

SLIDING FEE SCALE

INTRODUCTION

[The Health Center Program statute: Section 330 of the Public Health Service Act \(42 USCS 254b\)](#) requires health centers to “assure that no patient will be denied health care services due to an individual's inability to pay for such services; and assure that any fees or payments required by the center for such services will be reduced or waived to enable the center to fulfill the assurance”

The Bureau of Primary Health Care (BPHC) provides guidance for this mandate in [Policy Information Notice \(PIN\) 2014-02 Sliding Fee Discount and Related Billing and Collection Program Requirements](#). According to PIN 2014-02, Health Center Grantees, including Community and Migrant Health Centers must:

1. Prepare a schedule of fees for the provision of their services that designed to cover reasonable costs of providing services included in the approved scope of project and that is consistent with locally prevailing rates or charges.
2. Prepare and apply a Sliding Fee Discount Schedule (SFDS), so that the amounts owed for health center services by eligible patients are adjusted based on the patient’s ability to pay.

All SFDS must include the following elements:

- Applicability to all individuals and families with annual incomes at or below 200% of the [Federal Poverty Guideline](#) (FPG).
 - Full discount for individuals and families with annual incomes at or below 100% of the FPG, or allowance for a nominal charge only, consistent with board-approved health center policy.
 - 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% of the FPG.
 - No sliding fee discounts for individuals and families with annual incomes above 200% of the FPG.
3. Make every reasonable effort to obtain reimbursement from third party payors, including either public health insurance (Medicaid, CHIP, Medicare, and any other public assistance program) or private health insurance (for patients who have such coverage).
 4. Make available every service within its approved scope of project for which the health center has established a charge and regardless of the service type or mode of service delivery, to all patients regardless of ability to pay.
 5. Ensure that:
 - Patients are made aware of the sliding fee discount program

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- Eligibility for discounts is based on income and family size and no other factors (such as insurance status or population type).
- Multiple methods for informing patients of the sliding fee discount program (e.g., signage, registration process). In addition,
- Information about the sliding fee discount program is available in appropriate languages and literacy levels for the health center's target population.

POINTS TO REMEMBER

When establishing your sliding fee scale policy and procedure, please remember that:

1. Mobile populations such as Ag Workers, People Experiencing Homelessness and recently settled groups may not have access to the documentation that your health center may require for clients in the more established population.
2. Members of those groups as well as some day laborers are commonly paid in cash and are sometimes not paid for the work they do. Therefore, it is challenging for them to provide income verification documents such as pay stubs.
3. In circumstances in which documentation for verifying eligibility for Sliding Fee Discount is not available, governing boards have the discretion to establish alternative mechanism such as **self-declaration**. Any alternative mechanism, that is establish must have a board approved policy, a procedure, and must be available to all patients, regales of income level, sliding fee scale pay class or population type (PIN2014-02 page 6)
4. Agricultural Workers work on a seasonal basis; they are paid either by contract or by piece work; and the availability of work depends on the weather and economic forces including the demand for the product, and the price of the produce in the market.
5. The median family income for Ag Worker household is between \$7,500 and \$10,000.
6. Ag Workers are generally employed in agriculture during the agricultural season and when there is no employment in agriculture, they may seek any kind of temporary employment such as landscaping, construction, meat processing, etc.