

**PENDER COUNTY HEALTH DEPARTMENT**

<b>Title:</b> Fee, Eligibility, and Billing Policy	<b>Department:</b> Fiscal Management
<b>Effective Date:</b> September 18, 2007	<b>Last Revised:</b> January 12, 2012
<b>Approved by:</b>	
Jimmy Holland, Chair Board of Health	Carolyn Moser, MPA Health Director
Date	Date

**Background and Purpose:** To define the process of fees, eligibility, and billing for services rendered by Pender County Health Department.

**Scope:** Policy applies to all employees of Pender County Health Department that process fees, billing, and eligibility.

**Policy:** Public health services are increasingly costly to provide. The Health Department serves the public interest best by assuring that mandated public health services are furnished for all citizens and then providing as many recommended and requested public health services as it can for those citizens with greatest need.

Fees are a means to help distribute services to citizens of the county and help finance and extend public health resources as government funding cannot support the full cost of providing all requested services in addition to required services. Fees are considered appropriate, in the sense that while the entire population benefits from the availability of subsidized public health services for those in need, it is the actual users of such services who gain benefits for themselves.

Fees for Health Department services are authorized under North Carolina 130A-39 (g), provided that 1) they are in accordance with a plan recommended by the Health Director and approved by the Board of Health and the County Commissioners, and 2) they are not otherwise prohibited by law.

Moneys generated through reimbursement will be maintained in an identifiable line item in the Health Department and the County Finance Office.

All staff members involved in fee services shall consistently follow the established guidelines for fee collection through the policy and procedure statements addressed in this document, and shall hold all client information confidential.

Identification – each person should establish identity either with a birth certificate, driver’s license, military I.D., or passport, visa, or green card, etc.

***Fee Collection*** – Fees will be collected after the service is received. If a patient is unable to pay their account balance in full the appropriate health department staff will have the patient sign a payment agreement. (See Attachment 1) An itemized receipt will be provided to individuals who pay and an itemized bill will be sent to individuals who do not complete payment. Enrollment under Title XIX (Medicaid) shall be presumed to constitute full payment for the service.

At the end of the fiscal year, outstanding accounts having no activity in more than 12 months shall be written off as bad debts (see Attachment 2). Any activity in the account shall reactivate the debt and further collection efforts will be undertaken.

Pender County Health Department provides services without regard to age, sex race, religion, national origin, creed, or handicap status.

The fee policy will be explained to each patient with explanations of the purpose and details of procedures when the patient presents for services. Each patient is given an opportunity to pay and every effort will be made by the staff to collect total or partial payments or the co-pay for third-party billing on the day of the visits. Applicable deductible and co-insurance will be billed to the patient upon receipt of insurance Explanation of Benefits. Payment in full is required for flat fee services to include vaccines not supplied by the State, with the exception of those billed to third-party payers.

Provided that patient confidentiality is not jeopardized, bills showing total charges (less sliding scale discount) will be mailed to patients monthly.

Patients with account balances who have demonstrated no “good faith” effort to pay may be subject to service restrictions. Service restrictions will be at the discretion of the health director or designee. Exception to this rule is Family Planning. Payment arrangements for Family Planning services will be made for unpaid balances.

## Financial Eligibility Guidelines

Information regarding a client's income and family size will be documented. Documentation of income shall be required on the Socio-Economic Income Statement (see Attachment 3).

### DETERMINING GROSS INCOME

**Gross income** is the total of all cash income before deductions for income taxes, employee's social security taxes, insurance premiums, bonds, etc. For self-employed applicants (both farm and non-farm) this means net income after business expenses. Gross income does not include money earned by children for baby-sitting, lawn mowing, and other tasks. In general gross income includes:

1. salaries, wages, commissions, fees, tips
2. overtime pay
3. earnings from self-employment
4. earnings from stocks, bonds, savings account interest, rentals, and other investment income
5. public assistance moneys
6. unemployment compensation
7. alimony and child support payments
8. military allotments including re-enlistment bonuses, jump pay, uniform allowance, and cash allowances such as Family Subsistence Supplemental Allowances (FSSA)
9. Social Security benefits
10. Veterans Administration benefits
11. Supplementary Security Income (SSI) benefits
12. retirement and pension payments
13. workers compensation
14. student grants/stipends paid to the student for living expenses
15. Christmas bonuses, prize winnings
16. regular contributions from individuals not living in the household
17. all other sources of cash income except those specifically excluded
18. Lawn maintenance, as a business
19. House keeping, as a business

