

Health Departments - Sliding Fee Scale - Purpose, Utilization and Implementation

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Disclaimer

This material is designed to offer basic information on sliding fee schedules. The information presented here is based on the experience, training, and interpretation of the author. Although the information has been carefully researched and checked for accuracy and completeness, the speaker does not accept any responsibility or liability regarding errors, omissions, misuse, or misinterpretation. This handout is intended as an educational guide and should not be considered a legal/consulting opinion.

Introduction to Sliding Fee Scales & Their Significance

What Is a Sliding Fee Scale?

- A sliding fee scale is a payment model used by health departments and community health centers to adjust the cost of services based on a patient's ability to pay.
- It ensures that low-income, uninsured, or underinsured individuals can access care without financial barriers.

How it Works

- Patients provide income and household size information.
- Fees are adjusted according to Federal Poverty Guidelines.
- Services may be free or discounted depending on eligibility.
- Applies to medical, dental, behavioral health, and preventive services.

Why Sliding Fee Scales Matter

| Benefit | Impact |
|--------------------------------------|--|
| Equity in Access | Ensures all patients receive care regardless of income |
| Public Health Improvement | Encourages early intervention, screenings, and chronic disease management |
| Compliance with Funding Requirements | Required by HRSA* for Federally Qualified Health Centers (FQHCs)* |
| Community Trust | Builds relationships with underserved populations |
| Revenue Optimization | Allows health departments to collect partial payments while maintaining service volume |

*HRSA-a federal agency within the U.S. Department of Health and Human Services (HHS).

*FQHC-Serve a Medically Underserved Area or Population. Must be located in or serve a Health Professional Shortage Area (HPSA) or Medically Underserved Area (MUA).

HRSA (Health Resources and Services Administration)



HRSA - a federal agency within the U.S. Department of Health and Human Services (HHS).



HRSA's Mission - To improve health outcomes and achieve health equity by expanding access to quality services for people who are geographically isolated, economically or medically vulnerable.



Why HRSA Matters in Coding & Compliance

HRSA requires sliding fee scales for FQHCs and look-alike clinics.

Z codes (e.g., Z59.0 – Homelessness) help document social determinants of health that HRSA tracks.

Coders play a key role in ensuring accurate reporting for HRSA-funded programs.

Key Functions of HRSA

| Area | Role |
|-----------------------------|---|
| Health Centers | <p>Funds and oversees Federally Qualified Health Centers (FQHCs) and Rural Health Clinics</p> <ul style="list-style-type: none">○ 146 Federally Qualified Health Centers (FQHCs)○ 213 Rural Health Clinics (RHCs)○ 35 Critical Access Hospitals○ 1 Rural Emergency Hospital (REH)○ Serve 1.66 million residents (16.6%) |
| Workforce Development | Supports training and placement of primary care providers, nurses, and mental health professionals |
| Maternal & Child Health | Administers programs like Healthy Start and Title V Block Grants |
| Ryan White HIV/AIDS Program | Provides care and treatment for people living with HIV |
| Telehealth & Innovation | Expands access to care through technology and rural outreach |
| Grants & Compliance | Issues funding and monitors compliance for sliding fee scales, quality reporting, and patient access |

Examples of HRSA Activity

| | |
|--|---|
| Federally Qualified Health Centers (FQHCs) | Fund community-based clinics that serve low-income and uninsured patients Provide emergency room services in urban hospitals HRSA supports primary care, not acute hospital-based emergency services. |
| Maternal & Child Health | Support programs like Healthy Start and Title V for prenatal, infant, and childcare HRSA focuses on public health and prevention, not elective reproductive procedures. |
| Ryan White HIV/AIDS Program | Provide treatment and support services for people living with HIV Why It's Wrong: HRSA funds care delivery, not research or pharmaceutical development. |
| Health Workforce Grants | Support programs like Healthy Start and Title V for prenatal, infant, and childcare HRSA focuses on public health and prevention, not elective reproductive procedures. |
| Health Workforce Grants | Train and place primary care, dental, and behavioral health professionals in shortage areas HRSA targets placement in underserved areas, not general education funding. |
| Telehealth & Rural Health | Expand care access through technology and rural outreach HRSA supports clinical access, not general education or infrastructure projects. |
| Grants & Compliance Oversight | Monitor sliding fee scale use, quality reporting, and service delivery standards HRSA oversees publicly funded programs, not private payer compliance. |

