

Public Health Department
Health Care Centers
Sliding Fee Scale and
Health Center Board Update

Santa Barbara County

Board of Supervisors

September 1, 2015

Background

- Recent federal policy clarifications
- Operational Site Visit (OSV) (March 2015)
 - 4 of 19 requirements did not pass
 - Fees, Governance, Contracts, Credentialing/Privileging
 - Much better than other Public Entities
 - (Avg. 7 of 19 not pass)
 - OSV Team impressed and complimentary
 - Corrective Action Plan for 4 deficiencies
 - These actions address 2 of 4.

Fee Ordinance Changes

Current Medical Services Fees and Sliding Fee Scale structure were adopted on October 21, 2014.

OSV Finding

Sliding Fee Scale Structure:

- Must have a flat fee for uninsured under 100% of FPL or no charge
- Must have 3 discount levels between 100% and 200% of FPL
 - Currently have 2 levels



Proposed Changes

Based on our Site Visit Report and review of current requirement, we propose the following revenue-neutral changes and recommendations to comply:

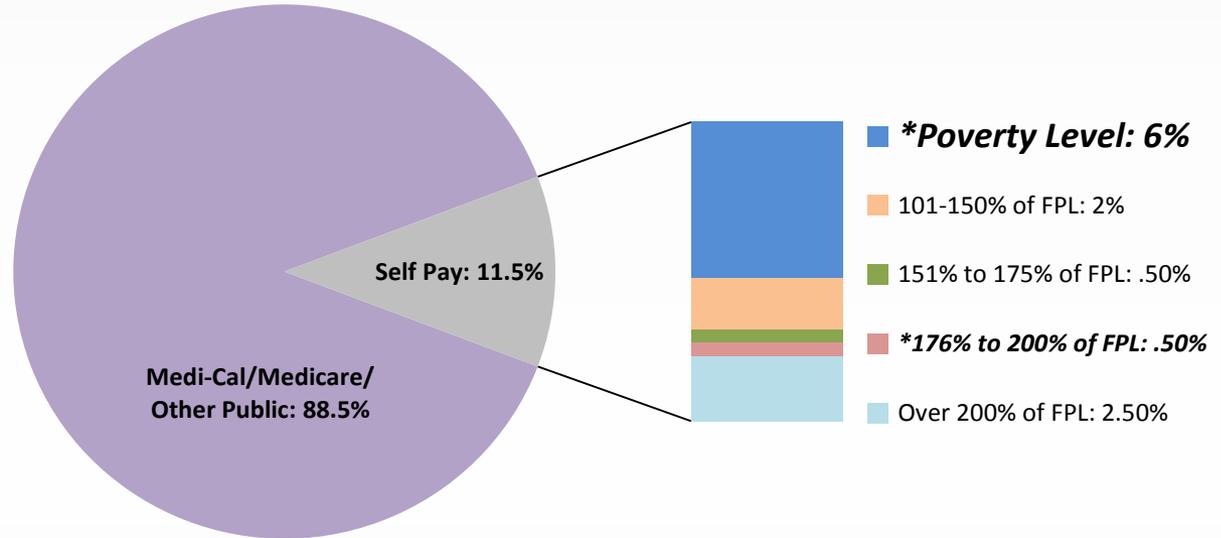
- Establish a flat, fixed fee of \$45 for uninsured patients under 100% of federal poverty level (FPL).
 - Includes all services, procedures, and tests (including lab tests and x-ray) performed. (Not pharmaceuticals)
- Establish a third level of discount for patients with incomes between 100% and 200% of FPL.

The recommendations have been reviewed and approved by the Auditor-Controller and the Health Center Board.



Current Health Center Patient Population

100% of Federal Poverty Level (FPL) patients represent **6%** of total patients seen.



Projected PHD Health Center population (using 30,000 unique patients per year):	"Insured"	Self-Pay (FPL = Federal Poverty Level)				
	Medicare/Medi-Cal	<100% of FPL	101%-150% of FPL	151%-175% of FPL	176%-200% of FPL	>200% of FPL
% of Patients	88.5%	6%	2%	.50%	.50%	2.5%
# of Patients	26,550	1,800	600	150	150	750
Approx. Single Adult Income Level	<\$16,243	<\$11,770	\$11,771 - \$17,655	\$17,656 - \$20,598	\$20,599 - \$23,540	>\$23,541

Comparison of Sliding Fee Scales

Using a projection of 30,000 annual patients seen and current percentages of uninsured

