

# SLIDING FEE SCALE

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## 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 is 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 [2016 Federal Poverty Guidelines](#) (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 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, available 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) are utilized. 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 migratory or recently settled seasonal agricultural workers may not have access to the documentation that your health center requires for clients in the more established population.
2. Some migratory and seasonal agricultural workers (MSAW) and other day laborers are commonly paid in cash and are sometimes not paid for the work they do. Therefore, it is very challenging for them to provide income verification documents such as pay stubs.
3. In circumstances when documentation for verifying eligibility for Sliding Fee Discount is not available, governing boards have the discretion to establish alternative mechanisms, such as **self-declaration**. Any alternative mechanism that is established must have a board-approved policy, a procedure, and must be available to all patients, regardless of income level, sliding fee scale pay class or population type (PIN2014-02 page 6)
4. MSAW 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 annual family income for a farmworker household is between \$7,500 and \$10,000.
6. Farmworkers are generally employed in agriculture during the agricultural season.
7. When there is no employment in agriculture, farmworkers may seek other types of temporary employment such as landscaping, construction, meat processing, etc.