

Health Center Program Site Visit Protocol: Sliding Fee Discount Program

Last updated: February 27, 2020

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SLIDING FEE DISCOUNT PROGRAM

Primary Reviewer: Fiscal Expert

Secondary Reviewer: Governance/Administrative Expert

Authority: Section 330(k)(3)(G) of the Public Health Service (PHS) Act; 42 CFR 51c.303(f), 42 CFR 51c.303(g), 42 CFR 51c.303(u), 42 CFR 56.303(f), 42 CFR 56.303(g), and 42 CFR 56.303(u)

Document Checklist for Health Center Staff

Documents Provided Prior to Site Visit:

- Sliding Fee Discount Program (SFDP) policy(ies)
- SFDP procedure(s)
- Sliding Fee Discount Schedule (SFDS), including SFDSs that differ by service or service delivery method (if applicable)
- Any related policies, procedures, forms and materials that support the SFDP (for example, registration and scheduling, financial eligibility, screening, enrollment, patient notifications, billing and collections)

Documents Provided at the Start of the Site Visit:

- Sample of 5–10 records, files or other forms of documentation of patient income and family size. Ensure the sample includes records for:
 - Uninsured and insured patients
 - Initial assessments for income and family size as well as re-assessments
- For any service delivered via Column II (whether or not the service is also delivered via Column I and/or Column III), at least one but no more than three written contracts/agreements for EACH Required and EACH Additional Service
Note: *The same sample of contracts/agreements is to be utilized for the review of both [Required and Additional Health Services](#) and [Sliding Fee Discount Program](#)*
- For any service delivered via Column III (whether or not the service is also delivered via Column I and/or Column II), at least one but no more than three written referral arrangements for EACH Required and EACH Additional Service
Note: *The same sample of contracts/agreements is to be utilized for the review of both [Required and Additional Health Services](#) and [Sliding Fee Discount Program](#)*
- If the board-approved SFDP policy does not state a specific amount for nominal charge(s), other documentation (for example, board minutes, reports) of board involvement in setting the amount of nominal charge(s)
- Data, reports, or any other relevant materials used to evaluate the SFDP
- If the health center is subject to legal or contractual restrictions regarding sliding fee discounts for patients with third-party coverage, the health center will produce documentation of such restrictions

Demonstrating Compliance

Element a: Applicability to In-Scope Services

The health center has a sliding fee discount program (SFDP)¹ that applies to all [required](#) and [additional health services](#)² within the HRSA-approved [scope of project](#) for which there are distinct fees.³

Site Visit Team Methodology

- Interview health center staff involved in implementing SFDP policies (for example, key management staff, eligibility and outreach staff, front desk staff, billing staff, office manager, case managers) including, time permitting, a walk-through of the SFDS screening and enrollment process.
- Review the health center's SFDP policy(ies), procedures, schedule(s) (single or multiple SFDSs, if applicable), and any related policies, procedures, forms, and materials.
- Review health center's Form 5A: Services Provided.

Site Visit Findings

1. Are ALL services within the approved scope of project offered on a sliding fee discount schedule (SFDS) (for Columns I and II) or offered under any other type of discount (for Column III)? "Services" refers to all Required and Additional services across all applicable service delivery methods listed on the health center's Form 5A for which there are distinct fees.

Notes:

- *Please include any findings regarding the specific STRUCTURE of the SFDS for services in Columns I, II, and III within applicable elements "c," "i," and "j."*
- *Services (for example, transportation, translation, other non-clinical services) on Form 5A that are not billed for in the local health care market may be excluded from the health center's fee schedule and, therefore, from the health center's SFDS.*

YES NO

If No, an explanation is required, including specifying which in-scope services are excluded from sliding fee discounts or any other type of discount:

¹ A health center's sliding fee discount program consists of the schedule of discounts that is applied to the fee schedule and adjusts fees based on the patient's ability to pay. A health center's SFDP also includes the related policies and procedures for determining sliding fee eligibility and applying sliding fee discounts.

² See [Health Center Program Compliance Manual] [Chapter 4: Required and Additional Health Services](#) for more information on requirements for services within the scope of the project.

³ A distinct fee is a fee for a specific service or set of services, which is typically billed for separately within the local health care market.

