

ADMINISTRATIVE POLICY

Northern Kentucky Mental Health-Mental Retardation Regional Board, Incorporated

Policy: AP - 008

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02/03/2017
12/19/2018
08/17/2020
02/10/2023

Subject: SLIDING FEE SCALE PROGRAM

STATEMENT OF POLICY

This program is designed to provide discounted care to those who have no means, or limited means, to pay for their services. In addition to quality healthcare, clients are entitled to financial counseling by someone who can understand and offer possible solutions for those who cannot pay in full. A NorthKey representative will work with the patient and/or guarantor to find reasonable payment alternatives, including determining eligibility for Medicaid or a Qualified Health Plan (QHP).

NorthKey will offer a Sliding Fee Scale Program to all who are unable to pay full fee for their services. NorthKey will base the person's eligibility of the Sliding Fee Scale Program on the person's income and family size, and will not discriminate on the basis of age, gender, race, creed, disability or national origin. The Federal Poverty Guidelines, <http://aspe.hhs.gov/poverty>, are used in creating and annually updating the sliding fee schedule (SFS) to determine eligibility.

STATEMENT OF PROCEDURE

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

1. Notification: NorthKey will notify clients of the Sliding Fee Scale Program by:

- Notification of the Sliding Fee Scale Program will be offered to each patient during their first appointment
NorthKey places notification of Sliding Fee Scale Program in every waiting area
2. Payment of sliding fee is due at the time of service.
 3. All patients seeking services at NorthKey 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.
 4. Request for sliding scale fee may be made by the patient, family members, or others who are aware of existing financial hardship. Information and forms can be obtained from the Front Desk at any location.
 5. The Sliding Fee Scale Program procedure will be administered through the office of the Chief of Business Management and Development or his/her designee. Information about the Sliding Fee Scale 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 charitable services.
 6. All alternative payment sources must be exhausted, including all third-party payment from insurance(s), Federal and State programs.
 7. The patient/responsible party must complete the Sliding Fee Scale Program application in its entirety. By signing the Sliding Fee Scale Program application, persons authorize NorthKey access in confirming income as disclosed on the application form. Providing false information on a Sliding Fee Scale Program application will result in all Sliding Fee Scale Program being revoked and the full balance of the account(s) restored and payable immediately.

If an application is unable to be processed due to the need for additional information, the applicant has up to three sessions to produce proof of income in order to be eligible for the sliding scale fee. After three sessions, if proof of income has not been provided or specific permission has not been given by a Lead Manager, the client is responsible to pay the full fee for all services that have been delivered. Clients who are actively working with a NorthKey representative to seek coverage will be eligible to continue to receive services and payment expectations will be as determined through the Sliding Fee Scale Program. Any accounts turned over for collection as a result of the patient's delay in providing information will not be considered for the Sliding Fee Scale Program.

8. Sliding scale fees are based on income and family size only. NorthKey uses the Census Bureau definitions of each.

- e 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.
 - e Income includes: earnings, unemployment compensation, workers' compensation, Social Security, public assistance, veterans' payments, survivor benefits, pension or retirement income, Supplemental Security Income, interest, dividends, rents, royalties, income from estates, trust, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Non-cash benefits (such as food stamps and housing subsidies) do not count.
9. Income verification: Applicants must provide one of the following: prior year W-2, two most recent pay stubs, letter from employer, award letter from Social Security or the Food Stamp Office, Form 4506-T (if W-2 not filed), or a signed letter on letterhead from a State Agency regarding current income. 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. 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.
10. The minimum fee for the Sliding Fee Scale Program will be \$15 per visit. However, clients will not be denied services due to an inability to pay. The nominal (\$15) fee is not a threshold for receiving care and thus, is not a minimum fee or co-payment.
11. The Sliding Fee Scale Program determination will be offered to the applicant(s) in writing, and will include the Sliding Fee Amount. If the application is denied, the client and/or responsible party must immediately establish payment arrangements with NorthKey.
12. Information related to Sliding Fee Scale Program will be maintained and preserved in the electronic health record.
13. Annually, the fee amounts of the Sliding Fee Scale Program will be reviewed and will be updated based on the current Federal Poverty Guidelines. Pertinent information comparing amount budgeted and actual community care provided shall serve as a guideline for future planning. This will also serve as a discussion base for reviewing possible changes in policy and procedures and for examining institutional practices which may serve as barriers preventing eligible clients from having access to community care provisions.

14. Exceptions to the Sliding Fee Scale: In certain situations, clients may not be able to pay the sliding scale fee. The Exception to Sliding Fee Scale procedure allows clients with self-pay fees to receive services for less than the sliding scale fee when conditions warrant a fee reduction. Note that the fee exception procedure does NOT

apply to a client's health insurance or Medicare deductible/co-pay. Those fees are contractual obligations of the client with the insurance carrier that NorthKey is not allowed to reduce. Fee exceptions shall be based upon a complete review of total household income from all sources; therefore, documentation related to all sources of income for the entire household must be included in the request of an exception to the standard sliding fee scale. Failure to include all sources of household income shall result in automatic denial of the request and shall void such fee arrangements in the event of discovery at a later date. Discovery of additional household income or insurance coverage that was not originally reported in the request for an exception to the standard sliding fee scale shall result in immediate collection procedures for the full expense of delivered services.

