

**OUACHITA REGIONAL COUNSELING AND MENTAL HEALTH SERVICES, INC.**  
**125 Wellness Way**  
**Hot Springs, Arkansas 71913**

**SUBJECT:** Sliding Fee Discount Program

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Page: 1

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Approved By: Executive Committee

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**PURPOSE:**

To ensure that a sliding fee discount program is available to all clients in need.

**POLICY:**

OBHAW will offer a Sliding Fee Discount Program to all who are unable to pay for their services. OBHAW will base program eligibility on a person's ability to pay and will not discriminate in the provision of services to an individual because the individual is unable to pay, because payment for those services would be made under Medicare, Medicaid, or CHIP, or based upon the individual's race, color, sex, national origin, disability, religion, age, sexual orientation, or gender identity.

The Federal Poverty Guidelines are used in creating and annually updating the sliding fee schedule (SFS) to determine eligibility.

This program is designed to provide free or discounted care to those who have no means, or limited means, to pay for their medically necessary services. "Uninsured" is defined under this policy as anyone who does not have insurance of any type to cover their medically necessary services and "Underinsured" is anyone who has insurance but that insurance does not cover the needed medically necessary service; or their copay, coinsurance, or deductible is equal to or greater than 5% of their annual household income when that income is at or below 200% of the Federal Poverty Level for the calendar year in which they are applying to the program.

In addition to quality, clients are entitled to financial counseling by someone who can understand and offer possible solutions for those who cannot pay in full. The Financial Case Manager's role is that of Client Advocate, that is, one who works with the client and/or guarantor to find reasonable payment alternatives.

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

1. Notification: OBHAW will notify clients of the Sliding Fee Discount Program by:
  - Payment Policy Brochure will be available to all uninsured clients at the time of service.
  - Notification of the Sliding Fee Discount Program will be offered to each client upon admission.
  - Sliding Fee Discount Program application will be included with statements sent out by OBHAW.
  - An explanation of our Sliding Fee Discount Program and our application form are available on OBHAW website at [www.obhaw.org](http://www.obhaw.org)
  - OBHAW shall display notification of the Sliding Fee Discount Program in clinic waiting areas.
2. All clients seeking services at OBHAW 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 for services rendered.
3. Request for discount: Requests for discounted services may be made by clients, family members, social services staff or others who are aware of existing financial hardship. The Sliding Fee Discount Program will be made available for all clients in an outpatient or school based program. Information and forms can be obtained from the Front Desk staff, the Business Office or on the OBHAW website. The completed application form and all requested income verification documentation should be submitted to an FCM or

the Business office.

4. **Administration:** The Sliding Fee Discount Program procedure will be administered through the Director of Business and Administrative Services Office or their designees. 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 healthcare 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 all required fields of the Sliding Fee Discount Program application in its entirety. A Social Security number is not required for application approval. By signing the Sliding Fee Discount Program application, persons authorize OBHAW 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.
7. 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, his/her application will be re-dated to the date on which s/he supplies the requested information.
8. **Eligibility:** All clients in OBHAW's geographic area, population and facility HPSA(s) groups are eligible to apply for the Sliding Fee Scale Program Discounts. Eligibility will be based on income and family size only. OBHAW 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)
9. **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.
10. **Self- declaration of Income** may only be used in special circumstances. Specific examples include participants who are homeless. Clients 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 OBHAW's CEO or his/her designee for review and final determination as to the sliding fee percentage. Self-declared clients will be responsible for 100% of their charges until management determines the appropriate category.
11. **Discounts:** Those with incomes at or below 100% of poverty will receive a full 100% discount. There will be no nominal fee for this income level. 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. For the uninsured and non-covered services, the services will be discounted based on the current Medicaid allowable rate at the time services are rendered. For clients with third party insurance plans OBHAW is bound by contractual agreements to bill the client for all copays, coinsurances and deductibles at the policy defined rate. Discounts for these clients may only be applied once the client has been billed at their plan

rate. The discount will only be applied to the copay, coinsurance or deductible that is the client's responsibility under the plan.