**Exceptions.** Gross income does not include except those non-cash income or payments/benefits from federal programs/acts including:

1. military housing benefits (on base or off base)
2. value of in-kind benefits
3. reimbursement from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
4. payments to volunteers under Title I (VISTA) and Title II (RSVP, foster grandparents, and others) of the Domestic Volunteer Service Act of 1973
5. payments received under the Job Training Partnership Act
6. payments under the Low Income Energy Assistance Act

7. student financial assistance received from any program funded in whole or part under Title IV
8. value of any child care payments made under section 402(g)(1)(E) Social Security Act
9. value of any child care provided or paid for under the Child Care and Development Block Grant Act
10. the value of assistance to children or families under the National School Lunch Act, the Child Nutrition Act of 1966 and the Food Stamp Act of 1977

### **Computation of Income:**

#### **Regular Income Formula:**

- Continued employment past 12 months
- One year back from today (Example: Today's service = 8/07 - 12 months back = 8/06)

#### **Unemployment Income Formula:**

- Wage earners unemployed at time of application or any time during previous 12 months
- Six months formula (Example: Unemployed today = 8/07 - Income determined six months back = 2/07-7/07 and six months forward = 8/07-1/08) Total = 12 months of income

The Pender County Health Department (PCHD) will require "proof of income" to reduce charges when applying the sliding fee scale. If a patient is unable to produce this required information, they will be placed on a 100% sliding fee scale status for a period of ten (10) business days. If proof of income is provided within the ten business day period, the patient will be billed accordingly. If proof of income is not provided within the established timeframe, the patient will be billed at 100%. The only exception is Family Planning patients in the Women's Preventive Health Program.

## **DETERMINING FAMILY SIZE**

**A family** is defined as a group of related or non-related individuals who are living together as one economic unit. Individuals are considered members of a single family or economic unit when their production of income and consumption of goods are related. An economic unit must have its own source of income. Also, groups of individuals living in the same house with other individuals may be considered a separate economic unit if each group support only their unit.

A pregnant woman is counted as two in determining a family size unless it is in conflict with the clients cultural, religious, and/or beliefs.

Examples:

1. A foster child assigned by DSS is a family of one with income considered to be paid to the foster parent for support of the child. A foster child cannot confer adjunct income eligibility on family members.
2. A student maintaining a separate residence and receiving most of her/his support from her/his parents or guardians may be counted as a dependent of the family. Self-supporting students maintaining a separate residence would be a separate economic unit. ***(Exception: Family Planning considers this group extremely high-risk for unintended pregnancy. They strongly encourage Health Departments to consider any student in this category as a family of one and to bill accordingly to the income of the student.)***
3. An individual or family in an institution is considered a separate economic unit.

## **ANYONE THAT REQUESTS CONFIDENTIAL SERVICES, REGARDLESS OF AGE, SHOULD BE CONSIDERED A FAMILY UNIT OF ONE AND BILLED ACCORDING TO THEIR INCOME.**

Following the initial financial eligibility determination, the client will be asked if there has been a change in their financial status at each subsequent visit. The management support staff must document no change by using (NC) followed by the staff's initials on the document (whatever your department is using) that is used for income documentation.

Patient fees are assessed according to the rules and regulations of each program and the recommended Program's Poverty Level Scale will be used to assess fees. All third-party providers are billed where applicable.

If a patient has any form of third-party reimbursement, that payer must be billed, unless confidentiality is a barrier. Medicaid will be billed as the payer of last resort.

Pender County Health Department has the right to require "proof of income" when determining eligibility for all programs, with the exception of Communicable Disease programs, Immunizations, and Family Planning.

The interviewer has the right to verify income information, however, the client must read, understand, and sign the income statement in regards to checking their income information.

In extreme and/or unusual circumstances, the Health Director or designee, in consultation with staff may make exceptions.

