



# NHSC Sliding Fee Discount Program Information Package

*Revised March 2016*

*This guide is for NHSC-approved sites and applicants in developing  
and updating the site's required Sliding Fee Discount Program.*

The mission of the National Health Service Corps (NHSC) is to expand primary health care to those who need it most. In order to meet that mission, NHSC supports clinical sites that provide comprehensive medical, dental, and/or behavioral health care to all regardless of ability to pay. The NHSC statute mandates that NHSC-approved sites “not deny requested health care services, and shall not discriminate in the provision of services to an individual... because the individual is unable to pay for the services.” It stipulates, “the entity shall prepare a schedule of discounts (including, in appropriate cases, waivers) to be applied to the payment of such fees or payments. In preparing the schedule, the entity shall adjust the discounts on the basis of a patient’s ability to pay.” (42 U.S.C. § 254g)

To comply with these requirements, NHSC-approved sites must implement a sliding fee discount program, which assures that patients have access to all primary care services regardless of their ability to pay. Specifically, the sliding fee discount program must include establishing the following: (1) a schedule of fees for services; (2) a corresponding schedule of discounts for eligible patients based on the patient’s ability to pay; and (3) policies and operating procedures, including those around applying for the discount program.

While the sliding fee discount program supports the concept that patients can be monetarily invested in their care based on their ability to pay, its implementation is intended to minimize financial barriers to care for patients at or below 200 percent of the current Federal Poverty Guidelines (FPG).<sup>1</sup> Therefore, neither the fees themselves nor the supporting operating procedures for assessing patient eligibility and collecting payment should create barriers to care.

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<sup>1</sup> The FPG, <http://aspe.hhs.gov/poverty/>, includes the income thresholds used by the U.S. Census Bureau to estimate the number of people living in poverty. The thresholds are annual income levels below which a person or family is considered to be living in poverty. The income threshold increases by a constant amount for each additional family member.

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## GENERAL REQUIREMENTS

NHSC-approved sites must offer a sliding fee discount program and apply a sliding fee schedule (SFS), so that the amount owed for services by eligible patients are adjusted based on the patient's ability to pay. All sliding fee discount programs must include the following elements:

- Applicable to all individuals and families with annual incomes at or below 200 percent of the most current FPG;
- Full discount for individuals and families with annual incomes at or below 100 percent of the FPG, or allowance for a nominal charge only, consistent with site's policy; and
- Adjustment of fees (partial sliding fee discount) based on family size and income for individuals and families with incomes above 100 and at or below 200 percent of the FPG.

In order to facilitate patient access and utilization, NHSC-approved sites must ensure that: a) patients are made aware of the sliding fee discount program; and b) eligibility for discounts is based on income and family size and no other factors (e.g., assets, insurance status, participation in the Health Insurance Marketplace, citizenship, population type). NHSC-approved sites must establish multiple methods of informing patients of the discount program including prominently displaying notices about the discount program in common areas and on the site's website (if one exists). In addition, information about the sliding fee discount program must be available in appropriate languages and literacy levels for the site's Health Professional Shortage Area (HPSA) population.

### Exceptions:

Free clinics, correctional facilities, and most Indian Health Service, Tribal, and Urban Indian sites are exempt from submitting Sliding Fee Discount Program documents, since they typically do not charge or bill for services.

Sites interested in applying to the NHSC should have a sliding fee discount program in place for at least 12 months prior to applying to become an NHSC-approved site.

### **NHSC-approved sites must submit the following Sliding Fee Discount documentation at time of application, recertification and site visit:**

1. Sliding Fee Discount Program Policy
2. Sliding Fee Schedule
3. Patient Application for the Sliding Fee Discount Program
4. Posted Signage Notifying Patients about the Sliding Fee Discount Program

(Although not required, uploading a copy of the site's schedule of fees or payments for basic services will assist the review team in processing the site application.)

## SLIDING FEE DISCOUNT PROGRAM POLICY

NHSC-approved sites must develop policies around the SFS. These policies form the foundation for operating procedures. The policies ensure that the sliding fee discount program is patient centered, improves access to care, and assures that no patient will be denied health care services due to an inability to pay.