12. **Waiving of Charges:** In certain situations, clients may not be able to pay the discount fee. Waiving of charges may only be used in special circumstances and must be approved by OBHAW's CEO, COO, 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).
13. **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 OBHAW. 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.
14. **Refusal to Pay:** If a patient verbally expresses an unwillingness to pay or withdraws from services without paying, 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 an effort to pay or fails to respond within 60 days, this constitutes refusal to pay. At this point in time, OBHAW can explore options not limited to but including offering the patient a payment plan, waiving of charges.
15. **Record keeping:** Information related to Sliding Fee Discount Program decisions will be maintained and preserved in a centralized confidential file in an effort to preserve the dignity of those receiving free or discounted care. Applicants that have been approved for the Sliding Fee Discount Program will be logged in a password protected document on OBHAW shared directory, noting names of applicants, dates of coverage and percentage of coverage. The Office Manager will be responsible for assuring the log is maintained and up to date at all times. The log will identify Sliding Fee Discount Program recipients and dollar amounts. Denials will also be logged.
16. **Policy and procedure review:** Annually, the amount of Sliding Fee Discount Program provided will be reviewed by the COO and the Executive Management Team. The SFS will be updated based on the current Federal Poverty Guidelines. Pertinent information comparing amount budgeted and actual 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 clients from having access to our care provisions.
17. **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.

## **PROCEDURE**

### **Outpatient SELF PAY Sliding Fee Scale Procedure**

**All clients are given the opportunity to meet with a Financial Case Manager upon intake or at any time they request it. The Financial Case Manager is the person responsible for completing income verification on all clients and determining if the client qualifies for certain reimbursements programs or pay sources based on their income. One such resource is the Sliding Fee Scale Program. If the client's income falls within the categories of the sliding fee scale income threshold limits, the client will be provided the Sliding Fee Scale application to complete and asked to provide additional verification of income documents.**

### **OP self-pay rates:**

- By default all clients are at 100%.
- Clients may be eligible for a discount (using Federal Poverty Level guidelines) depending on total family size and combined gross income. Clients must submit a completed fee scale application along with required proof of income and family size to a Financial Case Manager (FCM).
- Rates are good for one year, at which time client must re-qualify.
  - Client may ask for a reassessment at any time their financial situation changes.

**Proof of income:**

- Pay stubs or
- Previous year's tax return
- Bank statements- for the purpose of verifying income only-statements can indicate assets which are not a factor in determining program eligibility and should not be included for this purpose.
- When client declares no income he shall be prompted to describe in detail his living circumstances and how he obtains basic living necessities such as food, shelter, medical care and clothing.

**All clients who qualify for discount:**

- When FCM obtains proof of income they:
  - Complete the Office Only section of the application and record sliding fee scale percentage discount.
  - Keys income and family size into client's intake record (Unscheduled Forms -> Financial Form)
  - For existing or reopen clients creates new 100 %, 80%, 60%, 40% or 20% fee discount and record effective date.
  - For new cases, modifies default 100% fee record to 80%, 60%, 40%, 20%, 0
  - Inserts "SP100, SP80, SP60, SP40 or SP20" at beginning of "Reminder note appears when scheduling appointment" field on Facesheet. SP100 should be assigned to one of the available grant funding
  - Adding billing- making sure effective dates are correct and the self-pay comes up as second.
  - Scans eligibility form and proof documents into AR folder
- Rates are good for one year, at which time client must re-qualify. The client may request an earlier review if their financial situation has changed since date of original application.
- Payment plans are available to clients who need to pay for services over time. Plan needs to be defined and time restricted as well as reasonable.
- Clients who choose not to meet with an FCM or who do not qualify will default to 100% of current rates.

**RESPONSIBILITIES:**

**Executive Committee**

The Executive Committee shall be responsible for reviewing and approving the fee policy. The Committee shall also periodically review reports concerning fee assessment and past due account balances.

**Director of Business and Administrative Services**

The Director is responsible for ensuring the fee scale is updated annually and that the program is applied consistently for all clients.