Michiganders Missing Out on Care – 2025

| | |
|----------------------------------|---|
| Estimated Number | Approximately 750,000 Michigan residents are at risk of losing or not accessing healthcare due to: Lack of insurance Medicaid coverage gaps Unmet social needs Provider shortages Fear of cost or documentation barriers |
| Who Are They? | Uninsured or Underinsured Individuals without employer-sponsored insurance or who fall into coverage gaps Includes gig workers, part-time employees, and undocumented residents Many qualify for sliding fee scale programs but don't apply due to lack of awareness |
| Medicaid-Eligible but Unenrolled | Eligible for Medicaid but haven't enrolled due to: Confusion about eligibility Fear of immigration consequences Lack of digital access or transportation |
| Rural Residents | Face provider shortages and long travel distances Often delay care until emergencies arise Disproportionately affected by proposed Medicaid cuts |

Michiganders Missing Out on Care – 2025, cont.

Young Adults (18–34)

Least likely to seek preventive care
Often uninsured or unaware of low-cost options
May avoid care due to cost concerns or perceived invincibility

Low-Income Families

Struggle with competing priorities: food, housing, transportation
May not know sliding fee scale programs exist
Fear of paperwork or being turned away

Purpose of Sliding Fee Scale

- Ensuring healthcare accessibility for low-income individuals
- Reducing financial barriers to essential health services
- Compliance with federal regulations for community health centers

Sliding Fee Scale Coverage in Michigan Health Departments

Most local health departments in Michigan offer sliding fee scale programs to ensure access to care for low-income and uninsured residents. However, not all departments administer these programs uniformly, and a few may not offer sliding fee scales for all services or may refer patients to partner clinics instead.

Most Counties Offer Sliding Fee Scales

Especially for services like:

Immunizations
Family planning
STD testing
Prenatal care

Often funded through MDHHS, Title X, or HRSA grants

Exceptions & Variability

Some rural or smaller county health departments may:

Not offer a formal sliding fee scale
Refer patients to nearby FQHCs or free clinics
Limit sliding fee eligibility to specific programs (e.g., WIC, cancer screening)

Examples:

Grace Health (Battle Creek) and Covenant Community Care (Detroit) offer sliding fee scales directly

FernCare Free Clinic (Ferndale) and Hope Medical Clinic (Ypsilanti) serve uninsured patients without formal sliding fee tiers

MyMichigan Health offers financial assistance but may not operate under a traditional sliding fee scale model

Example-Sliding Fee Scale

| Program Name | Ability to Pay / Sliding Fee Scale Discount Program |
|----------------------|---|
| Who It Serves | Uninsured or non-Medicaid eligible individuals Residents seeking mental health services who may not qualify for full coverage |
| Eligibility Criteria | Based on household size and gross annual income Must submit documentation such as: Recent pay stubs Tax returns or W-2s Social Security or pension award letters Bank statements (if other documents unavailable) |
| Fee Determination | Uses Federal Poverty Guidelines (FPG) to assign a discount tier If eligible, patients receive a letter detailing their financial responsibility per visit Patients with Medicaid typically have a \$0 fee, but must still provide insurance documentation |
| Application Process | Complete the Ability to Pay/Sliding Fee Scale Application Sign and submit with proof of income Receive eligibility notice within 7 days |
| Eligibility Review | Annual review –must reapply/update determination every 12 months Mid-year reassessment (if circumstances change) At intake or first visit Documentation triggers |

