

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 [Health Center Compliance Manual](#).

According to the manual, Health Center must be in compliance with the following requirements.

- The health center must operate in a manner such that no patient shall be denied service due to an individual’s inability to pay.¹
- The health center must prepare a schedule of fees or payments for the provision of its services consistent with locally prevailing rates or charges and designed to cover its reasonable costs of operation and must prepare a corresponding schedule of discounts [sliding fee discount schedule (SFDS)] to be applied to the payment of such fees or payments, by which discounts are adjusted on the basis of the patient's ability to pay.
- The health center must establish systems for [sliding fee] eligibility determination.
- The health center’s schedule of discounts must provide for:
 - A full discount to individuals and families with annual incomes at or below those set forth in the most recent [Federal Poverty Guidelines \(FPG\)](#) [100% of the FPG], except that nominal charges for service may be collected from such individuals and families where imposition of such fees is consistent with project goals; and
 - No discount to individuals and families with annual incomes greater than twice those set forth in such Guidelines [200% of the FPG].

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

1. Mobile populations such as agricultural 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.

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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 may be 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 established must have a board approved policy and a procedure, and must be available to all patients, regardless of income level, sliding fee scale pay class or population type.
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 agricultural worker household is between \$15,000 and \$24,999.
6. Agricultural 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.