Day-to-day direction and management responsibility for implementing the sliding fee discount program operating procedures rests with the site's NHSC Point of Contact under the direction of site administrators. Sites must periodically review evaluations of these operating procedures and assess their effectiveness in reducing barriers to care and their appropriateness for the site and its community. This review includes, as appropriate, taking follow-up action to update policies and/or directing the site administrators to update operating procedures. In addition, NHSC-approved sites should routinely provide staff training on implementation of sliding fee discount program policies and operating procedures.

All aspects of an NHSC-approved site's sliding fee discount program must be based on written policies, applied uniformly to all patients, and supported by operating procedures. At a minimum, the following areas must be addressed in the policy:

- 1. Patient eligibility for the sliding fee discount program, including definitions of income and family size (including what/who is included or excluded) and frequency of re-evaluation of patient eligibility;**
- 2. Documentation and verification requirements to determine patient eligibility;**
- 3. How the sliding fee discount program will be advertised to the patient population;**
- 4. If the site chooses to collect a nominal charge for those at or below 100% FPL, an explanation of the nominal charge and policies around establishing and collecting nominal charges; and**
- 5. If any patient using the sliding fee discount program will be sent to collections for outstanding debt, the site must submit a description of their collection policies.**

The site has discretion regarding certain additional aspects of the sliding fee discount program. If an NHSC-approved site elects to include the following, then the items must be addressed in policies and supporting operating procedures:

- Alternative mechanisms for determining patient eligibility for the SFS for circumstances in which documentation/verification is unavailable (e.g., self-declaration, conditional SFS eligibility) and for making these mechanisms available to the entire patient population, regardless of income level, sliding fee discount pay class, or population type;
- Use of different SFS for medical, dental, and behavioral health services, if applicable, with appropriate justification(s);
- Billing and collections;
- Applicability of SFS or other discounts relative to supplies and equipment associated with services covered by the SFS (e.g., dentures or durable medical equipment);

- Provisions for waiving fee(s) and nominal charges for specific patient circumstances; and/or
- Other provisions related to billing and collections including payment incentives, grace periods, payment plans, or refusal to pay guidelines.

NHSC-approved sites must make reasonable efforts to secure payment in accordance with the schedule of fees or schedule of discounts from patients and/or any other third party for services rendered. However, in balancing the statutory requirement of ensuring that no patient is denied services based on inability to pay, the applicable definition of “reasonable” effort may vary depending on elements unique to the individual NHSC-approved site, such as the target population. The act of billing and collecting from patients should be 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 throughout the process.

### *Provisions for Waiving Charges*

The provision for waiving charges must be consistently made available to qualified patients. Therefore, NHSC-approved sites are encouraged to establish policies and supporting operating procedures that identify circumstances with specified criteria for waiving charges. These procedures should also identify specific staff with the authority to approve the waiving of charges.

### *Payment Incentives*

NHSC-approved sites may elect to offer incentives through billing and collections policies. Such incentives are often referred to as “prompt payment, cash payment incentives, or lines of credit” to patients who pay with cash, credit and/or who pay their bills within a specific, expedited timeframe as a method of increasing collections and reducing billing costs. NHSC-approved sites should thoroughly research the potential consequences of implementing prompt payment/cash payment incentives for patients and conduct cost-benefit analyses in determining the amount of the payment incentive. The operating procedures that support such a policy must ensure that these incentives are accessible to all patients, regardless of income level or sliding fee discount pay class, and consistently applied without preferential treatment of any kind. In addition, sites must have a mechanism for communicating the availability of these incentives to all of their patients.

### *Refusal to Pay*

There may be instances when patients refuse to pay the amount they owe the NHSC-approved site. If the site elects to establish policies to address these instances, including discharging patients from the site, they must establish supporting operating procedures that define:

- What constitutes “refusal to pay”;
- What individual circumstances are to be considered in making such determinations; and
- What collection efforts/enforcement steps are to be taken when these situations occur (e.g., offering grace periods, establishing payment plans, meetings with a financial counselor).