Element b: Sliding Fee Discount Program Policies

The health center has board-approved policy(ies) for its SFDP that apply uniformly to all patients and address the following areas:

- Definitions of income⁴ and family;
- Assessment of all patients for sliding fee discount eligibility based only on income and family size, including methods for making such assessments;
- The manner in which the health center’s SFDS(s) will be structured in order to ensure that patient charges are adjusted based on ability to pay; and
- *Only applicable to health centers that choose to have a nominal charge for patients at or below 100 percent of the Federal Poverty Guidelines (FPG):* The setting of a flat nominal charge(s) at a level that would be nominal from the perspective of the patient (for example, based on input from patient board members, patient surveys, advisory committees, or a review of co-pay amount(s) associated with Medicare and Medicaid for patients with comparable incomes) and would not reflect the actual cost of the service being provided.⁵

Site Visit Team Methodology

- Interview board member(s) and key management staff.
Note: Interviews may be conducted in collaboration with the governance/administrative expert.
- Review the health center’s SFDP policy(ies).
Note: This may be combined with the policy review conducted for element “a.”
- Review any other related policies, procedures, and documents provided by the health center, if applicable.
- If the board-approved SFDP policy does not state a specific amount for nominal charge(s), review other documentation (for example, board minutes, reports) of board involvement in setting the amount of nominal charge(s).

Site Visit Findings

2. Does the health center’s SFDP policy include language or provisions that address all of the following:
 - Uniform applicability to all patients?
 YES NO
 - Income and family (or “household”) (for example, any inclusions or exclusions in how they are defined)?
 YES NO

⁴ Income is defined as earnings over a given period of time used to support an individual/household unit based on a set of criteria of inclusions and exclusions. Income is distinguished from assets, as assets are a fixed economic resource while income is comprised of earnings.

⁵ Nominal charges are not “minimum fees,” “minimum charges,” or “co-pays.”

- Methods for assessing patient eligibility based only on income and family size?
 YES NO
- The manner in which SFDS(s) are structured to ensure charges are adjusted based on ability to pay (for example, flat fee amounts differ across discount pay classes, a graduated percent of charges for patients with incomes above 100 percent and at or below 200 percent of FPG)?
 YES NO
- The setting of a nominal charge(s) for patients at or below 100 percent FPG?

Note: Select "Not Applicable" if the health center does not charge patients at or below 100 percent FPG.
 YES NO NOT APPLICABLE

If No was selected for any of the above, an explanation is required:

3. Does the health center's policy ensure that any/all charge(s) for patients at or below 100 percent of the FPG will be:
- A flat fee?
 YES NO NOT APPLICABLE
 - Nominal from a patient's perspective?
 YES NO NOT APPLICABLE
 - Not based on the actual cost of the service?
 YES NO NOT APPLICABLE

Note: The health center's SFDP policy may state how the nominal charge will be determined AND/OR the amount of the nominal charge(s). If the board-approved SFDP policy does not state a specific amount for nominal charge(s), other documentation (for example, board minutes, reports) of board involvement in setting the amount of nominal charge(s) may be utilized.

If No was selected for any of the above, an explanation is required:

Element c: Sliding Fee for Column I Services

For services provided directly by the health center ([Form 5A: Services Provided](#), Column I), the health center's SFDS(s) is structured consistent with its policy and provides discounts as follows:

- A full discount is provided for individuals and families with annual incomes at or below 100 percent of the current FPG, unless a health center elects to have a nominal charge, which would be less than the fee paid by a patient in the first sliding fee discount pay class above 100 percent of the FPG.

- Partial discounts are provided for individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the current FPG, and those discounts adjust based on gradations in income levels and include at least three discount pay classes.⁶
- No discounts are provided to individuals and families with annual incomes above 200 percent of the current FPG.⁷

Site Visit Team Methodology

- Review the structure of the health center's SFDS(s) for Column I services.
Note: For health centers that utilize multiple SFDSs, the structure of each SFDS must be reviewed, including, if applicable, any nominal charges.
- Interview key management staff.

Site Visit Findings

In responding to the question(s) below, please note:

The questions relate to services provided directly by the health center (Form 5A: Services Provided, Column I).

4. For patients with incomes at or below 100 percent of FPG, does the SFDS(s):

- Provide a full discount (no nominal charge(s))?
 YES NO
- Require only a nominal charge(s) ("fee")?
 YES NO

If No was selected for BOTH of the above, an explanation is required:

5. If the health center has a nominal charge(s), is the nominal charge(s) less than the fee that would be paid by patients in the first sliding fee discount pay class above 100 percent of FPG?
 YES NO NOT APPLICABLE

If No, an explanation is required:

6. For patients with incomes above 100 percent and at or below 200 percent of the FPG, does the SFDS(s) provide partial discounts adjusted in accordance with gradations in

⁶ For example, a SFDS with discount pay classes of 101 percent to 125 percent of the FPG, 126 percent to 150 percent of the FPG, 151 percent to 175 percent of the FPG, 176 percent to 200 percent of the FPG, and over 200 percent of the FPG would have four discount pay classes between 101 percent and 200 percent of the FPG.