Examples of Services Covered Under Sliding Fee Programs

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|----------------------------|---|
| Primary Medical Care | Routine checkups and physical exams Chronic disease management (e.g., diabetes, hypertension) Sick visits and minor acute care Immunizations and preventive screenings |
| Dental Services | Exams and cleanings Fillings, extractions, and X-rays Limited restorative procedures Oral health education |
| Behavioral Health Services | Individual and group therapy Substance use counseling Psychiatric evaluations and medication management Crisis intervention |
| Maternal & Child Health | Prenatal and postpartum care Well-child visits and developmental screenings Nutrition counseling (e.g., WIC referrals) Breastfeeding support |
| Enabling Services | Case management and care coordination Transportation assistance Language interpretation Health education and outreach |

Implementation Strategies

- Establishing fee schedules and discount structures
- Board-approved policies for uniform application
- Patient education and outreach efforts to increase awareness
- Periodic evaluation and updates to ensure effectiveness

Implementation Strategies, cont.

How to Establish Fee Schedules & Discount Structures

Start with a Full Fee Schedule

Base fees on:
Usual and customary charges in your region
Medicare/Medicaid reimbursement rates
Cost-based analysis of service delivery
Include all billable services: medical, dental, behavioral health, labs, etc.

Define Discount Tiers Using Federal Poverty Guidelines (FPG)

Create a tiered structure based on % of FPG:
Tier 1: ≤100% FPG → Nominal fee or \$0
Tier 2: 101–150% FPG → 20–40% discount
Tier 3: 151–200% FPG → 10–20% discount
Tier 4: >200% FPG → Full fee or partial discount (optional)
Update annually to reflect current FPG values

Determine Nominal Fees

For Tier 1 patients, set nominal fees that are:
Affordable (e.g., \$5–\$20 per visit)
Consistent across service types
Not a barrier to care
Nominal fees are not co-pays and must not exceed actual cost of service

Establish Documentation Requirements

Require proof of:
Income (pay stubs, tax returns, benefit letters)
Household size
Insurance status (if applicable)
Reassess eligibility at least annually or when circumstances change

Implementation Strategies, cont.

Ensure Compliance with HRSA & State Guidelines

Align with:
HRSA Program Requirements for FQHCs
State Medicaid policies
Audit readiness for sliding fee scale documentation and application

Monitor and Adjust

Track usage, revenue, and access trends
Adjust tiers or nominal fees based on:
Patient feedback
Cost recovery
Community needs

Sliding Fee Scale Tiers – Based on Federal Poverty Guidelines (FPG)

Sliding fee scale tiers are structured to ensure affordable access while maintaining compliance with HRSA and state regulations. Patients are placed into tiers based on household size and gross annual income relative to the current FPG.

| | |
|----------------------|---|
| Tier 1: ≤100% FPG | Nominal fee only (e.g., \$5–\$20 per visit) Covers essential services: medical, dental, behavioral health No patient is denied care due to inability to pay Often includes Z codes for social determinants of health |
| Tier 2: 101–150% FPG | Significant discount (e.g., 60–80% off full fee) Patients pay a reduced rate based on service type Still eligible for outreach, care coordination, and enabling services |
| Tier 3: 151–200% FPG | Moderate discount (e.g., 20–40% off full fee) Encourages preventive care and chronic disease management May include sliding fee for labs, imaging, or specialty referrals |
| Tier 4: >200% FPG | Full fee or minimal discount Patients may still qualify for financial assistance or payment plans Often used for underinsured or high-deductible plan holders |

2025 Federal Poverty Guidelines (FPG)

| <p>The Federal Poverty Guidelines (FPG) are updated annually by the U.S. Department of Health and Human Services and are used to determine eligibility for programs like sliding fee scales, Medicaid, and WIC.</p> <p>48 contiguous states and D.C. (excluding Alaska and Hawaii)</p> <p>For each additional person, add \$5,380 (based on gross income) (Fed 10-22%) (MI 4.25%) + other MI taxes</p> | Alaska | Hawaii | |
|--|---|---|------------------------|
| | For each additional person, add \$6,730 in Alaska | For each additional person, add \$6,100 in Hawaii | |
| Household Size | 100% FPG Annual Income | 100% FPG Annual Income | 100% FPG Annual Income |
| 1 | \$15,060 | \$18,810 | \$17,310 |
| 2 | \$20,440 | \$25,540 | \$23,410 |
| 2 | \$25,820 | \$32,270 | \$29,510 |
| 4 | \$31,200 | \$39,000 | \$35,610 |
| 5 | \$36,580 | \$45,730 | \$41,710 |
| 6 | \$41,960 | \$52,460 | \$47,810 |
| 7 | \$47,340 | \$59,190 | \$53,910 |
| 8 | \$52,720 | \$65,920 | \$60,010 |