### FEE SETTING AND COLLECTION

In accordance with G.S. 130-A-39(g), which allows local health departments to implement a fee for services rendered, the Pender County Health Department, with the approval of the Pender County Board of Health and the Pender County Commissioners will implement specific fees for services and seek reimbursement. Specific methods used in seeking reimbursement will be through third-party coverage, including Medicaid, Medicare, private insurance, and individual patient pay. The agency will adhere to billing procedures as specified by Program/State regulations in seeking reimbursement for services provided.

#### **Pender County Health Department will use the following Federal Poverty Scale for programs that charge fees:**

Family Planning – 250% Federal Poverty Scale  
Breast and Cervical Cancer Control – 250% Federal Poverty Scale  
Child Health – 101% - 250% Federal Poverty Scale  
Maternal Health - 101% - 250% Federal Poverty Scale  
Adult Health - 101% - 250% Federal Poverty Scale  
Primary Care - 101% - 250% Federal Poverty Scale  
General Clinic Services – 101% - 250% Federal Poverty Scale

Fee for services are based on: Time it takes to provide a service; cost of supplies involved; surrounding community rates; other health department rates; annual Medicaid Cost Analysis.

#### **Program Specific Information**

The sliding scale does not apply to all health department services. Services with flat rate fees do not require proof of income. The health director or designee may make exceptions in unusual circumstances.

If a patient prefers not to produce required proof of income information, they will be placed on a 100% sliding fee scale status. However, the patient must read, sign and date the waiver on the PCHD Income Statement.

Payment of co-pay for third party billing is expected at the time of service for all chargeable services. Applicable deduction and co-insurance amounts will be billed to the patient upon receipt of insurance Explanation of Benefits. Partial payment is accepted for all chargeable services, with the exception of flat fee services. Co-pays are not subject to sliding fee scale. Medicaid patients, effective November 1, 2010 are no longer exempt from co-pays with the exception of family

planning patients, pregnant women, children from birth through age 20 years and patients receiving State mandated services. Payment for non-covered services is expected at the time of service.

If a patient has a remaining balance on their account, a payment agreement and schedule will be established and signed by the patient.

Payment in full is required at the time of service for vaccines not supplied by the State, with exception of those billed to contracted in-network third party payers. These include Medicaid, Medicare Part B, Medicare part D (if applicable), Health Choice, BCBS, United Healthcare or others. Patients with other types of insurance will be provided a receipt for submission to their insurance.

North Carolina State Law prohibits charging patients for the following: administration of vaccines required by law (G.S. 130A-153(a); examination and treatment of STDs (G.S. 130A-162); and examination and treatment of tuberculosis (G.S. 130A-178(a).

If patients receiving state mandated services (STD/TB/IMM) have insurance coverage, their insurance company will be billed the established fee unless this would result in a breach of confidentiality and the patient requests that no third party billing occur.

Communicable Disease Control Program Guidelines will be followed when tests are ordered. All laboratory tests under this program processed by the State laboratory will be provided at no charge with the exception of a Pap smear.

Newborn and postpartum home visits, high-risk prenatal home visits, Diabetes Education classes will be billed to Medicaid. For non-Medicaid patients, Diabetes Education classes will be billed to insurance. If uninsured, services will be billed to the client at the Medicaid reimbursement rate and placed on a sliding fee scale.

All Childhood Lead Poisoning Prevention Program services will be billed to state grants and programs.

Reimbursable visits, for patients with insurance coverage, will be billed to the insurance company. If the insurance company pays for services rendered and that payment is sent directly to the patient, the patient is responsible for payment to the Pender County Health Department. If there is a balance remaining after the insurance payment, the balance will be billed to the patient, unless otherwise mandated by law or through the Consolidated Agreement with the State of North Carolina and the Pender County Health Department.

All clinic and in-house laboratory fees will be collected as part of the check-out process by the health department billing staff. Laboratory fees for self-pay patients receiving out-sourced testing will be collected by the billing staff. Out-sourced for patients with Medicaid or other third party insurance will be billed directly by the private laboratory. The private laboratory will bill patients for any remaining balances according to their standard fees.

The health director, or designee, has the authority to waive or reduce fees for special projects or targeted populations.

#### Environmental Health

Fees for environmental health will be collected by environmental health management support staff. All receipts are submitted daily to health department administrative support staff for deposit to the appropriate accounts.