⁷ See [Health Center Program Compliance Manual] [Chapter 16: Billing and Collections](#), if the health center has access to other grants or subsidies that support patient care.

income levels and consist of at least three discount pay classes (i.e., as patient income increases, the discounts decrease accordingly)?

YES NO

If No, an explanation is required:

7. For patients with incomes above 200 percent of the FPG, is the SFDS(s) structured so that such patients are not eligible for a sliding fee discount under the Health Center Program?

Note: Health centers that provide sliding fee discounts to patients with incomes above 200 percent of the FPG may do so as long as such discounts are supported through other funding sources (for example, Ryan White Part C award).

YES NO

If No, an explanation is required:

Element d: Multiple Sliding Fee Discount Schedules

For health centers that choose to have more than one SFDS, these SFDSs would be based on services (for example, having separate SFDSs for broad service types, such as medical and dental, or distinct subcategories of service types, such as preventive dental and additional dental services) and/or on service delivery methods (for example, having separate SFDSs for services provided directly by the health center and for in-scope services provided via formal written [contract](#)) and no other factors.

Site Visit Team Methodology

- Review each different SFDS in use and the basis for the separate discount schedule(s) (if applicable).
- Interview key management staff.

Site Visit Findings

8. Does the health center have more than one SFDS?

YES NO

9. **If Yes:** Is each SFDS based either on service or service delivery method and no other factors (for example, patient insurance status, location of site, other demographic or patient characteristics)?

YES NO NOT APPLICABLE

If No, an explanation is required:

Element e: Incorporation of Current Federal Poverty Guidelines

The health center's SFDS(s) has incorporated the most recent FPG.

Site Visit Team Methodology

- Review the SFDS(s) for the income ranges and family size.
- Review current FPG and related resources available at: <https://aspe.hhs.gov/poverty-guidelines>.

Site Visit Findings

10. Based on the review of the health center's current SFDS(s), has the health center incorporated the current FPG in the calculations for all of the discount pay classes?
- YES NO

If No, an explanation is required:

Element f: Procedures for Assessing Income and Family Size

The health center has operating procedures for assessing/re-assessing all patients for income and family size consistent with board-approved SFDP policies.

Site Visit Team Methodology

- Interview health center staff involved in implementing SFDP policies (for example, key management staff, eligibility and outreach staff, front desk staff, billing staff, office manager, case managers) including, time permitting, a walk-through of the SFDS screening and enrollment process.
- Review the health center's SFDP policy(ies), procedures, schedule(s) (single or multiple SFDSs, if applicable), and any related policies, procedures, forms, and materials.
Note: *This may be combined with the policy review conducted for element "a."*

Site Visit Findings

11. Does the health center have operating procedures for assessing/re-assessing all patients (regardless of insurance status) for income and family size?
- YES NO

If No, an explanation is required:

12. Are these procedures consistent with the board-approved policy for the SFDP?
- YES NO

If No, an explanation is required:

Element g: Assessing and Documenting Income and Family Size

The health center has records of assessing/re-assessing patient income and family size except in situations where a patient has declined or refused to provide such information.

Site Visit Team Methodology

- Review a sample of 5–10 records, files, or other forms of documentation of patient income and family size. The health center will specifically provide a sample that includes records for:
 - o Uninsured and insured patients
 - o Initial assessments for income and family size as well as re-assessments
- Interview key management staff.

Site Visit Findings

13. Did the review of the sample indicate that the health center is consistently assessing and re-assessing patient income and family size?
- YES NO

If No, an explanation is required:

Element h: Informing Patients of Sliding Fee Discounts

The health center has mechanisms for informing patients of the availability of sliding fee discounts (for example, distributing materials in language(s) and literacy levels appropriate for the patient population, including information in the intake process, publishing information on the health center's website).

Site Visit Team Methodology

- Site tour(s), interviews with health center staff (for example, eligibility and outreach staff, front desk staff, billing staff, office manager, case managers), and review of mechanisms for informing patients.
- Interview key management staff.