Board-approved Policies for Uniform Application

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|--|---|
| Key Elements of a Uniform Sliding Fee Scale Policy | To ensure consistency, equity, and compliance, health centers must adopt formal, board-approved policies that govern how sliding fee scales are applied across all patients and services. |
| Eligibility Determination | Based on household size and gross annual income Uses Federal Poverty Guidelines (FPG) updated annually Applies to all patients regardless of insurance status |
| Discount Schedule | Clearly defines tiers of discount (e.g., ≤100% FPG, 101–150%, etc.) Includes nominal fees for lowest-income patients Applies uniformly across all service types (medical, dental, behavioral health) |
| Documentation Requirements | Specifies acceptable proof of income (e.g., pay stubs, tax returns) Requires annual re-verification or sooner if circumstances change Includes procedures for patients unable or unwilling to provide documentation |
| Application Process | Outlines how and when patients apply (e.g., at intake, annually) Includes staff responsibilities for reviewing and assigning tiers Ensures timely notification of eligibility and fee assignment |
| Non-Discrimination Clause | Guarantees that sliding fee scale is applied without regard to race, ethnicity, gender, religion, or immigration status |
| Audit and Compliance Oversight | Establishes internal review procedures Ensures alignment with HRSA Program Requirements and Uniform Data System (UDS) reporting |
| Board Review and Approval | Policy must be formally approved by the governing board Reviewed annually or as needed to reflect regulatory changes |

Patient Education & Outreach to Increase Awareness

Clear, Multilingual Materials

Create brochures, posters, and flyers in multiple languages spoken in your community
Use plain language to explain:
What a sliding fee scale is
Who qualifies
How to apply
Include visuals like income charts and step-by-step guides

Website & Digital Access

Add a dedicated webpage with:
Eligibility criteria
Downloadable applications
FAQ section
Contact info for assistance
Ensure mobile-friendly access and ADA compliance

Front Desk & Intake Staff Training

Train staff to:
Proactively inform patients about the program
Offer applications during registration
Answer common questions with empathy and clarity
Use scripts and cheat sheets to ensure consistency

Community Outreach Events

Partner with:
Schools, churches, food banks, shelters, and libraries
Host health fairs, open houses, or Q&A sessions
Provide on-site application assistance and free screenings

Patient Education & Outreach to Increase Awareness, cont.

Social Media & Local Media Campaigns

Share testimonials, infographics, and reminders on:
Facebook, Instagram, and local radio
Community newsletters and bulletin boards
Use hashtags like #AffordableCareMI or #SlidingScaleHealth

Referral Network Engagement

Educate local providers, case managers, and social workers
Provide referral cards or flyers they can give to patients
Include sliding fee info in discharge packets and community resource guides

Periodic Evaluation and Updates to Ensure Effectiveness

Annual Policy Review

Review sliding fee scale policies at least once per year
Update discount tiers to reflect current Federal Poverty Guidelines (FPG)
Ensure alignment with HRSA Program Requirements and audit standards

Data-Driven Monitoring

Track key metrics:
Number of patients served under sliding fee scale
Distribution across income tiers
Service utilization trends
Revenue impact and cost recovery
Use Uniform Data System (UDS) reports to assess performance

Patient Feedback & Community Input

Conduct surveys or focus groups to:
Identify barriers to access or understanding
Evaluate satisfaction with the application process
Gather suggestions for outreach and education
Use feedback to refine materials and workflows

Staff Training & Workflow Audits

Periodically retrain intake and billing staff on:
Eligibility determination
Documentation requirements
Non-discrimination and confidentiality
Audit application files for completeness and consistency

Periodic Evaluation and Updates to Ensure Effectiveness, cont.