## SLIDING FEE SCHEDULE

Sites must use a schedule of fees or payments for services that is consistent with locally prevailing rates or charges and designed to cover the site's reasonable costs of operation. Once the site has established its fee schedule, it must establish a corresponding SFS based on a patient's ability to pay. All primary care services must be provided on a SFS and without regard to the patient's ability to pay. The SFS is established and implemented to ensure that uniform and reasonable fees and discounts are consistently and appropriately applied to all eligible patients. While the fee schedule is designed to cover reasonable costs for providing services, the purpose of the SFS is to address financial barriers to care. Therefore, the SFS enables the provision of services to individuals consistent with their ability to pay for such services. Once established, the SFS must be revised annually, at a minimum, to reflect annual updates to the FPG.

Consistent with NHSC regulations, eligibility for the SFS is based on a patient's annual income and family size under the U.S. Department of Health and Human Services' (HHS) annual FPG. The NHSC-approved site must define in policy, consistent with any Federal, State, or local laws and requirements, its definitions of "family" and "income." Sites may consider accessing or adapting definitions and documentation from other sources for their use.<sup>2</sup>

The unique characteristics of HPSA populations (e.g., low-income or homeless) and service areas (e.g., areas with high cost of living) must be considered in developing policies and supporting operating procedures to ensure that these elements do not become a barrier to care. Once established, these policies and supporting operating procedures must be applied uniformly across the patient population.

### A. DETERMINING ELIGIBILITY FOR SLIDING FEE DISCOUNTS

NHSC-approved sites must have supporting processes/operating procedures in place for assessing income and household size for all patients, both for NHSC reporting purposes and to assist patients in determining whether they are eligible for sliding fee discounts. It is important that the eligibility determination process be conducted 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.

Once assessed, a patient who meets the income guidelines would receive a sliding fee discount based on the SFS. The site's eligibility determination process must be documented and its implementation periodically reviewed for compliance and effectiveness. In addition to adjusting the SFS based on annual updates to the FPG, patient eligibility for the SFS should be renewed/reviewed at least once a year or upon the patient's next visit to the site. NHSC-approved sites may establish and implement streamlined SFS patient eligibility renewal/review procedures that are separate from the initial sliding fee discount screening.

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<sup>2</sup> The Census Bureau uses a standard definition of income for computing poverty statistics based on the poverty thresholds (<http://www.census.gov/hhes/www/poverty/about/overview/measure.html>) that may be used. Sites may also want to consider definitions that are used by federal programs, such as those based on modified adjusted gross income (MAGI), as defined by the IRS.

Some patients may choose not to provide information that the site requires for assessing income and family size, even after being informed that they may qualify for sliding fee discounts. If the site has followed its policies and supporting operating procedures and the patient declines to be considered for the SFS, the site may consider the patient ineligible for such discounts.

## **B. SLIDING FEE SCHEDULE STRUCTURE**

In accordance with its SFS policies, NHSC-approved sites are required to apply a discount to fees charged to patients who have been determined eligible for sliding fee discounts. As noted previously, individuals and families with annual incomes at or below 100 percent of the FPG must receive a full discount for services or, consistent with individual health center policy, pay only a nominal charge. All sites, including those that serve a large proportion of patients with incomes at or below 100 percent of the FPG, must have policies and supporting operating procedures that assure sliding fee discounts are applied uniformly to patients who qualify for such discounts based on incomes above 100 percent and at or below 200 percent of the FPG. Many NHSC-approved sites discount fees for patients with annual incomes above 200 percent of the FPG.

As long as the complexity of its structure does not create a barrier to care, each site has discretion regarding how it structures the SFS, including the number of discount pay classes, and the types of discounts (percentage of fee or fixed/flat fee for each discount pay class) it offers. In addition to revising the SFS annually to reflect updates to the FPG, the structure of the SFS should also be evaluated at least annually for its effectiveness in addressing financial barriers to care and updated, as appropriate.

## **C. ESTABLISHING AND COLLECTING NOMINAL CHARGES**

Although sites must provide a full discount for individuals and families with annual incomes at or below 100 percent of the FPG, program regulations permit sites to adopt a nominal charge for services for these patients. Electing to establish a nominal charge is at the discretion of the NHSC-approved site. Depending on the site's patient population, applying a nominal charge may be an appropriate means for patients to invest in their care and to minimize the potential for inappropriate utilization of services.