Site Visit Findings

14. Based on site tours, interviews, and review of related materials, does the health center have mechanisms for informing patients of the availability of sliding fee discounts and how to apply for such discounts?
- YES NO

If No, an explanation is required:

Element i: Sliding Fee for Column II Services

For in-scope services provided via contracts (Form 5A: Services Provided, Column II, Formal Written Contract/Agreement), the health center ensures that fees for such services are discounted as follows:

- A full discount is provided for individuals and families with annual incomes at or below 100 percent of the current FPG, unless a health center elects to have a nominal charge, which would be less than the fee paid by a patient in the first sliding fee discount pay class above 100 percent of the FPG.
- Partial discounts are provided for individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the current FPG, and those discounts adjust based on gradations in income levels and include at least three discount pay classes.
- No discounts are provided to individuals and families with annual incomes above 200 percent of the current FPG.

Site Visit Team Methodology

- Interview health center staff involved in administering contracts for services. For any service delivered via Column II (whether or not the service is also delivered via Column I and/or Column III), review at least one but no more than three written contracts/agreements for EACH Required and EACH Additional Service.

Notes:

- *The same sample of contracts/agreements is to be utilized for the review of both [Required and Additional Health Services](#) and [Sliding Fee Discount Program](#).*
- *The fiscal expert may wish to collaborate with the clinical expert on this review because the same sample is used in [Required and Additional Health Services](#).*

Site Visit Findings

In responding to the question(s) below, please note:

- *The questions relate to services provided via contracts (Form 5A: Services Provided, Column II).*
- *Services (for example, transportation, translation, other non-clinical services) on Form 5A that are not billed for in the local health care market may be excluded from the health center's fee schedule and, therefore, from the health center's SFDS.*

15. Does the health center provide services via contracts/agreements (Form 5A: Services Provided, Column II)?

YES NO

16. For patients receiving service(s) through these contracts/agreements, has the health center ensured that sliding fee discounts are provided in a manner that meets all Health Center Program requirements (for example, health center applies its own SFDS to amounts owed by eligible patients; contract contains specific sliding fee provisions; contracted services are provided by another health center which applies an SFDS that meets structural requirements)?

YES NO NOT APPLICABLE

If No, an explanation is required:

17. For patients with incomes at or below 100 percent of FPG, has the health center ensured that such patients are:

- Provided a full discount (no nominal charge(s))?
 YES NO NOT APPLICABLE
- Assessed a nominal charge(s) ("fee")?
 YES NO NOT APPLICABLE

If No was selected for BOTH of the above, an explanation is required:

18. If there is a nominal charge, is the nominal charge less than the fee that would be paid by patients in the first sliding fee discount pay class above 100 percent of FPG?

- YES NO NOT APPLICABLE

If No, an explanation is required:

19. For patients with incomes above 100 percent and at or below 200 percent of the FPG, does the SFDS(s) provide partial discounts adjusted in accordance with gradations in income levels and consist of at least three discount pay classes (i.e., as patient income increases, the discounts decrease accordingly)?

- YES NO NOT APPLICABLE

If No, an explanation is required:

20. For patients with incomes above 200 percent of the FPG, is the SFDS(s) structured so that such patients are not eligible for a sliding fee discount under the Health Center Program?

Note: Health centers that provide sliding fee discounts to patients with incomes above 200 percent of the FPG may do so as long as such discounts are supported through other funding sources (for example, Ryan White Part C award).

- YES NO NOT APPLICABLE

If No, an explanation is required:

Element j: Sliding Fee for Column III Services

For services provided via formal referral arrangements (Form 5A: Services Provided, Column III), the health center ensures that fees for such services are either discounted as described in element "c" above or discounted in a manner such that:

- Individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the FPG receive an equal or greater discount for these services than if the health center's SFDS were applied to the referral provider's fee schedule; and
- Individuals and families at or below 100 percent of the FPG receive a full discount or a nominal charge for these services.

Site Visit Team Methodology

- Interview health center staff involved in administering referral arrangements for services.
- For any service delivered via Column III (whether or not the service is also delivered via Column I and/or Column II), review at least one but no more than three written referral arrangements for EACH Required and EACH Additional Service.

