

# Collecting Copays and Applying A Sliding Fee Discount Schedule

A JOB AID FOR FRONT DESK STAFF



## 5 Steps for Collecting Copays and Applying the Sliding Fee Discount Schedule (SFDS)

1. Find out the client's income, family size, and whether the client has insurance.
2. Check the client's insurance eligibility and determine copay amount based on their insurance plan.
3. Determine where the client's income puts them on the sliding fee discount schedule.
4. If the copay is less than the client would pay on the sliding fee discount schedule, the client should pay the copay, and the agency should bill the insurance company the fee for the services.
5. If the copay is more than what the client would pay based on the sliding fee discount schedule, the client pays what they would pay based on the sliding fee discount schedule, and the agency should bill the insurance company the fee for the services.

### REMEMBER!

Per Title X requirements in the 2021 final rule, clients with insurance "whose family income is at or below 250% of federal poverty level (FPL) should not pay more than what they would otherwise pay when the schedule of discounts is applied."<sup>1</sup>

## How It Works

Below is a sample sliding fee discount schedule and two scenarios to show how to determine the copay when the client has insurance. Each year, the FPL guidelines are updated by the federal government and a Title X agency should update the dollar amounts in their SFDS. A Title X agency can also consider if they should update their SFDS discount levels and/or their FPL percentage groupings as appropriate. This is an example of how a Title X organization might group FPL levels and related discount percentages.

### Sample Client:

- Your client's income is \$30,000/year.
- She has two children.
- She has insurance. Her copay is \$20.
- To apply the sliding fee discount schedule, first, match her income to your sliding fee discount schedule.
- The sliding fee discount schedule will show you the discount she would receive. In this situation, her discount would be 80%.

**Table 1.** 2021 Federal Poverty Level (FPL) Guidelines for the 48 Contiguous States and District of Columbia<sup>2</sup>

Federal Poverty Levels, 2021						
Number of People in Family	100%	125%	150%	175%	200%	251%
1	\$12,880	\$16,100	\$19,320	\$22,540	\$25,760	\$32,200
2	\$17,420	\$21,775	\$26,130	\$30,485	\$34,840	\$43,550
3	\$21,960	\$27,450	\$32,940	\$38,430	\$43,920	\$54,900
4	\$26,500	\$33,125	\$39,750	\$46,375	\$53,000	\$66,250
5	\$31,040	\$38,800	\$46,560	\$53,320	\$62,080	\$77,600
6	\$35,580	\$44,475	\$53,370	\$62,265	\$71,160	\$88,950
7	\$40,120	\$50,150	\$60,180	\$70,210	\$80,240	\$100,300
8	\$44,660	\$55,825	\$66,990	\$78,155	\$89,320	\$111,650
9+	For families with more than 8 people, add \$4,540 for each additional person.					
Discount Level	100%	80%	60%	40%	20%	0%

### SCENARIO 1:

- If fee for services = \$125
- With 80% discount, fee = \$25
- Insurance copay = \$20
- Client pays \$20
- Bill client's insurance the full fee
- Insurance copay is less than the fee, client pays the copay

### SCENARIO 2:

- If fee for services = \$60
- With 80% discount, fee = \$12
- Insurance copay = \$20
- Client pays \$12
- Bill client's insurance the full fee
- Discounted fee is less than the copay, client pays the discounted fee

**REMEMBER!**  
If the client requests confidential services, do not bill the insurance company.

# FREQUENTLY ASKED QUESTIONS:

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### **Q: Our insurance contract says that we need to charge a specific copay. What can we do about this if the client's discounted fee is less than the copay?**

**A:** Per the Title X final rule, clients whose family income is at or below 250% of FPL should not pay more in copayments or additional fees than what they otherwise pay when the schedule of discounts is applied.

Therefore, no matter what, the client should be charged the lesser of the two: the copayment or the discounted fee based on the sliding fee discount schedule. The agency should submit the full charge for the service to the insurance company.

### **Q: What is the federal rule that applies to collecting copays and applying the sliding fee discount schedule?**

**A:** [The Title X Program Requirements](#) provide guidance on how clients should be charged. Family income should be assessed before determining whether copays or additional fees are charged. With regard to insured clients, clients whose family income is at or below 250% of the Federal Poverty Level (FPL) should not pay more (in copays or additional fees) than what they would otherwise pay when the sliding fee discount schedule is applied. 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. Fee waiver rules apply to all clients, regardless of whether they have insurance.

### **Q: Often clients with insurance do not want to tell us their income. What should we do?**

**A:** Reassure your client that the reason you are asking for their income is because your agency's financial policy uses a sliding fee discount schedule and is also required to report on this data for grant funding. Based on the client's income and family size, they may be eligible to pay less than their copay if the discounted fee is LESS than their copay. If the discounted fee is not less, they will only be charged their copay.

Title X Program Requirements provide guidance to "take reasonable measures to verify client income, without burdening low-income families" and that if a client's income cannot be verified after reasonable attempts to do so, charges are to be based on the client's self-reported income.

### **Q: How should we charge clients if they will not tell us their income?**

**A:** Title X agencies should follow their grantee's written policy on income verification and ensure that all clients are treated equally according to the policy. Check your grantee agency's policies regarding how to handle this situation. Clients may come to your agency with a history of trauma and/or past negative experiences. Assure front desk messaging is trauma-informed and client-centered.

#### **Endnotes**

1. <https://opa.hhs.gov/2021TitleXRule>
2. U.S. Department of Health and Human Services, 2021. <https://aspe.hhs.gov/poverty-guidelines>. Your agency's scale may be different since each agency has its own sliding fee discount schedule.