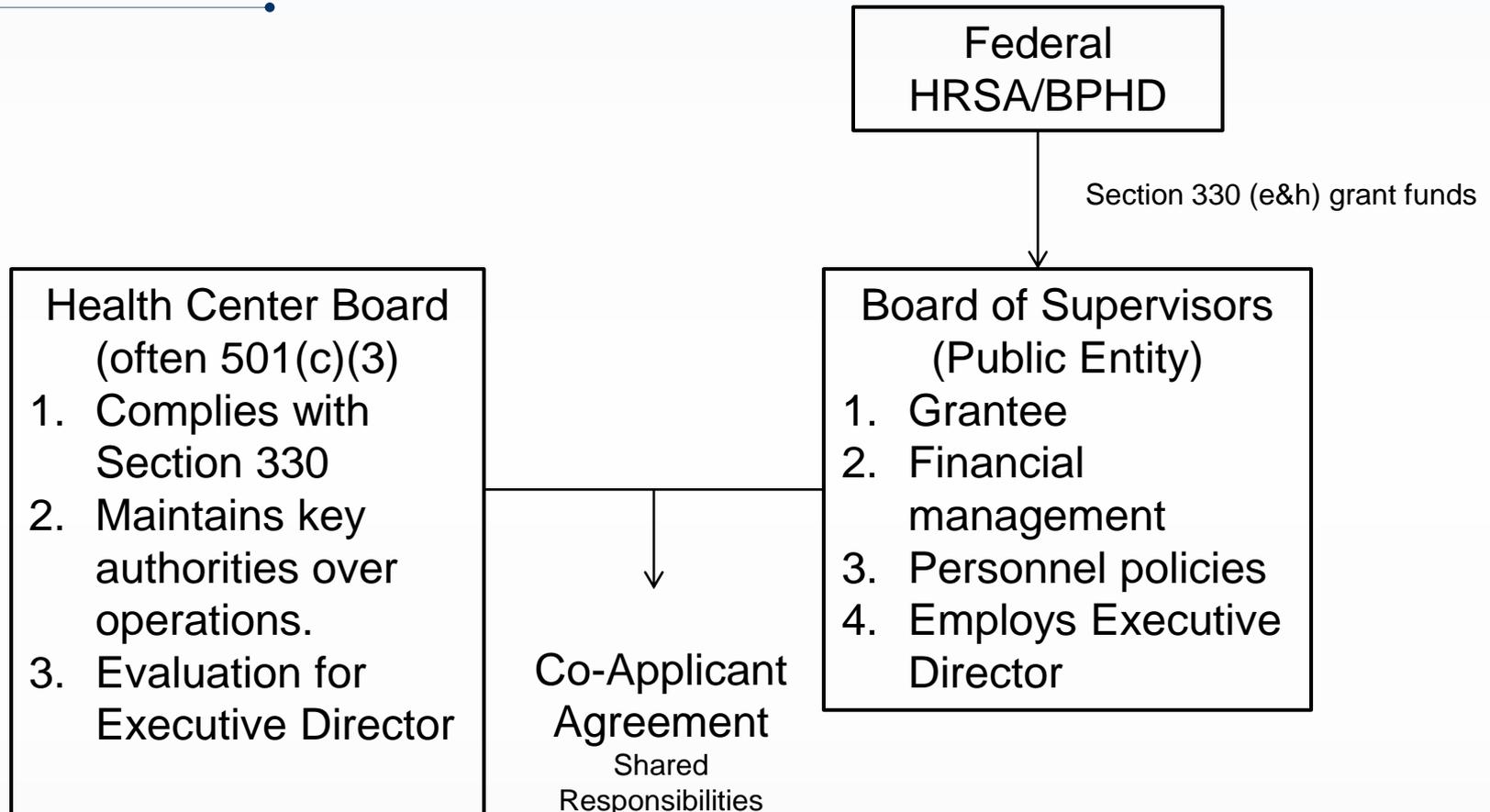
Sliding Fee Scale (Adopted 10/21/2014)	%	Sliding Fee Scale (Proposed)	% or \$	% of Annual Patients	# of Annual Patients
0% to 100% of FPL	72%	0% to 100% of FPL	\$45	6%	1,800
101% to 150% of FPL	60%	101% to 150% of FPL	60%	2%	600
151% to 200% of FPL	45%	151% to 175%	50%	.5%	150
		176% to 200%	45%	.5%	150
Over 200% of FPL	0%	Over 200% of FPL	0%	2.5%	750

Additional Considerations

- The fixed fee will not disadvantage the patient and is set at a level which directly compares to the existing 72% discount for an established visit and Lab tests.
- Patients and physicians will benefit from greater predictability in what our most indigent patients are charged.
- Patients will be asked for a small deposit if they do not have the \$45 at the time of their visit.
- No one will be turned away based on their ability to pay.



Governance



Governance Changes

- HRSA policy changes and OSV findings
 - Ordinance Amendment
 - Board Members and selection
 - No longer serves as Co-Applicant Agreement
 - Co-Applicant Agreement (new)
 - Clarifies authorities and responsibilities
 - Board of Supervisors- authorities that **cannot** be delegated (personnel and financial)
 - Health Center Board- operational oversight except for authorities reserved for Board of Supervisors
 - » Board member liability coverage
 - Draft Co-Applicant Agreement approved by OSV Team and Health Center Board

Questions?

Recommendations for Approval

- a) Approve the amended Fee Ordinance and Sliding Fee Scale, effective January 1, 2016.
 - 1. Incorporates new “flat, fixed fee” of \$45 for patients with incomes below 100% of FPL.
 - 2. Includes additional discount level for patients with incomes between 100% and 200% of FPL.
- b) Approve the amended Health Center Board Ordinance
- c) Approve the FQHC Co-Applicant Agreement
- d) Add the Health Center Board as an additional insured on the County’s General Liability coverage.