Any NHSC-approved site that chooses to establish a nominal charge must ensure that patients are not impeded in accessing services due to an inability to pay. Specifically, a nominal charge must be a fixed fee that does not reflect the true value of the service(s) provided and is considered nominal from the perspective of the patient. As they are not intended to create a payment threshold for patients to receive care, nominal charges are not "minimum fees," "minimum charges," or "co-pays." In addition, the nominal charge must be less than the fee paid by a patient in the first "sliding fee discount pay class" beginning above 100 percent of the FPG.

## **D. PATIENTS WITH THIRD PARTY COVERAGE WHO ARE ELIGIBLE FOR SFS**

NHSC-approved sites may serve patients with third party insurance that does not cover or only partially covers fees for certain health center services. These patients may also be eligible for the SFS based on income and family size. In such cases, subject to potential legal and contractual limitations, the charge for each SFS pay class is the maximum amount an eligible patient in that pay class is required to pay for a certain service, regardless of insurance status.

For example, John Doe, an insured patient, receives a service for which the site has established a fee of \$80, per its fee schedule. Based on John Doe's insurance plan, the co-pay would be \$60 for this service. The health center has also determined, through an assessment of income and family size, that he is at 150 percent of the federal poverty guidelines and thus qualifies for the site's SFS. Under the SFS, a patient at 150 percent of the FPG would receive a 50 percent discount of the \$80 fee, resulting in a charge of \$40 for this service. Rather than the \$60 co-pay, the site would charge John Doe no more than \$40 out-of-pocket, consistent with its SFS, as long as this is not precluded by the insurance contract terms.

As NHSC-approved sites are responsible for ensuring adherence to laws and regulations and for following the terms and conditions of their contracts, they may wish to consult with their third party payors and/or private legal counsel regarding the permissibility of discounting patients' out-of-pocket costs relative to the terms and conditions of private payor contracts.

The Medicare law requires clinicians to charge Medicare beneficiaries the same as they charge other patients. Waiving or discounting the Medicare co-pay on an ad-hoc or case-by-case basis is not allowed. Medicare will, however, accept a sliding fee discount schedule if appropriately designed and implemented. The key is to establish a discount policy that is uniformly applied to all patients based upon ability to pay. As long as the discount policy is uniformly applied to all patients, all the time, it is acceptable to discount deductibles and co-payments for Medicare beneficiaries if they qualify under the discount policy established by the clinic.

## **E. MULTIPLE SLIDING FEE SCHEDULES**

As discussed previously, sliding fee discounts must apply to all primary care services, regardless of the service type or mode of delivery (direct, by contract, or by formal referral agreement). NHSC-approved sites may elect to have multiple SFS based on services/mode of delivery. Each SFS must meet all of the following criteria:

- It must conform to the specific structural requirements outlined in this Information Package.
- In cases where the NHSC-approved site has elected to establish a nominal charge for patients at or below 100 percent of the FPG, this charge meets the criteria for a nominal charge.
- Patient access and uniform implementation have been taken into consideration in developing each SFS.
- The site has a plan for routinely evaluating each SFS and ensuring that it does not create a barrier to care.

For primary care services, the NHSC-approved site provides only via a formal written referral arrangement, the site is responsible for ensuring that the referral provider's discounts for the NHSC-approved site's patients meet the criteria above. A site may enter into a formal written referral arrangement that results in greater discounts to patients than they would receive under the NHSC-approved site's SFS policy if it were applied to the referral provider's fee schedule, as long as:

- All NHSC-approved site patients at or below 200 percent of the FPG receive a greater discount for these services than if the NHSC site's SFS were applied to the referral provider's fee schedule; and
- Patients at or below 100 percent of the FPG receive no charge or only a nominal charge for these services.