Outreach Effectiveness Review

Evaluate outreach efforts:
Are materials reaching target populations?
Are community partners referring eligible patients?
Are digital tools (e.g., website, social media) accessible and up to date?

Board Oversight & Approval

Present evaluation findings to the governing board
Recommend updates to policy, discount structure, or outreach strategy
Document board approval and implementation timeline

Challenges and Considerations

- Balancing financial sustainability with affordability
- Compliance with federal and state regulations
- Addressing gaps in patient awareness and enrollment

Balancing Financial Sustainability with Affordability

Establish Cost-Based Fee Schedules

Set full fees based on:
Actual cost of service delivery
Regional benchmarks (e.g., Medicare rates)
Operational needs (staffing, supplies, overhead)
Ensure fees reflect realistic reimbursement goals while remaining transparent

Use Tiered Discounts Strategically

Apply sliding fee scale tiers using Federal Poverty Guidelines
Offer nominal fees for lowest-income patients (e.g., \$5–\$20 per visit)
Maintain partial discounts for moderate-income tiers to preserve revenue flow

Monitor Utilization & Revenue Trends

Track:
Number of patients per tier
Service mix (e.g., high-cost vs. low-cost visits)
Revenue impact of discounts
Adjust tiers or nominal fees if sustainability is threatened

Leverage Grants & Supplemental Funding

Use HRSA, state, and local grants to offset uncompensated care
Apply for program-specific funding (e.g., Ryan White, Title V, behavioral health block grants)
Document sliding fee scale impact to support funding applications

Balancing Financial Sustainability with Affordability, cont.

Educate Patients on Value of Services

Help patients understand:
The true cost of care
The value of preventive services
Why nominal fees support continued access for all
Use outreach to build community buy-in and trust

Conduct Periodic Financial Reviews

Evaluate:
Cost recovery ratios
Discount tier distribution
Impact on access and outcomes
Present findings to the governing board for policy adjustments

Sustainability Scenarios

Scenario 1: Nominal Fee Adjustment

A clinic raises its Tier 1 nominal fee from \$20 to \$50 to improve cost recovery.

Correct/Incorrect - Why: Violates HRSA guidance—nominal fees must not be a barrier to care.

Reason: “Higher nominal fees improve sustainability” → ignores affordability mandate.

Scenario 2: Annual Review of Discount Tiers

The board updates discount tiers using current Federal Poverty Guidelines.

Correct/Incorrect - Why: Ensures affordability and compliance while maintaining fiscal accuracy.

Reason: “Keep last year’s tiers to avoid confusion” → undermines equity and compliance.

Scenario 3: Eliminating Tier 1 Discounts

A health center removes Tier 1 to reduce uncompensated care.

Correct/Incorrect: Why: Violates HRSA requirements and blocks access for lowest-income patients.

Reason: “Tier 1 patients don’t contribute to revenue” → ignores mission and compliance.

Scenario 4: Outreach to Increase Tier 2 Enrollment

Staff launch a campaign to help moderate-income patients apply for discounts.

Correct/Incorrect: Why: Expands access while increasing utilization and partial revenue recovery.

Reason: “Only Tier 1 patients need outreach” → misses opportunity to balance sustainability.

Scenario 5: Sliding Fee Scale Applies Only to Medical Services

Behavioral health and dental services are excluded from the discount policy

Correct/Incorrect - Why: HRSA requires uniform application across all service types.

Reason: “Dental care is optional” → violates uniformity and equity standards.

Scenario 6: Grant Funding Used to Offset Tier 1 Losses

Clinic uses HRSA and state grants to support uncompensated care for Tier 1 patients.

Correct/Incorrect - Why: Preserves access while protecting revenue.

Reason: “Grants should only fund outreach” → underutilizes available resources.

Compliance with Federal and State Regulations

Compliance with Federal and State Regulations

Sliding fee scale programs must meet strict regulatory standards to ensure equitable access, financial transparency, and audit readiness. Compliance is essential for maintaining funding, accreditation, and community trust.

Federal Compliance (HRSA & FQHC Requirements)

Uniform Application Across Services
Must apply sliding fee scale to all core services: medical, dental, behavioral health, etc.
No discrimination based on service type, provider, or location.

