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Sliding Fee Scale Discount Guide for Critical Access Hospitals



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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



Sliding Fee Scale Discount Benefits

- 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