It is the therapist's, or other direct service provider's, responsibility to initiate any fee exception requests. If the therapist believes a fee exception is warranted, then he/she should initiate the fee exception process by creating a Fee Exception visit in Credible.

The financial information requested in the Fee Exception visit shall be supported by documentation obtained from the client (income tax return, pay stubs, letter from government, verification from DCBS, etc.) and recorded in the patient's record. Documentation of household income and the Income/Expense form must be completed and attached to all Fee Exception Requests.

Once completed, the therapist will sign and approve the form, and it will then be reviewed by the appropriate Lead Manager for approval or denial.

The patient will be informed by the therapist that, if the exception is not approved, he/she will be responsible for the payment initially quoted on each service received during this period.

A client with a substantiated SMI or IDD diagnosis may carry an outstanding balance up to 6 months with the approval of the Chief of Services and Development, IF proof of an active application for Social Security Disability and Medicaid Benefits is provided by the client and supported by the primary clinician and case management services. If the client is denied said benefits and all appeals have been exhausted and the client has provided the necessary

documents to justify a fee exception, such exceptions may be granted retroactively for up to 12 calendar months. This is the ONLY case in which a fee exception may occur retroactively and no other retroactive fee exceptions shall be granted under any circumstances. This scenario is primarily applicable to clients participating in Employment Rehabilitation.

Once the fee exception is approved by the Lead Manager and Chief of Services and Development, it is sent to the Lead Manager of Billing Services. The Lead Manager of Billing Services shall review the visits that need to be adjusted based on the approval.

The Lead Manager of Billing will send out notices one month in advance of expiring fee exceptions. When the date has expired, another fee exception must be initiated (if applicable) and processed for approval.

Reasons for Sliding Fee Scale Exceptions include:

- o Insufficient income – attached supporting documentation for household income level (income tax return, two pay stubs, letter from government, copy of income verification from DCBS, etc.) will be available in the electronic health record.
- o Documented lack of discretionary income (an Income/Expense Form with documented support as indicated above is required)
- o All Mental Health clients receiving services in the Homeless Services Project or Homeless Outreach program will automatically be approved for a fee reduction to zero unless potentially eligible for Social Security Disability and Medicaid benefits due to suffering from a SMI, which would allow for carrying a potential balance during the application process as described above.
- o A client in crisis will automatically be approved for a fee reduced to zero. Customer Support staff will indicate in the Insurance Tab note that the visit is "crisis."

NorthKey Community Care

Sliding Fee Scale Schedule

| Annual Income Thresholds by Family Size and Percent Poverty | | | | | | |
|---|--------------------|-----------------------|---------------------------|-----------------------|------------------------|--------------|
| Poverty Level | At or Below 100% | 125% | 150% | 175% | 200% | Above 200% |
| Family Size | Nominal Fee (\$15) | Pay \$30 | Charge Pay \$45 | Pay \$60 | Pay \$75 | Pay Full Fee |
| 1 | 0-\$14,580 | \$14,581- \$18,225 | \$18,226- \$21,870 | \$21,871- \$25,515 | \$25,516- \$29,160 | \$29,161 + |
| 2 | 0-\$19,720 | \$19,721- \$24,650 | \$24,651- \$29,580 | \$29,581- \$34,510 | \$34,511- \$39,440 | \$39,441+ |
| 3 | 0-\$24,860 | \$24,861- \$31,075 | \$31,076- \$37,290 | \$37,291- \$43,505 | \$43,506- \$49,720 | \$49,721+ |
| 4 | 0-\$30,000 | \$30,001- \$37,500 | \$37,501- \$45,000 | \$45,001- \$52,500 | \$52,501- \$60,000 | \$60,001+ |
| 5 | 0-\$35,140 | \$35,141- \$43,925 | \$43,926- \$52,710 | \$52,711- \$61,495 | \$61,496- \$70,280 | \$70,281+ |
| 6 | 0-\$40,280 | \$40,281- \$50,350 | \$50,351- \$60,420 | \$60,421- \$70,490 | \$70,491- \$80,560 | \$80,561+ |
| 7 | 0-\$45,420 | \$45,421- \$56,775 | \$56,776- \$68,130 | \$68,131- \$79,485 | \$79,486- \$90,840 | \$90,841+ |
| 8 | 0-\$50,560 | \$50,561- \$63,200 | \$63,201- \$75,840 | \$75,841- \$88,480 | \$88,481- \$101,120 | \$101,121+ |
| For each additional person, add | \$5,140 | \$6,425 | \$7,710 | \$8,995 | \$10,280 | \$10,280 |