Use of Federal Poverty Guidelines (FPG)

Discount tiers must be based on current FPG
Updated annually to reflect federal thresholds

Board-Approved Policies

Sliding fee scale policies must be formally approved by the governing board
Reviewed annually and updated as needed

Documentation & Eligibility Verification

Require proof of income and household size
Reassess eligibility at least annually or when circumstances change

Non-Discrimination & Accessibility

Must serve all patients regardless of ability to pay
Materials must be culturally and linguistically appropriate

Audit & Reporting Standards

Must comply with Uniform Data System (UDS) reporting
Maintain documentation for HRSA site visits and audits

Compliance with Federal and State Regulations, cont.

State-Level Compliance (Michigan Example)

| | |
|-------------------------------------|--|
| Alignment with Medicaid Policies | Sliding fee scale must not conflict with Medicaid reimbursement rules Patients with Medicaid may still need eligibility verification for non-covered services |
| Licensing & Public Health Standards | Clinics must comply with Michigan Department of Health and Human Services (MDHHS) regulations Includes privacy, billing, and service delivery requirements |
| Grant Conditions & Local Oversight | State-funded programs may have additional documentation or outreach mandates Local health departments may require quarterly reporting or community engagement |

Addressing gaps in Patient Awareness and Enrollment

Simplify Messaging

Use plain language to explain what the sliding fee scale is, who qualifies, and how to apply
Avoid jargon like “FPG” or “nominal fee” unless defined clearly
Include visual aids like income charts, tier examples, and step-by-step guides

Multilingual & Culturally Relevant Materials

Translate brochures, flyers, and applications into languages spoken in the community
Use culturally appropriate imagery and examples
Partner with trusted community leaders to distribute materials

Proactive Intake Education

Train front desk and intake staff to:
Mention the sliding fee scale during registration
Offer applications without requiring patients to ask
Use scripts to ensure consistency and empathy

Community-Based Outreach

Host events at:
Schools, churches, food banks, shelters, and libraries
Include on-site application assistance and free screenings
Partner with local organizations to refer eligible patients

Digital & Social Media Campaigns

Use clinic websites, Facebook, Instagram, and local radio to:
Share testimonials and success stories
Promote deadlines for re-enrollment
Post reminders about eligibility and documentation

Addressing gaps in Patient Awareness and Enrollment

Referral Network Engagement

Educate case managers, social workers, and providers about the program
Provide referral cards, flyers, and intake scripts
Include sliding fee info in discharge packets and community resource guides

Track & Analyze Enrollment Trends

Monitor:
Number of patients per tier
Application completion rates
Drop-off points in the process
Use data to target outreach and refine messaging

Sliding Fee Scale Program – Summary of Key Points

| | |
|--|--|
| Purpose | <ul style="list-style-type: none">Ensure healthcare access for low-income and uninsured individualsReduce financial barriers to essential servicesComply with HRSA and state regulations for FQHCs and public health programs |
| Establishing Fee Schedules & Discount Structures | <ul style="list-style-type: none">Base full fees on actual service costs or Medicare benchmarksUse Federal Poverty Guidelines (FPG) to define discount tiersSet nominal fees for lowest-income patients (e.g., \$5–\$20 per visit)Require documentation of income and household sizeReview eligibility annually or when circumstances change |
| Compliance Requirements | <ul style="list-style-type: none">Apply sliding fee scale uniformly across all service typesMaintain board-approved policies and annual updatesEnsure non-discrimination and accessibilityAlign with HRSA Program Requirements and state Medicaid rulesPrepare for audits and UDS reporting |
| Patient Education & Outreach | <ul style="list-style-type: none">Use multilingual, plain-language materialsTrain intake staff to proactively offer applicationsHost community events and partner with local organizationsPromote awareness via websites, social media, and referral networks |

Sliding Fee Scale Program – Summary of Key Points, cont.