#### Women's Preventive Health (WPH)

1. Patient charges and payment collection for clinical services in the WPH program are assessed in accordance with Title X regulations and the fee policy as established by the Pender County Board of Health. Services are provided to all persons regardless of their income level or the inability to pay.
2. There will be no minimum fee requirement or surcharge that is indiscriminately applied to all patients.
3. Full charges will be assessed if patient income is at or above 250% of the Federal Poverty Level. A patient's declaration of income shall be accepted for Family Planning patients receiving services in the WPH program. A schedule of discounts has sufficient proportional increments to ensure income is not a barrier to services. The schedule of discounts is used for family incomes from 101%-250% of the Federal Poverty Level.
4. Un-emancipated minors seeking confidential services are a "family of one" and are to be considered on the basis of their own resources. In such cases, the minor's income must be reported through the patient health information system. Third-party sources (e.g. Insurance, Title XIX) should be billed the established fee if eligibility criteria are met unless a breach of confidentiality is determined.
5. Charges may be made for supplies not required by the plan of contraceptive care based on the cost of the supplies. Charges for extra cycles of pills may also be made. Non-family planning services will be charged according to locally established fee schedules and will apply to all patients.
6. Family Planning patients shall receive a statement (s) directly, regardless of sliding fee scale percentage, at the completion of their visit. The statement shall show the total charges, any allowable sliding fee discounts and payments made by the patient.

#### Child Health Services

Patients seen for Child Health Services will be charged in accordance with the Pender County sliding Fee Scale with the exception of Limited Physical Exams.

#### Limited Physical Examinations

Limited physical examinations for such needs as sports, employment, camp, college, daycare, foster care, scouts and head start programs are offered as an option to patients. These physicals will be provided at a flat rate per each type of physical examination, the amount of lab tests and special screenings required. Patients shall be offered the option of a Limited Physical Examination at a flat fee for the service, or to receive an initial/periodic comprehensive preventive visit that will be billed to Medicaid or third-party insurance or paid by the patient based on the sliding fee scale.

## No Mail Policy for Confidential Patients

1. When a client requests no mail, discussion of payment of outstanding debts shall occur at the time service is rendered.
2. If the client is unable to pay in full at the time of service rendered, a receipt will be issued for partial payment and the client will sign a payment agreement.
3. Medical record is flagged by printing "NO MAIL" in red on the Problem Sheet.
4. Client is reminded every visit of the amount they still owe.
5. The account will be considered uncollectible when there has been no activity in the account for more than 12 months.
6. No letters or correspondence concerning insurance, past due accounts, etc. will be sent to any patient that requests no mail.

## **SECTION II HEALTH PROMOTION SERVICES**

### **Smoke Free Restaurant Fines**

Upon notification in writing of the third violation of the Act to Prohibit Smoking in Certain Public Places and Certain Places of Employment in accordance with G.S. 130A-22 (h1), the Pender County Health Department shall impose an administrative penalty of \$200 on the person who manages, operates, or controls the business in violation.

The person who manages, operates or controls the business has the right to appeal this decision to the local board of health. To pursue a formal appeal, a written notice of appeal must be submitted to the local health director within 30 days of notification of the third violation. The notice of appeal must be filed in accordance with G.S. 130A-24 governing the appeal procedures shall be provided.

Subsequent violations of the law are considered separate and distinct violations and the person who manages, operates or controls the business in violation is subject to an administrative penalty of not more than two hundred dollars (\$200). Each day on which a violation of this law or rule occurs may be considered a separate and distinct violation.

Payment for Smoke Free Restaurant fines shall be made within 30 days of the date of notice, unless an appeal has been filed. For appealed fines, payment shall be made within 30 days of the appeal decision.

### **SECTION III ENVIRONMENTAL HEALTH SERVICES**

The attached schedule of fees has been established for certain Environmental Health services. Payment is required prior to the provision of these services. Fees must be accompanied by the appropriate application and any other necessary documents or maps, and are payable ONLY in the Environmental Health offices or through the U.S. Post Office. Staff SHALL NOT accept or agree to transport any payment of fees during their conduction of field work.

Fees are collected and recorded by management support staff in the office during the hours of 8:00 a.m. until 5:00 p.m. A receipt shall be issued for each fee collected. In the event that all management support staff are away from the office for a period of during the specified hours, an Environmental Health Specialist shall be designated by Environmental Health administration to accept applications, collect fees and issue receipts.

