Sliding Fee Scale Discount Guide for Critical Access Hospitals
Sliding Fee Scale Discount Introduction

• Sliding fee scale discount programs can provide a positive impact to both the critical access hospital as well as the patient
• Addresses the need for equitable access to health services for all individuals regardless of ability to pay
Early detection of collectable balances
  ◦ Benefits to hospital
  ◦ Benefits to patient
Assist with meeting the requirements of 501(r) for non-profit hospitals
  ◦ Written financial assistance policies
  ◦ Limits to amounts charged for emergency and other medically necessary care for those eligible for financial assistance
Sliding Fee Scale Discount Benefits

- Meets the requirements of a National Health Services Corps (NHSC) approved site
  - Improves ability to recruit providers due to loan repayment incentives provided to participants
  - A fee schedule for services
  - A schedule of discounts for those patients eligible based on their ability to pay
  - Policies and procedures for applying the discount program
  - Specific requirements on eligibility and discount amounts
Sliding Fee Scale Discount Development

• Requires the setting of policies and creating the structure for the sliding fee scale discounts
• Many items are taken into consideration in establishing a discount structure
  ◦ Income and family size
  ◦ Number of discount pay classes
  ◦ Type of discounts to be provided
Sliding Fee Scale Discount Development

- Used to determine the discount to be applied
- Full charges are recorded in the general ledger
- Entry recorded to reflect the value of the discount
Conclusion

- As mentioned in the beginning, the sliding fee scale discount program can provide many benefits
  - Early detection of collectable balances
  - Assist with meeting the requirements of 501(r) for non-profit hospitals
  - Meets the requirements of a National Health Services Corps approved site
- It is recommended that all critical access hospitals consider the benefits of implementation of a sliding fee scale discount program