

Title: Billing, Collection and Fees Policy	Policy Number: 4.1
Approved By: Belinda Pettiford, MPH	Program Area: Family Planning
Effective Date: 2/1/76	Revised Date: 1/6/14

**Purpose statement of policy:**

To maintain a financial management system that meets the standards specified in the Title X Guidelines (Section 6.3) and is consistent with the guidance provided by the Family Planning and Reproductive Health Unit of the North Carolina Division of Public Health. Documentation and records of all income and expenditures must be maintained as required. Local health departments' policies and procedures must be approved by the local board of health, and made available for review by the Family Planning and Reproductive Health Unit upon request. Clients must not be denied project services or be subjected to any variation in quality of services due to inability to pay.

**Definitions:**

Defined within the patient fee policies the following areas must be addressed:

- Determination of cost for services provided by the project based on a cost analysis.
- Verification of income based on client's reported or verified income and family size. Other valid means of income verification include documented income from client's participation in another program.
- A schedule of discounts for individuals with family incomes between 101% to 250% of the Federal poverty level, and assurance of adherence of such sliding fee scale for all services provided in the Family Planning visit/exam.
- A mechanism must be in place for waiving fees for individuals who, as determined by the service site project director, are unable, for good cause, to pay for family planning services.
- Clients whose documented income is at or below 100% of the Federal poverty must not be charged, although projects must bill all third parties authorized or legally obligated to pay for services.
- Clients must be given bills that show total charges less any allowable discounts at time of visit.
- Sliding fee scale is not applied to co-pays when billing private insurance.
- Health Departments are exempt from requirements for collecting a Medicaid co-payment.
- Individual eligibility for a discount must be documented in the client's financial record and should be re-evaluated at least annually.
- Bills to third parties, such as Medicaid, must show total charges without applying any discount.

- Where reimbursement is available from Title XIX of the Social Security Act, a written agreement with the Title XIX state agency at either the state level of county level is required.
- Eligibility for discounts for minors who receive confidential services must be based on the income of the minor.
- Reasonable effort to collect charges without jeopardizing client confidentiality must be made.
- A method for the “aging” of accounts must be established.
- The use of “debt set-off” as a means for collection of charges must be addressed if applicable.
- Permission to accept/decline voluntary donations from clients.
- No minimum fee requirement or surcharge/flat fee that is indiscriminately applied to all clients.
- Charges for non-essential supplies or replacement cycles of pills must be determined and use of sliding fee scale on such charges when incurred.
- 340B drug discount program may not be used to purchase medications or birth control methods for non-Title X projects.

### **Responsibilities:**

It is the responsibility of the local health department and its designated personnel to develop, implement, and insure compliance among all staff in the Family Planning Program on the administration of patient fee policies that will assure the short and long term viability of the project. In addition, it is the local health department’s responsibility in assuring that client confidentiality is not jeopardized when attempting to collect charges.

### **Policy:**

The local health department will insure that written policies are in place for the administration of patient fee policies that address the above required areas in the definition section for all clients seeking services in the Title X Family Planning Clinics.

### **Legal Authority:**

This policy is based on Title X regulations (January, 2001) Section 6.3 concerning the financial management system that addresses charges, billing and collections.  
 DMA Guidelines for Medicaid and Family Planning Waiver Clients  
 NC State Statutes: 42 CFR 59 Grants for Family Planning Services

**References:**

Title X Guidelines can be accessed at:

[https://www.grantsolutions.gov/gs/servlet/document.DownloadPdfPublicServlet?document\\_id=7157](https://www.grantsolutions.gov/gs/servlet/document.DownloadPdfPublicServlet?document_id=7157)

OPA Program Instruction Series, 08-1 can be accessed at:

<http://www.hhs.gov/opa/pdfs/opa-08-01.pdf>

**For example policies from the local level, please contact your Regional Nurse Consultant**