A daily deposit of collected fees shall be made with the appropriate health department administrative support staff.

## **Pender County Health Department**

### **PATIENT BILL OF RIGHTS**

1. The PATIENT has the right to considerate and respectful care.
2. The PATIENT has the right to obtain from his/her medical provider complete and current information concerning diagnosis and treatment, in terms the patient can be reasonably expected to understand. When it is not medically advisable to give such information to the patient, the information should be made available to an appropriate person in his/her behalf. The patient has the right to know by name the medical provider responsible for coordinating his/her care.
3. The PATIENT has the right to receive his/her medical provider information necessary to give informed consent prior to the start of any procedure and/or treatment. Except in emergencies, such information for informed consent should include, but not necessarily be limited to, the specific procedure and/or treatment and the medically significant risks involved. Where medically significant alternatives for care or treatment exist, or when the patient requests information concerning medical alternatives, the patient has the right to such information. The patient also has the right to know the name of the person responsible for the procedures and/or treatment.
4. The PATIENT has the right to refuse treatment to the extent permitted by law and to be informed of the medical consequences of his/her action.
5. The PATIENT has the right to every consideration of his/her privacy concerning his/her own medical care program. Case discussion, consultation, examination and treatment are confidential and should be conducted discreetly. Those not directly involved in direct care must have the permission of the patient to be present.
6. The PATIENT has the right to expect that all communications and records pertaining to his/her care should be treated as confidential.

## **Pender County Health Department**

### **PATIENT BILL OF RIGHTS (cont)**

7. The PATIENT has the right to expect that within its capacity any agency must make reasonable response to the request of a patient for services. The agency must provide evaluation, service, and/or referral as indicated by the urgency of the case. When medically permissible, a patient may be transferred to another agency only after he/she has received complete information and explanation concerning the needs for and alternatives to such a transfer. The agency to which the patient is to be transferred must first have accepted the patient for transfer.
8. The PATIENT has the right to obtain information as to any relationship of the agency to other similar agencies and educational institutions insofar as his/her care is concerned. The patient has the right to obtain information as to the existence of any professional relationship among individuals, by name who is treating him/her.
9. The PATIENT has the right to expect reasonable continuity of care. He/she has the right to know in advance what appointment times and health care providers are available.
10. The PATIENT has the right to examine and receive an explanation of his/her bill regardless of source of payment.
11. The PATIENT has the right to know what the health department rules and regulations are that apply to his/her conduct as a patient.

The Pender County Health Department staff provides safe and individual patient care based on each patient's needs and rights through:

- Recognition of each patient's dignity as a human being, and
- Defending the rights of each patient as an advocate.

The observance of these rights is expected to contribute to quality patient care and greater satisfaction for the patient and health care provider.

## FEDERAL POVERTY LEVELS FOR 2011

<u>Family Size</u>	<u>Gross Annual Income</u>
1	\$10,890
2	\$14,710
3	\$18,530
4	\$22,350
5	\$26,170
6	\$29,990
7	\$33,810
8	\$37,630
9	\$41,450
10	\$45,270
11	\$49,090
12	\$52,910

**Pender County Health Department  
Bad Debt Write Off Policy**

After all procedures have been followed as described in the Pender County Health Department fee policy, the bad debt write off procedures will be followed.

An itemized list of uncollectable outstanding patient balances will be prepared at the end of the fiscal year for the health director to review. Those approved by the health director will be presented to the Pender County Board of Health. Final approval will allow those balances to be written off. The Accounts Receivable system shall indicate the recording of the bill as uncollectable by adjusting the patient balance to zero. Evidence shall be on file to document required billings.

Family Planning patients will not be denied services for inability to pay. Payment arrangements will be made for all outstanding bad debt and any current unpaid balances for Family Planning services.

If a patient returns to the health department after a bad debt has been determined uncollectable, their bad debt write off will be reactivated and the billing process resumes. The patient’s account balance will be reinstated at the full amount of the write off.

**A patient should never be informed that a debt has been written off.**

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Carolyn Moser, Health Director

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Date

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Jimmy Holland, Chair, Board of Health

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Date