Notes:

- *The same sample of contracts/agreements is to be utilized for the review of both [Required and Additional Health Services](#) and [Sliding Fee Discount Program](#).*
- *The fiscal expert may wish to collaborate with the clinical expert on this review because the same sample is used in [Required and Additional Health Services](#).*

Site Visit Findings

In responding to the question(s) below, please note:

- *The questions relate to services provided via formal referral arrangements (Form 5A: Services Provided, Column III).*
- *Services (for example, transportation, translation, other non-clinical services) on Form 5A that are not billed for in the local health care market may be excluded from the health center's fee schedule and, therefore, from the health center's SFDS.*

21. Does the health center provide services via formal referral arrangements (Form 5A: Services Provided, Column III)?

YES NO

22. For patients receiving service through these referral arrangements, has the health center ensured that sliding fee discounts are EITHER provided in a manner that meets the structural requirements noted in element "c" OR discounted in a manner such that:

- Individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the FPG receive an **equal or greater discount** for these services than if the health center's SFDS were applied to the referral provider's fee schedule (for example, health center has a referral arrangement with organizations that charge no fee at all for patients at or below 200 percent of the FPG); and
 - Individuals and families at or below 100 percent of the FPG receive a full discount or a nominal charge for these services?
- YES NO NOT APPLICABLE

If No, an explanation is required, including describing the format and type of any discount(s) provided:

Element k: Applicability to Patients with Third-Party Coverage

Health center patients who are eligible for sliding fee discounts and have third-party coverage are charged no more for any out-of-pocket costs than they would have paid under the applicable SFDS discount pay class.⁸ Such discounts are subject to potential legal and contractual restrictions.⁹

Site Visit Team Methodology

- Interview health center staff involved in implementing SFDP policies (for example, key management staff, eligibility and outreach staff, front desk staff, billing staff, office manager, case managers) including, time permitting, a walk-through of the SFDS screening and enrollment process.
- Review the health center's SFDP policy(ies), procedures, schedule(s) (single or multiple SFDSs, if applicable), and any related policies, procedures, forms, and materials.
Note: *This may be combined with the policy review conducted for element "a."*
- Interview relevant health center staff to determine whether the health center is subject to legal or contractual restrictions on sliding fee discounts for patients with third-party coverage. If so, the health center will produce the specific documentation of such restrictions.

Site Visit Findings

23. Based on interviews and a review of related documents, does the health center ensure that patients who are eligible for sliding fee discounts and who have third-party coverage are charged no more for any out-of-pocket costs (for example, deductibles, co-pays, and services not covered by the plan) than they would have paid under the applicable SFDS discount pay class?

YES NO

If No, an explanation is required, including describing any legal or contractual restrictions that the health center has documented:

Element l: Evaluation of the Sliding Fee Discount Program

The health center evaluates, at least once every 3 years, its SFDP. At a minimum, the health center:

- Collects utilization data that allows it to assess the rate at which patients within each of its discount pay classes, as well as those at or below 100 percent of the FPG, are accessing health center services;
-

⁸ For example, an insured patient receives a health center service for which the health center has established a fee of \$80, per its fee schedule. Based on the patient's insurance plan, the co-pay would be \$60 for this service. The health center also has determined, through an assessment of income and family size, that the patient's income is 150 percent of the FPG and thus qualifies for the health center's SFDS. Under the SFDS, a patient with an income 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 health center would charge the patient no more than \$40 out-of-pocket, consistent with its SFDS, as long as this is not precluded or prohibited by the applicable insurance contract.

⁹ Such limitations may be specified by applicable federal or state programs, or private payor contracts.

- Utilizes this and, if applicable, other data (for example, results of patient satisfaction surveys or focus groups, surveys of patients at various income levels) to evaluate the effectiveness of its SFDP in reducing financial barriers to care; and
- Identifies and implements changes as needed.

Site Visit Team Methodology

- Interview relevant health center staff involved in evaluating the SFDP.
- Interview board member(s) and key management staff.
Note: Interviews may be conducted in collaboration with the governance/administrative expert.
- Review data, reports or any other relevant materials used to evaluate the SFDP.

Site Visit Findings

24. Does the health center evaluate the effectiveness of the SFDP in reducing financial barriers to care?
 YES NO

If No, an explanation is required:

25. **If Yes:** Is this evaluation conducted at least once every 3 years?
 YES NO NOT APPLICABLE

If No, an explanation is required:

26. Does the health center collect utilization data in order to assess whether patients within each of its discount pay classes are accessing health center services?
 YES NO

If No, an explanation is required:

27. **If Yes:** Does the health center utilize these data (and, if applicable, any other data, such as collections or patient survey data) to evaluate the effectiveness of its SFDP?
 YES NO NOT APPLICABLE

If No, an explanation is required:

28. Has the health center implemented any follow-up actions based on evaluation results (for example, changes to SFDP policy by board, implementation of improved eligibility screening processes or notification methods for sliding fee discounts)?
 YES NO

If No, an explanation is required:
