health has established and maintains a schedule of fees for the provision of services consistent with locally prevailing charges designed to cover the organization's reasonable costs of operation. The Sliding Fee Discount Schedule (SFDS) is consistent with local prevailing rates of providers in the Star Community Health service area and the comprehensive Needs Assessment, part of the health center's strategic planning process, is the evaluation tool utilized to evaluate the structure of the SFDS, which is updated on an annual basis. The Standard Fee Schedule is reviewed and approved by the Board of Directors annually.

Sliding Fee Discount Schedule

Star Community Health has established and maintains a sliding fee discount program that applies to all required and additional services within its HRSA scope of project and is applied uniformly to all patients without regard of the patient's ability to pay.

The Sliding Fee Discount Schedules are based on the Federal Poverty Guidelines (FPL) published annually in the federal register, and are updated for the most current FPL annually, then reviewed and approved by the Board of Directors.

The various Sliding Fee Discount Schedules (SFDS) are based on services, and no other factors, and are evaluated to ensure their effectiveness in reducing financial barriers to care and to identify and implement changes as needed, but not less than every three years.

Patients are made aware of the Sliding Fee Discount Schedules and program through signage, brochures, and through verbal information given during the scheduling and registration process using materials in languages and literacy levels appropriate for our patient population.

Star Community Health maintains records that demonstrate it provides sliding fee discounts in accordance with its Sliding Fee Discount Schedules for services provided directly by the health center.

The Sliding Fee Discount Schedules are designed as follows:

- A nominal fee designed to remove financial barriers while meeting the fiscal needs of the organization, is provided for individuals and families with annual incomes at or below 100 percent of the current FPL.
- Partial discounts are provided for individuals and families with incomes above 100 percent of the current FPL and at or below 200 percent of the current FPL that adjust in accordance with income.
- No discounts are provided to individuals and families with annual incomes above 200 percent of the current FPL.
- Exception: All dental lab costs are the responsibility of the patient (See Other Considerations Section Below).

For services provided via contractual agreements for which Star Community Health pays, the contracts/agreements will contain provisions for sliding fee discounts as follows:

- A nominal fee is provided for individuals and families with annual incomes at or below 100 percent of the current FPL.
- Partial discounts are provided for individuals and families with incomes above 100 percent of the current FPL and at or below 200 percent of the current FPL that adjust in accordance with income based on gradations in income levels above 100 percent of the FPL and at or below 200 percent of the FPL, as established in Star Community Health's SFDSs.
- No discounts are provided to individuals and families with annual incomes above 200 percent of the current FPL.

For services provided via formal referral arrangements (Form 5A, Column III), Star Community Health ensures that the referral provider either offers sliding fee discounts to patients as described above or offers greater discounts to patients such that:

- Patients at or below 200 percent of the FPL receive a greater discount for these services than if the health center's SFDS was applied to the referral provider's fee schedule; and
- Patients at or below 100 percent of the FPL receive no charge or only a nominal charge for these services.

Other Considerations

Star Community Health facilitates access to equipment and supplies related to, but not included in, the service itself being provided as part of prevailing standards of care as a means of reducing barriers to care and improving health outcomes for its patient population. In these instances, Star Community Health utilizes a different structure for discounting than its standard Sliding Fee Discount Schedule. The charges for these items are set to cover the reasonable costs of such items to maximize access to these supplies and/or equipment items. To the extent revenue is generated from charges for these supplies and equipment, Star Community Health ensures that these non-grant funds are used to further the objectives of the project by benefiting the health center's patient/target population, and for purposes not specifically prohibited under section 330. The structure for these charges, and associated payment options, are based on analyses of the health center's patient/target population's needs and support patients' access to these supplies and equipment. In addition, provisions to waive or reduce payments on these supplies and equipment are consistent with board-approved policies and the health center's supporting operating procedures relative to waivers.

In all cases, prior to the provision of a service, patients are informed of the following:

- a) when supplies or equipment related to a given service will result in separate charges from the service;
- b) what the total amount of out of pocket costs for these supplies or equipment will be; and
- c) what, if any, payment plans will be available.

Waivers

Under certain circumstances, waivers of patient charges are offered as follows:

1. Under unforeseen, extreme circumstances other patients may have fees waived when authorized by management and processed by the Financial Counselor's. Examples that may be considered for discount are as follows:
 - a) Hurricanes, tropical storms, natural disasters
 - b) House fires
 - c) Hardships such as loss of income or recent disability
 - d) Other situations based on individual circumstances
2. Waiving of fees must be approved by the facility manager or his/her designee, and proper notice given to the Executive Director, Chief Financial Officer, and Billing Manager.

Patient Refusal to Pay

Some patients who have been deemed “eligible to pay” for at least a portion of their care based upon their family size and income relative to the Federal Poverty Guidelines may refuse to pay the amount they owe for the services that are provided to them. Star Community Health defines patients refusing to pay as those who have outstanding balances that have received monthly statements and have been past due for 120 days or more and have made no payments on the account in that timeframe, and are also unwilling to meet with our financial counselor to set up a payment plan or explain a hardship that they are currently facing, or are unwilling to meet the terms in their established payment plan. Efforts are made to collect outstanding balances for previous services when the patient schedules and presents for subsequent care, as well as other efforts outlined in the Star Community Health collections policies and procedures.

It is the policy of Star Community Health to actively attempt to collect balances owed by patients for services provided to them and by private or public insurance carriers. When all reasonable collection efforts/enforcement have been exhausted, which may include offering grace periods, meeting with financial counselors, or establishing payment plans, all debts due to Star Community Health and deemed uncollectable will be addressed through Star Community Health procedures on management of bad debt.

Star Community Health does not discharge patients due to inability to pay for services.

Sliding Fee Discount Program

The purpose of the “Sliding Fee Discount Schedule” (SFDS) is to ensure that every patient presenting to Star Community Health is correctly assessed for the sliding fee discount based upon their ability to pay. Low-income patient may be eligible for free or discounted care based on patient income and family size.

To be eligible to receive a Sliding Fee Discount the following conditions are required:

- The family gross income is less than 200% of the federal poverty level as defined by the federal income guidelines and family size
- All documentation and updated income verification will be kept by the Financial Counselor on file in the office or in OneContent. Clients are required to update their financial status once per year. Star Community Health is required to charge full rates if the financial status is not current.

Federal Poverty Guidelines provided by the U.S. Department of Health and Human Services are used in the annual calculation of the Sliding Fee Discount Program.

Eligibility for Medicaid and other programs are available for determination within the clinics.

Star Community Health has established multiple methods of informing patients of the sliding fee discount program including prominently displaying notices about the discount program in common areas throughout the facility. Additionally, information about the sliding fee discount program is available in appropriate languages and literacy levels.

III. Definitions

Ability to Pay	A patient's ability to pay is defined and calculated using Star Community Health's sliding fee scale table, which is based on the most current federal poverty guidelines.
Household Income	<p>Money, wages, and salaries before any deductions, regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veterans' payments, public assistance, and training stipends. Alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household, private pensions, government employee pensions, and regular insurance or annuity payments. College or university scholarships, grants, fellowships, and assistantships. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.</p> <p>Income does NOT include non-cash benefits, such as employer-paid health insurance or other employee fringe benefits, food or housing in lieu of wages, the value of food and fuel produced and consumed on farms, the imputed value of rent from owner-occupied non-farm or farm housing, and such Federal non-cash benefit programs as Medicare, Medicaid, food stamps, school lunches, loans, and housing assistance.</p>
Family Unit	<p>The number contributing to and/or dependent upon the household income. This reflects the patient, family members, or significant others who are financially interdependent.</p> <p>It indicates the number of people who must live on the income reported in the annual income field.</p>
Family Unit Verification	<p>The most recent year income tax form.</p> <p>Other official document identifying family unit members such as power of attorney, guardianship, court documents, legal documents stating financial responsibility.</p> <p>A written and signed attestation of the specific family unit members: identified by name and date of birth.</p>

Sliding Fee Discount	<ul style="list-style-type: none"> • A nominal fee is provided for individuals and families with annual incomes at or below 100 percent of the current FPL • Partial discounts are provided for individuals and families with incomes above 100 percent of the current FPL and at or below 200 percent of the current FPL that adjust in accordance with income based on gradations in income levels above 100 percent of the FPL and at or below 200 percent of the FPL <p><i>Note: No discounts are provided to individuals and families with annual incomes above 200 percent of the current FPL</i></p>
Sliding Fee Scale	<ul style="list-style-type: none"> • Defined as the percentage of the bill for which the patient is responsible • A fee scale level is determined by the individual's annual gross income and household size. If the patient has \$0 in income, management and living arrangement must be explained. <p><i>Refer to the Zero Income Worksheet</i></p>
Household Income Acceptable Forms/ Proof of Income Documents	<p>The acceptable documents needed to justify a need for a fee scale.</p> <p>Acceptable documents include:</p> <ul style="list-style-type: none"> • Prior year Tax Return 1040 or 1040A • Pay stubs (1 months' worth) OR • Letter of salary of consecutive pay stubs (1 months' worth) • Temporary Emergency Medical Housing Assistance award letter • Temporary assistance for needy families • Unemployment letter of consecutive pay (1 months' worth) • Social Security or Disability Income Letter (from current year) • Current W-2 forms • Recent pay stub showing year to date earnings • Unemployment compensation stubs • Worker's Compensation – Wage transcript • Self-employed copies of quarterly tax documents • Verification of No Income such as a notarized affidavit. • Child support/alimony statements or court orders • Pension - letter stating allotment • Notices or other official documents indicating retirement, • Free or reduced school lunch programs • Other public assistance programs <p>Self-declaration or attestation letter of \$0 income signed by the patient. The letter states that the patient is not earning any income from any sources. Patient will use Self Declaration Form.</p>

IV. Procedure

1. Patient Financial Form

- a. Must be completed upon first visit
- b. Eligibility for sliding fee discounts is re-evaluated every year
- c. Eligibility may be re-evaluated if applicant's income and/or household members change
- d. Form will be accessed and signed by Star Community Health Financial Counselor upon completion.

2. Patient Financial Evaluation

- a. Patients with private insurance who are underinsured may apply for the SFDS.
- b. Federal law permits health centers to waive co-payments for certain low-income Medicare patients without violating anti-kickback provisions (42 U.S.C. 1320 (b) (3) (d)).
- c. Patients with qualifying incomes over 200% of the federal poverty level are not eligible for the sliding fee program.
- d. Patients must provide documentation of household income. If patient is unable to provide proof of income at the time of service, "Declaration of Income Statement" document must be completed and signed.

3. Patients Reporting No Income

- a. Patients who report no source of income will complete a "Zero Income Worksheet" document. Patient will be asked to pay the minimum fee associated with the service for the next 30 days of treatment.
- b. Patient will be asked to provide supporting documentation. Examples include:
 - i. A recent statement from the Social Security Administration
 - ii. A recent Notice of Decision from the Department of Health and Human Services showing approval for benefits based on household income.
 - iii. Documentation of no sources of income is required within 30 days of the signed attestation.
- c. If documentation is not provided within 30 days no access to the SFDS will be allowed.

- d. Applicants will be encouraged to apply for other federal, state, and/or parish programs that become available.

4. Completion of the Patient Eligibility Application for Sliding Fee Discount Form

5. Completion of Treatment Consent and Financial Agreement Form

6. Patient Verification

- a. Patients must show two forms of identification. The following are acceptable:
 - i. Driver's License or state issued ID card
 - ii. Copies of birth certificate
 - iii. Social security card, Passport or Visa

7. Calculation of Gross Income

- a. Patient is required to document all household income to include wages from employment, government assistance, disability, and other verifiable means of income.
- b. Household income will be tested at the gross amounts. All income must be listed for all household members.
- c. The following items can be used to determine annual gross income:
 - i. Wages and salaries
 - ii. Social Security Retirement
 - iii. Disability Benefits
 - iv. Pensions
 - v. Veterans Benefits
 - vi. Workers Compensation
 - vii. Railroad Retirement
 - viii. Unemployment Compensation
 - ix. Welfare/Public Assistance

- x. Child Support or alimony Payments
 - xi. Rental Income
- d. The following sources of income will not be used to determine gross annual income:
- i. Federal, non-cash benefit programs such as Medicare, Medicaid, Food Stamps
 - ii. Scholarships/grants for tuition
 - iii. Student Loans

8. Determination

a. Income Verification

- i. In order for a patient to be fee scaled or receive services at a discounted rate, the patient needs to provide Star Community Health with “Proof of Income Documents”/ documentation of their financial status, which is updated annually. This includes documentation for a spouse and/or household member.
- ii. If an employed patient changes jobs, the patient will be assessed based upon their ability to pay based upon the new income level.
- iii. If an uninsured patient obtains benefits, the sliding fee discount may be applicable towards patient responsible amounts, such as deductibles, co-pays, and co-insurance amounts.
- iv. Refer to the Declination Statement Worksheet if the patient refuses to provide information to determine the fee schedule discount.

b. Fee/Nominal Fee

- i. Fees are based on the Sliding Fee Discount Scale (SFDS) determination.
- ii. The SFDS will be updated annually based on the Federal Poverty Guidelines (FPL).
- iii. All self-pay patient at or below 100% of FPL are to pay a \$10 Nominal Fee for Medical and routine Dental services.
- iv. The Nominal Fee has been established to reduce financial barriers to healthcare and is designed to be nominal from the perspective of the patient, based on patient input through surveys and other mechanisms, so that it is not a barrier to care.

- v. An exception can be made for patients who are homeless and without income at the discretion of Administration (Refer to the Zero Income Worksheet).
- vi. Patients will be offered a payment plan that will allow him/her/them to pay the balance of the bill in increments within six months.
 - 1. If this is not financially possible, formal arrangements must be made with a Star Community Health Facility Manager/Practice Administrator. The Facility Manager/Practice Administrator must notify the CEO, CFO, Director of Finance, and the Billing department of changes to cost of services.

9. Sliding Fee Discount Schedule

- a. A Star Community Health Financial Counselor will evaluate low-income patients to determine if they qualify for a reduced fee (e.g. sliding scale) and, if so, at what level of discount.
- b. Star Community Health uses a sliding fee or discounted rate to satisfy the criteria for Section 330.
 - i. Section 330 funded health centers or FQHC look-alikes are required by law to use a single schedule of fees or payments for the provision of all services in their approved scope of project that applies to all uninsured/underinsured patients and have prepared a corresponding schedule of discounts (or “sliding fee”) to be applied to the payment of such fees, in which discounts are adjusted on the basis of the patient’s ability to pay.
 - ii. Ability to pay is determined by a patient’s annual income and family size according to the most recent Federal Poverty Guidelines.
- c. Star Community Health uses a schedule key of the Federal Poverty Guidelines (FPL) published annually in the Federal Register and bases all ability to pay and discounted fees on this information.
- d. Refer to the most current Sliding Fee Schedule for fees assigned by family size and FPL as listed.

10. Collection of Fees

- a. Fees will be collected prior to being seen by the clinician, with the exception of fees that may occur due to ordered procedures the clinician may make.
 - i. Star Community Health Administration will inform the patient that additional charges may occur, dependent on the clinician’s treatment plan.

- ii. The patient will be given the option to pay remaining discounted balance after the visit or be billed the remaining discounted balance.
- b. All charges and collections from patients are logged into the EMR and can be tracked through the EMR. The EMR also generates mailing lists, billing statements, and can identify active and expired sliding fee patients.