*NHSC-approved sites must post notices on their website and at the front desk advertising the sliding fee discount program and stating that the practice serves all patients regardless of ability to pay.*

## Appendix A: Two Sample Sliding Fee Schedules

### Sliding Fee Schedule (SFS) Example One

Annual Income Thresholds by Sliding Fee Discount Pay Class and Percent Poverty						
Poverty Level*	At or Below 100%	125%	150%	175%	200%	Above 200%
Family Size	Charge					
	Nominal Fee (\$5)	20% pay	40% pay	60% pay	80% pay	100% pay
1	0-\$11,880	\$11,881-\$14,850	\$14,851-\$17,820	\$17,821-\$20,790	\$20,791-\$23,760	\$23,761+
2	0-\$16,020	\$16,021-\$20,025	\$20,026-\$24,030	\$24,031-\$28,035	\$28,036-\$32,040	\$32,041+
3	0-\$20,160	\$20,161-\$25,200	\$25,201-\$30,240	\$30,241-\$35,280	\$35,281-\$40,320	\$40,321+
4	0-\$24,300	\$24,301-\$30,375	\$30,376-\$36,450	\$36,451-\$42,525	\$42,526-\$48,600	\$48,601+
5	0-\$28,440	\$28,441-\$35,500	\$35,501-\$42,660	\$42,661-\$49,770	\$49,771-\$56,880	\$56,881+
6	0-\$32,580	\$32,581-\$40,625	\$40,626-\$48,870	\$48,871-\$57,015	\$57,016-\$65,160	\$65,161+
7	0-\$36,730	\$36,731-\$45,913	\$45,914-\$55,095	\$55,096-\$64,278	\$64,279-\$73,460	\$73,461+
8	0-\$40,890	\$40,891-\$51,113	\$51,114-\$61,335	\$61,336-\$71,558	\$71,559-\$81,780	\$81,781+
For each additional person, add	\$4,160	\$5,200	\$6,240	\$7,280	\$8,320	\$8,320

\* Based on 2016 Federal Poverty Guidelines (<http://aspe.hhs.gov/poverty>)

*Sliding Fee Schedule (SFS) Example Two*

Maximum Annual Income Amounts for each Sliding Fee Percentage Category (except for 0% discount)												
Poverty Level*	100%	110%	120%	130%	140%	150%	160%	170%	180%	190%	200%	>200%
Family Size	DISCOUNT											
	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	0%
1	\$11,880	\$13,068	\$14,256	\$15,444	\$16,632	\$17,820	\$19,008	\$20,196	\$21,384	\$22,572	\$23,760	\$23,761
2	\$16,020	\$17,622	\$19,224	\$20,826	\$22,428	\$24,030	\$25,632	\$27,234	\$28,836	\$30,438	\$32,040	\$32,041
3	\$20,160	\$22,176	\$24,192	\$26,208	\$28,224	\$30,240	\$32,256	\$34,272	\$36,288	\$38,304	\$40,320	\$40,321
4	\$24,300	\$26,730	\$29,160	\$31,590	\$34,020	\$36,450	\$38,880	\$41,310	\$43,740	\$46,170	\$48,600	\$48,601
5	\$28,440	\$31,284	\$34,128	\$36,972	\$39,816	\$42,660	\$45,504	\$48,348	\$51,192	\$54,036	\$56,880	\$56,881
6	\$32,580	\$35,838	\$39,096	\$42,354	\$45,612	\$48,870	\$52,128	\$55,386	\$58,644	\$61,902	\$65,160	\$65,161
7	\$36,730	\$40,403	\$44,076	\$47,749	\$51,422	\$55,095	\$58,768	\$62,441	\$66,114	\$69,787	\$73,460	\$73,461
8	\$40,890	\$44,979	\$49,068	\$53,157	\$57,246	\$61,335	\$65,424	\$69,513	\$73,602	\$77,691	\$81,780	\$81,781
For each additional person, add	\$4,160	\$4,576	\$4,992	\$5,408	\$5,824	\$6,240	\$6,656	\$7,072	\$7,488	\$7,904	\$8,320	\$8,320

\* Based on 2016 Federal Poverty Guidelines (<http://aspe.hhs.gov/poverty>)

## Appendix B: Sample Sliding Fee Discount Application

### ABC HEALTHCARE CLINIC

#### Sliding Fee Discount Application

It is the policy of ABC Healthcare, Inc., to provide essential services regardless of the patient's ability to pay. Discounts are offered based on family size and annual income. Please complete the following information and return to the front desk to determine if you or members of your family are eligible for a discount.

