Family Planning
National Training Center
for Management and Systems Improvement

Revenue Cycle Management Webinar Series
Unanswered Questions and Responses
Webinars #1 and #2

Webinar #1: Before and During the Client Visit

Question 1: Is a hand written letter by a client acceptable for self-employed patients as proof of income? What can be done if a partner/spouse refuses to provide proof of income to a client over the age of 18? What steps can be taken if a client refuses to get proof of income, even at a second visit?

Per the Title X Program Requirements (page 12, 13), "Within the parameters set out by the Title X statute and regulations, Title X grantees have a large measure of discretion in determining the extent of income verification activity that they believe is appropriate for their client population. Although not required to do so, grantees that have lawful access to other valid means of income verification because of the client's participation in another program may use those data rather than re-verify income or rely solely on clients self-report."

Grantees should have written policies that address how they will deal with clients who cannot provide income information and ensure those policies are consistently applied across all service sites, and that the policies do not present a barrier for clients when accessing services.

Question 2: Is there a recommended software package that can be used for pre-authorization or to determine insurance eligibility in order to bill insurance?

There are no software packages that obtain pre-authorization from a client's insurance plan for a procedure or a service. Pre-authorization is a requirement that is specific to each client's health insurance plan. It is the provider's responsibility to contact the client's insurance plan and verify if pre-authorizations are required before the client's visit.

With regard to verifying insurance eligibility, there are software programs that enhance the revenue cycle management process. Frequently these software programs are integrated with or are specific to existing practice management systems (PMS) or electronic health records (EHR). Therefore, you should check with your current system to see if there is eligibility verification capability or ensure that the software program in consideration has features and functionalities that integrate with your system.

If your agency does not have a PMS or EHR, there are vendors that provide benefit verification services for a minimal fee. Check with your local Title X family planning grantee to find out if there is a preferred vendor in your area.

If your agency does not have a PMS or EHR and is looking to select one, there are resources available to assist with this process. Please see the Family Planning, National Training Center website (http://www.fpntc.org/training-and-resources/webinar-recording-electronic-health-records-ehrs-why-you-need-them-and-how-to) for training resources.

Question 3: Is it appropriate to send text reminders to confirm appointments given confidentiality issues? Can you recommend language for a reminder text?

Text messages can be used for reminders; however, the client must give permission to use a cell phone number to receive texts. A phone call reminder should be used first. Protected health information must never be sent via text messaging. Suggested language for a text reminder could be, "I am with Denver County and I need to speak with you. Please call me at 303-333-3333."

Question 4: Can an agency require that all clients are pre-screened for Medicaid eligibility before moving to charging the client using the sliding fee scale option?

Yes. However, the pre-screening process cannot be a barrier to accessing services.

Question 5: Is there documentation regarding collecting co-pays and deductibles and applying the sliding fee scale?

Yes. Title X clients whose documented income is at or below 100% of the federal poverty level (FPL) must not be charged at all. (Section 1006(c)(2), PHS Act; 42 CFR 59.5(a)(7)). A schedule of discounts, based on ability to pay, is required for individuals with family incomes between 101% and 250% of the FPL (42 CFR 59.5(a)(8)). Fees must be waived for individuals with family incomes above 100% of the FPL who, as determined by the service site project director, are unable, for good cause, to pay for family planning services (42 CFR 59.2).

In addition, Section 1001, 59.5(a)(9) of the Public Health Service Act (42 U.S.C. 300) states, "If a third party (including a Government agency) is authorized or legally obligated to pay for services, all reasonable efforts must be made to obtain third party payment without the application of any discounts."

OPA outlines five steps regarding the use of sliding fee scales and collecting co-pays.

1) Ascertain whether the client has insurance
2) Determine the amount of the co-pay
3) Determine where the client's income puts them on the sliding fee scale
4) If the co-pay is less than they would pay on the sliding fee scale, the client should pay the co-pay, and the agency should bill insurance
5) If the co-pay is more than what the client should pay on the sliding fee scale, the client pays what they should pay based on the sliding fee scale, and the agency should bill insurance

Note – the client should never pay more than what they would owe on the sliding fee scale.

For more information, review the Office of Population Affairs' Title X Update at the National Title X Grantee Meeting on July 29, 2013 and the case studies in archived webinar 2, "After the Client Visit."

Question 6: How do other agencies determine what to charge on their sliding fee scale for full pay clients?

A schedule of discounts, based on ability to pay, is required for individuals with family incomes between 101-250% FPL (42 CFR 59.5 (a)(8)). Persons from families whose income exceeds 250% FPL, must be

charged in accordance with a schedule of fees designed to recover the reasonable cost of providing services. (42 CFR 59.5 (a) (8)).

In order to develop fees and discounts, Title X agencies need to have a mechanism for determining their costs. "Cost Analysis" is an excellent method that agencies can use to do this. A three-part webinar on conducting a focused cost analysis was hosted by the National Training Center for Management and Systems Improvement in June 2013. To compliment this webinar series, a manual was developed that covers how to set appropriate fees to recover the reasonable cost of the services. Please refer to the manual for tools on conducting a focused cost analysis and setting fee schedules.