Evaluation & Sustainability

- Monitor utilization, revenue impact, and tier distribution
- Use grants to offset uncompensated care
- Conduct periodic reviews and board oversight
- Balance affordability with financial sustainability

Common Compliance Pitfalls

- Outdated FPG tiers
- Inconsistent application across services
- Lack of documentation or re-verification
- High nominal fees that deter access
- Limited outreach or language barriers

The Impact of Sliding Fee Scales on Public Health

Increased Access to Care

Enables low-income and uninsured individuals to receive preventive, primary, dental, and behavioral health services
Reduces delays in treatment and reliance on emergency departments
Supports early detection and management of chronic conditions

Improved Health Outcomes

Boosts rates of vaccinations, screenings, and prenatal care
Enhances control of chronic diseases like diabetes, hypertension, and asthma
Reduces complications and hospitalizations through timely interventions

Reduced Health Disparities

Addresses social determinants of health by removing financial barriers
Promotes equity across racial, ethnic, and rural populations
Ensures consistent care regardless of insurance status or income level

Strengthened Community Health Systems

Supports sustainability of Federally Qualified Health Centers (FQHCs) and public clinics
Encourages continuity of care and patient-provider relationships
Builds trust in the healthcare system through transparent, affordable pricing

Enhanced Public Health Preparedness

Improves outreach and engagement during public health emergencies
Facilitates access to care for vulnerable populations during outbreaks, disasters, or economic downturns
Strengthens data collection and reporting for population health planning

Future Improvements and Policy Recommendations

Standardized National Guidelines

Advocate for uniform discount tier templates across states and FQHCs
Reduce variability in nominal fees and eligibility documentation
Promote consistency for audits, reporting, and patient experience

Enhanced Digital Access

Develop online eligibility calculators and mobile-friendly applications
Integrate sliding fee scale enrollment into EHR and patient portals
Use automated reminders for annual re-verification

Expanded Outreach & Education

Fund multilingual campaigns targeting rural, immigrant, and underserved populations
Partner with schools, shelters, and food banks for on-site enrollment
Train community health workers to serve as sliding fee scale ambassadors

Real-Time Eligibility Tools

Implement systems that verify income and household size using secure data sources (e.g., IRS, SSA)
Reduce paperwork burden and improve application turnaround time

Integration with Social Determinants of Health (SDOH)

Link sliding fee scale eligibility to Z codes and SDOH screenings
Use data to target outreach and tailor services
Support wraparound services like transportation, housing referrals, and food access

Future Improvements and Policy Recommendations, cont.

Policy Advocacy for Funding Stability

Push for dedicated federal and state funding to offset uncompensated care
Encourage inclusion of sliding fee scale metrics in value-based payment models
Document impact on public health outcomes to support grant renewals and expansion

Continuous Quality Improvement (CQI)

Establish feedback loops from patients and staff
Use dashboards to monitor:
Enrollment trends
Tier distribution
Revenue impact
Adjust policies based on real-world performance and equity goals



Questions

Resources

Federal Guidelines & Agencies

HRSA Program Requirements

- Governs sliding fee scale policies for Federally Qualified Health Centers (FQHCs)
- Includes expectations for uniform application, board approval, and annual updates
- [HRSA Health Center Program Compliance Manual](#)

Federal Poverty Guidelines (FPG)

- Issued annually by the U.S. Department of Health and Human Services
- Used to determine discount tiers for sliding fee scale eligibility
- [Current FPG Chart](#)

Uniform Data System (UDS) Reporting

- Tracks patient demographics, service utilization, and sliding fee scale impact
- Required for HRSA-funded health centers
- [UDS Resources](#)

Resources, cont.

State & Local Examples (Michigan Focus)

- Saginaw County Community Mental Health (SCCMHA)
- Offers a sliding fee scale based on income and household size
- Includes documentation requirements and nominal fee structure
- SCCMHA Sliding Fee Info
- Neighborhood Service Organization (NSO) – Detroit
- Provides behavioral health services with sliding fee scale options
- Targets underserved populations in Wayne County

Best Practices & Outreach Models

- HRSA's Patient Education and Outreach Toolkit
- National Association of Community Health Centers (NACHC) policy briefs
- State Medicaid manuals and local health department intake protocols