The discount will apply to all services received at this clinic, but not those services or equipment that are purchased from outside, including reference laboratory testing, drugs, and x-ray interpretation by a consulting radiologist, and other such services. This form must be completed every 12 months or if your financial situation changes.

NAME OF HEAD OF HOUSEHOLD			PLACE OF EMPLOYMENT	
STREET	CITY	STATE	ZIP	PHONE

Please list spouse and dependents under age 18.

Name	Date of Birth	Name	Date of Birth
SELF		DEPENDENT	
SPOUSE		DEPENDENT	
DEPENDENT		DEPENDENT	
DEPENDENT		DEPENDENT	

**Annual Household Income**

Source	Self	Spouse	Other	Total
Gross wages, salaries, tips, etc.				
Income from business, self-employment, and dependents				
Unemployment compensation, workers' 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				
<b>Total Income</b>				

**NOTE: Copies of tax returns, pay stubs, or other information verifying income may be required before a discount is approved.**

**I certify that the family size and income information shown above is correct.**

Name (Print)

Signature

Date

**Office Use Only**

Patient Name: \_\_\_\_\_

Approved Discount: \_\_\_\_\_

Approved by: \_\_\_\_\_

Date Approved: \_\_\_\_\_

Verification Checklist	Yes	No
Identification/Address: Driver's license, utility bill, employment ID, or other		
Income: Prior year tax return, three most recent pay stubs, or other		
Insurance: Insurance Cards		

## Appendix C: Sample Sliding Fee Discount Program Policy

### ABC HEALTHCARE BUSINESS OFFICE POLICIES

**SUBJECT:** Sliding Fee Discount Program

**EFFECTIVE DATE:** April 1, 2016

**POLICY:** To make available discount services to those in need.

**PURPOSE:**

This program is designed to provide free or discounted care to those who have no means, or limited means, to pay for their medical services (Uninsured or Underinsured). In addition to quality healthcare, patients are entitled to financial counseling by someone who can understand and offer possible solutions for those who cannot pay in full. The Patient Account Representative's role is that of patient advocate, that is, one who works with the patient and/or guarantor to find reasonable payment alternatives.

ABC HEALTHCARE will offer a Sliding Fee Discount Program to all who are unable to pay for their services. ABC HEALTHCARE CLINIC will base program eligibility on a person's ability to pay and will not discriminate on the basis of age, gender, race, sexual orientation, creed, religion, disability, or national origin. The Federal Poverty Guidelines, <http://aspe.hhs.gov/poverty>, are used in creating and annually updating the sliding fee schedule (SFS) to determine eligibility.

**PROCEDURE:** The following guidelines are to be followed in providing the Sliding Fee Discount Program.

1. **Notification:** ABC HEALTHCARE will notify patients of the Sliding Fee Discount Program by:
  - Payment Policy Brochure will be available to all uninsured patients at the time of service.
  - Notification of the Sliding Fee Discount Program will be offered to each patient upon admission.
  - Sliding Fee Discount Program application will be included with collection notices sent out by ABC HEALTHCARE.
  - An explanation of our Sliding Fee Discount Program and our application form are available on ABC HEALTHCARE's website.
  - ABC HEALTHCARE places notification of Sliding Fee Discount Program in the clinic waiting area.
2. All patients seeking healthcare services at ABC HEALTHCARE are assured that they will be served regardless of ability to pay. **No one is refused service because of lack of financial means to pay.**

3. **Request for discount:** Requests for discounted services may be made by patients, family members, social services staff or others who are aware of existing financial hardship. The Sliding Fee Discount Program will only be made available for clinic visits. Information and forms can be obtained from the Front Desk and the Business Office.
4. **Administration:** The Sliding Fee Discount Program procedure will be administered through the Business Office Manager or his/her designee. Information about the Sliding Fee Discount Program policy and procedure will be provided and assistance offered for completion of the application. Dignity and confidentiality will be respected for all who seek and/or are provided charitable services.
5. **Alternative payment sources:** All alternative payment resources must be exhausted, including all third-party payment from insurance(s), Federal and State programs.
6. **Completion of Application:** The patient/responsible party must complete the Sliding Fee Discount Program application in its entirety. By signing the Sliding Fee Discount Program application, persons authorize ABC HEALTHCARE access in confirming income as disclosed on the application form. Providing false information on a Sliding Fee Discount Program application will result in all Sliding Fee Discount Program discounts being revoked and the full balance of the account(s) restored and payable immediately.