Question 7: If a client qualifies for a reduction in payment according to the sliding fee scale, but has Medicare, would she/he still pay a lesser amount for their co-pay?

Yes. The client never pays MORE than what they owe on the sliding fee scale. They may pay LESS than what they owe on the sliding fee scale if their copay is less.

Question 8: Can services for underinsured clients be based on a sliding fee scale? For example, if a client's insurance does not cover an Intrauterine Device (IUD), can the costs of the service be based on the sliding fee scale?

Yes.

Question 9: Is a Title X agency able to bill uninsured patients for services that are not family planning specific, such as sexually transmitted infection (STI) testing and treatment of gynecologic surgeries? How do we identify family planning services and separate them from family planning-related services?

Family planning encompasses a broad range of services (including STI testing). These services are outlined in the Recommendations for Providing Quality Family Planning Services (QFP) http://www.hhs.gov/opa/pdfs/ogc-cleared-final-april.pdf on page 5. In addition, the Title X grantee may have listed services that they committed to providing through all services sites in their Title X grant application. Service sites are required to provide all services listed in the Program Requirements and those committed to by the grantee in their final approved grant application.

For services that are not covered by the Program Requirements or the Title X grant application, service sites should follow written policies for billing patients.

Question 10: For clients that are college students, should their loans for living expenses be counted as income?

Loans for living expenses or scholarships should not be counted as income. If a college student is seeking confidential services, only her/his income, and funds that are available to the student as cash should be counted as income.

Question 11: If a client has insurance but her/his income is less than 100% of the federal poverty level, and the insurance denies or applies the service to the deductible should the client be charged on the sliding fee scale.

Clients at or below 100% of the federal poverty level should not be charged for services.

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Question 12: If an explanation of benefits is suppressed at the client's request for confidentiality, is there a risk of breaching confidentiality when the client's insurance is billed, since the client's parent or guardian may see the charges that were applied to a deductible and the services that were provided?

Yes. A parent may be able to access claims data even if an explanation of benefits is not sent home. If there is a risk of breaching confidentiality, the Title X service site should not bill insurance.

Webinar #2: After the Client Visit

Question 1: Please explain average claim days in accounts receivable and accounts receivable ratio.

The average claim days in accounts receivable is calculated by taking the total of gross charges for the last three months divided by the ending receivables balance. This provides the average days for receivables that are outstanding. This should be 30 days or less.

To calculate the accounts receivable ratio, divide total accounts receivable by the average monthly charges. This ratio should be between 1.0 and 2.0. Any clinic with over four times of average monthly charges in its accounts receivable balance has a collection problem.

Question 2: If a contract between an agency and private insurance states that an agency must collect a stated co-pay amount from a client, can the agency collect a lesser amount if the sliding fee scale is lower than the client's co-pay?

Yes. The client cannot be charged more than what she/he would pay on the sliding fee scale, so if the co-pay is more than that, the client should only be charged what they owe on the sliding fee scale. OPA outlines five steps regarding the use of sliding fee scales and collecting co-pays.

1) Ascertain whether the client has insurance
2) Determine the amount of the co-pay
3) Determine where the client's income puts them on the sliding fee scale
4) If the co-pay is less than they would pay on the sliding fee scale, the client should pay the co-pay, and the agency should bill insurance
5) If the co-pay is more than what the client should pay on the sliding fee scale, the client pays what they should pay on the sliding fee scale, and the agency should bill insurance

Note – the client should never pay more than what they would owe on the sliding fee scale.

For more information, review the Office of Population Affairs' Title X Update at the National Title X Grantee Meeting on July 29, 2013 and the case studies in archived webinar 2, "After the Client Visit."

Question 3: In *After the Client Visit*, the second scenario describes a situation where the full charge for a visit is $125. The agency has a contractual agreement with Acme Insurance that they will discount the charge to $100 and charge the client a $25 co-pay. Also, a client insured by Acme Insurance is eligible for a 50% discount based on the sliding fee scale (i.e., they pay 50% of charges based on the sliding fee scale). You verified the client's benefit prior to their arrival and the insurance company informed you that the client hasn't met the deductible on their health insurance plan.

When we calculate what the client owes for the visit, do we base our sliding fee scale amount on the full fee ($125)? Is this amount applied to the client's deductible? What amount does the agency write off?

Yes. You base the sliding fee scale discount on the full fee ($125) and since the client is eligible for a 50% discount based on the sliding fee scale, the charge to the client would be $62.50. HOWEVER, in this case, the client has a $25 co-pay under his/her insurance. Since the $25 co-pay is less than the $62.50 discounted fee, you would charge the client the lesser of the two amounts ($25 co-pay amount). Since your agency has a contractual agreement with the insurance company, you should make every effort to collect the full copay ($25). See Program Requirements for Title X Funded Family Planning Projects, 8.4.6, page 13 for guidance on discounts and fees.

In addition to collecting the $25 co-pay, you would bill the insurance company the full fee ($125). The insurance company will discount the charge to $100 based on your agency's contractual discounted rate with the insurance company. The amount of the co-pay will not be applied to the deductible. A total of $75 will be applied to the client's deductible by the insurance company.

For additional questions regarding the Revenue Cycle Management webinars, please contact familyplanningaca@jsi.com.