V. Quality Assurance

Star Community Health's Board of Directors reviews this policy to ensure that it is patient-centered, improves access to care, and assures that no patient will be denied health care services due to an inability to pay.

As part of its review, the Board of Directors will:

- Collects utilization data that allows it to assess the rate at which patients within each of its discount pay classes, as well as those at or below 100% of the Federal Poverty Guidelines, are accessing health center services,
- Utilizes this and if applicable, other data (e.g. results of patient satisfaction surveys) to evaluate the effectiveness of its sliding fee discount program in reducing financial barriers to care, and
- Identifies and implements changes, as needed

Star Community Health staff, under the direction of the Executive Director, is responsible for the day-to-day direction and management responsibility for implementing the sliding fee discount program.

The Board of Directions periodically reviews evaluations of these operating procedures and assesses their effectiveness in reducing barriers to care and their appropriateness for the health center and its community.

Direct any questions regarding this policy to the Executive Director.

VI. Attachments

1. Sliding Fee Scale Program – Frequently Asked Questions (English and Spanish)
2. Sliding Fee Scale Program – Income Guidelines (English and Spanish)
3. Sliding Fee Scale Program – Application (English and Spanish)
4. Sliding Fee Scale Program – Zero Income Worksheet (English and Spanish)

5. Sliding Fee Scale Program – Declaration of Income Statement (English and Spanish)
6. Sliding Fee Scale Program – Waiver of Payment (English and Spanish)
7. Sliding Fee Scale Program – Financial Counselor Checklist (Office Use Only)
8. Sliding Fee Scale Program – Declination Statement (English only)
9. Federal Poverty Guidelines Tool – 2021 and 2020

VII. References

1. Section 330 (j) (3) (G) of the Public Health Service Act, 42 U.S.C. 254b
2. <https://aspe.hhs.gov/poverty-guidelines>
3. Form 5A, Column I
4. Form 5A, Column II
5. Form 5A, Column III

VIII. Disclaimer Statement

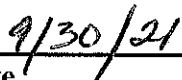
This policy shall be periodically reviewed and updated consistent with the requirements and standards established by the Board of Directors and Star Community Health Management, federal and state laws and regulations, and applicable accrediting and review organizations.

IX. Approval Requirements

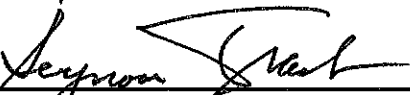
Star Community Health's Executive Director and Board of Directors must review and approve this policy every three years.



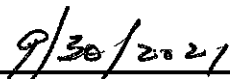
Executive Director



Date



Chairperson of the Board



Date

X. Version History

Version	Approved By	Revision Date	Description of Change	Preparer(s)
4	1) Laura Hetrick, Interim Executive Director 2) Seymour Traub, Chairperson of the Board	07/20/21	<ul style="list-style-type: none"> • Updated General Consent Attachment • Moved Policy to new template • All Appendices are Attachments 	1) Luz Crespo, Supervisor, Patient Access Advocacy 2) Kara Lynn Kirst, Director of Compliance and Risk Manager
3	1) Christine Davco, Chief Executive Officer 2) Seymour Traub, Chairperson of the Board	01/21/21	<ul style="list-style-type: none"> • Updated appendices with new images except General Consent • Updated Sliding Fee Scale for 2021 FPL • Updated for new name and logo 	1) Christopher Solt, Senior Director of Patient Revenue Services
2	1) Christine Davco, Chief Executive Officer 2) Seymour Traub, Chairperson of the Board	02/04/20	<ul style="list-style-type: none"> • Updated SFS on page 9 to 2020 FPL Numbers. • Updated SFS on Appendix A to show 2020 FPL & OBGYN Fees effective 03/10/20 • Added Revision Table to policy 	1) Christopher Solt, Senior Director of Patient Revenue Services
1	1) Christine Davco, Chief Executive Officer 2) Seymour Traub, Chairperson of the Board	02/28/19	Original Policy	1) Christopher Solt, Senior Director of Patient Revenue Services