If an application is unable to be processed due to the need for additional information, the applicant has two weeks from the date of notification to supply the necessary information without having the date on their application adjusted. If a patient does not provide the requested information within the two week time period, their application will be re-dated to the date on which they supply the requested information. Any accounts turned over for collection as a result of the patient's delay in providing information will not be considered for the Sliding Fee Discount Program.

7. **Eligibility:** Discounts will be based on income and family size only. ABC HEALTHCARE uses the [Census Bureau](#) definitions of each.
  - a. **Family** is defined as: a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.
  - b. **Income** includes: earnings, unemployment compensation, workers' 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.*

8. **Income verification:** Applicants must provide one of the following: prior year W-2, two most recent pay stubs, letter from employer, or Form 4506-T (if W-2 not filed). Self-employed individuals will be required to submit detail of the most recent three months of income and expenses for the business. Adequate information must be made available to determine eligibility for the program. **Self-declaration of Income** may only be used in special circumstances. Specific examples include participants who are homeless. Patients who are unable to provide written verification must provide a signed statement of income, and why (s)he is unable to provide independent verification. This statement will be presented to ABC HEALTHCARE's CEO or his/her designee for review and final determination as to the sliding fee percentage. Self-declared patients will be responsible for 100% of their charges until management determines the appropriate category.
9. **Discounts:** Those with incomes at or below 100% of poverty will receive a full 100% discount. Those with incomes above 100% of poverty, but at or below 200% of poverty, will be charged according to the attached sliding fee schedule. The sliding fee schedule will be updated during the first quarter of every calendar year with the latest federal poverty guidelines, <http://aspe.hhs.gov/poverty>.
10. **Nominal Fee:** Patients receiving a full discount will be assessed a \$10 nominal charge per visit. However, patients will not be denied services due to an inability to pay. The nominal fee is not a threshold for receiving care and thus, is not a minimum fee or co-payment.
11. **Waiving of Charges:** In certain situations, patients may not be able to pay the nominal or discount fee. Waiving of charges may only be used in special circumstances and must be approved by ABC HEALTHCARE's CEO, CFO, or their designee. Any waiving of charges should be documented in the patient's file along with an explanation (e.g., ability to pay, good will, health promotion event).
12. **Applicant notification:** The Sliding Fee Discount Program determination will be provided to the applicant(s) in writing, and will include the percentage of Sliding Fee Discount Program write off, or, if applicable, the reason for denial. If the application is approved for less than a 100% discount or denied, the patient and/or responsible party must immediately establish payment arrangements with ABC HEALTHCARE. Sliding Fee Discount Program applications cover outstanding patient balances for six months prior to application date and any balances incurred within 12 months after the approved date, unless their financial situation changes significantly. The applicant has the option to reapply after the 12 months have expired or anytime there has been a significant change in family income. When the applicant reapplies, the look back period will be the lesser of six months or the expiration of their last Sliding Fee Discount Program application.
13. **Refusal to Pay:** If a patient verbally expresses an unwillingness to pay or vacates the premises without paying for services, the patient will be contacted in writing regarding their payment obligations. If the patient is not on the sliding fee schedule, a copy of the sliding fee discount program application will be sent with the notice. If the patient does not make effort to pay or fails to respond within 60 days, this constitutes refusal to pay. At this point in time, ABC HEALTHCARE can

explore options not limited, but including offering the patient a payment plan, waiving of charges, or referring the patient collections efforts.

14. **Record keeping:** Information related to Sliding Fee Discount Program decisions will be maintained and preserved in a centralized confidential file located in the Business Office Manager's Office, in an effort to preserve the dignity of those receiving free or discounted care.
  - a. Applicants that have been approved for the Sliding Fee Discount Program will be logged in a password protected document on ABC HEALTHCARE shared directory, noting names of applicants, dates of coverage and percentage of coverage.
  - b. The Business Office Manager will maintain an additional monthly log identifying Sliding Fee Discount Program recipients and dollar amounts. Denials will also be logged.
  
15. **Policy and procedure review:** Annually, the amount of Sliding Fee Discount Program provided will be reviewed by the CEO and/or Comptroller. The SFS will be updated based on the current Federal Poverty Guidelines. Pertinent information comparing amount budgeted and actual community care provided shall serve as a guideline for future planning. This will also serve as a discussion base for reviewing possible changes in our policy and procedures and for examining institutional practices which may serve as barriers preventing eligible patients from having access to our community care provisions.
  
16. **Budget:** During the annual budget process, an estimated amount of Sliding Fee Discount Program service will be placed into the budget as a deduction from revenue. Board approval for Sliding Fee Discount Program will be sought as an integral part of the annual budget.

**ATTACHMENTS:**

2016 Sliding Fee Schedule  
Patient Application for the Sliding Fee Discount Program

APPROVAL: 04-01-2011  
REVISED: 03-01-2016  
REVIEWED BY: \_\_\_\_\_

## Appendix D: Sample Public Notice Signage

NHSC-approved sites are required to inform patients of the sliding fee discount program. The following examples illustrate language to be posted prominently online and at the physical site. NHSC encourages sites to establish multiple methods of informing patients.

### *Public Notice Signage Example One*

**NOTICE TO PATIENTS:**

This practice serves all patients regardless of inability to pay.  
Discounts for essential services are offered based on family size and income.  
For more information, ask at the front desk or visit our website.  
Thank you.

**AVISO PARA PACIENTES:**

Esta práctica sirve a todos los pacientes, independientemente de la incapacidad de pago.  
Descuentos para los servicios esenciales son ofrecidos dependiendo de tamaño de la familia y de los ingresos.  
Usted puede solicitar un descuento en la recepción o visita nuestro sitio web.  
Gracias.

*Public Notice Signage Example Two*



The signage is a rectangular poster with a white background and a blue border. At the top center is the National Health Service Corps logo, which consists of a blue banner with the text "NATIONAL HEALTH SERVICE CORPS" and a white heart with a cross inside. Below the logo, the text "AS A NATIONAL HEALTH SERVICE CORPS SITE," is written in blue, followed by "WE PROMISE TO" in large, bold, blue letters. A horizontal blue line separates this header from the list of promises. The list consists of four main items, each preceded by a blue checkmark: "Serve all patients", "Offer discounted fees for patients who qualify", "Not deny services based on a person's:", and "Accept insurance, including:". The third item has a sub-list of seven categories: Race, Color, Sex, National origin, Disability, Religion, Sexual orientation, and Inability to Pay. The fourth item has a sub-list of two categories: Medicaid and Medicare, and Children's Health Insurance Program (CHIP). Below the list, a blue banner contains the text "This facility is a member of the National Health Service Corps: [NHSC.hrsa.gov](http://NHSC.hrsa.gov)." At the bottom, there is a yellow banner with three logos: the U.S. Department of Health and Human Services logo on the left, the text "U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH RESOURCES AND SERVICES ADMINISTRATION" in the center, and the HRSA logo on the right.

**NATIONAL HEALTH SERVICE CORPS**

AS A NATIONAL HEALTH SERVICE CORPS SITE,  
**WE PROMISE TO**

- ✓ **Serve all patients**
- ✓ **Offer discounted fees for patients who qualify**
- ✓ **Not deny services based on a person's:**
  - Race
  - Color
  - Sex
  - National origin
  - Disability
  - Religion
  - Sexual orientation
  - Inability to Pay
- ✓ **Accept insurance, including:**
  - Medicaid
  - Medicare
  - Children's Health Insurance Program (CHIP)

This facility is a member of the  
National Health Service Corps: [NHSC.hrsa.gov](http://NHSC.hrsa.gov).

 U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
HEALTH RESOURCES AND SERVICES ADMINISTRATION 