



UNIVERSITY POLICY

SUBJECT: FINANCIAL AFFAIRS **TITLE:** SLIDING FEE SCALE STRUCTURE
CODING: 00-01-50-55:00 **ADOPTED:** 07/01/87 **AMENDED:** 07/01/87

As of September 4, 2009
this policy has been suspended while undergoing revision.

For questions, please contact
your local Unit Compliance Officer at the following link:

http://umdnj.edu/complweb/about/about_03staff.htm

SUSPENDED



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I. PURPOSE

To establish procedure for the application of a Sliding Fee Scale Plan at the Healthcare Facilities of the University of Medicine and Dentistry of New Jersey.

II. ACCOUNTABILITY

Under the direction of the Senior Vice President for Administration and Finance, cognizant Vice Presidents for healthcare and mental health services are accountable for ensuring compliance with this policy. The Vice President for Financial Affairs and Treasurer is responsible for ensuring the coordination and currency of this policy and procedure.

III. BACKGROUND

In order to serve indigent patients who might not receive necessary medical assistance for purely financial reasons, the University of Medicine and Dentistry of New Jersey started reviewing the need for Sliding Fee Scales in 1972 and 1973. When such scales were developed, they were submitted to the Board of Trustees on November 21, 1974 and were approved on that same date. The Sliding Fee Scales included coverage of fees for Martland Hospital, Raritan Valley Hospital, New Jersey Medical School and the Rutgers Medical School Community Mental Health Centers.

However, the University was prohibited by the division of Budget and Accounting of the Treasury Department from placing the Scales into effect at that time until our write-off procedures were studied by them and they worked out an acceptable procedure with the Attorney General's Office and the Office of the State Auditor.

Many months of additional effort were required to get the necessary approval. First, the Attorney General's Office wrote indicating that the UMDNJ Board of Trustees had the authority to put Sliding Fee Scales into effect. The Attorney General's approval was contained in letters on August 6, 1975 and October 7, 1975 to Mr. Cubberly of the Division of Budget and Accounting. The letters, however, also reiterated that, though the UMDNJ Board of Trustees had the right to impose Sliding Fee Scales, implementation was subject to acceptable write-off procedures being worked out with the appropriate state officials.

An acceptable procedure for write-off was finally worked out and new Sliding Fee Scales were approved by the UMDNJ Board of Trustees on March 11, 1976.

The Hospital Sliding Fee Scales adopted at that time were reviewed and approved by the University Hospital Council, formerly known as the Joint Conference Committee of Martland Hospital. Community

Mental Health Center Scales used were ones created by the State of New Jersey Department of Institutions and Agencies and were already in effect and being applied by Middlesex County. Any future revisions of Sliding Fee Scales for the Hospital or the Community Mental Health Centers will include a review process by appropriate community representatives.

IV. POLICY

1. When a patient contacts any of the healthcare facilities of the University for services, financial status will not be used as a barrier for treatment. A Sliding Fee Scale, as compensation for services rendered, will be used in accordance with this policy and procedure for those patients with insufficient resources.
2. Wherever possible, each patient care facility should attempt to determine a patient's financial status prior to the rendering of service; however, this policy should be implemented, when applicable, after billing if it is later learned that the Fee Scale should have been applied.
3. The Sliding Fee Scale is applicable to patients or clients who would fall into the category of Patient-Pay or Self-Pay and will not be applied to charges to individuals who qualify for third party coverage, except for any balance remaining after third party billing.
4. The primary test for eligibility in the application of the slide Fee Scale, will be gross income as indicated on the appropriate table.
5. In cases of repeated care being given to patients, periodic reappraisal of a patient's financial status will be required (at a minimum, semiannually).
6. Income should be verified, if possible, by a counselor as indicated later in the procedure. This verification can be through viewing paycheck stub, an IRS Form 1040, or any other means which might be practical. Patients who do not have such verification with them on the first visit, may be processed for Sliding Fee Scale with the requirement to bring evidence later, or at the next visit, as determined by the counselor.
7. When a patient, who has been treated, has been asked to provide evidence of income status in order to determine the fee to be charged and fails to provide that information, that patient may then be billed at the full rate.
8. As in the case of any counseling, every effort will be made to provide the patient with a private space for discussion of income status.

V. PROCEDURES

1. Admitting and Registration Clerks at patient care facilities will try to make a preliminary determination as to whether a patient may be eligible for the Sliding Fee Scale during the course of registration. When this has been determined, the Clerk will refer the patient to:
 - a. A Financial Counselor at University Hospital;
 - b. The Admission and Registration Officer at either of the Community Mental Health Centers;

c. The Financial Counselor at N.J. Dental School;

for determination of applicability of the Sliding Fee Scale. THE INFORMATION FORM may be filled in to indicate location of the counselor. In addition, any University staff members physician who might sense the possible applicability of Sliding Fee Scale for a patient, should direct them to appropriate location counselor.

2. If any patient is in need of immediate care, the patient will not be delayed and the interview will occur at the first opportunity that presents itself.
 3. Counselor will provide background information relative to the Sliding Fee Scale to the patient and discuss with him/her their desire to take advantage of it, if they meet the criteria.
 4. The patient should be asked for the self-explanatory information indicated by titles on the APPLICATION FORM. The requested information provides to proper authorities the means by which to make a determination as to what the charge should be for that particular patient household.
 5. Counselors should make a repeated effort to find out whether the patient has a Medicare Number, a Social Security Number, or hospital coverage of some kind such as Blue Cross, Union Coverage, Medicaid, Prudential or other commercial insurance.
 6. If it agreeable with the patient, copies of the patient's pay check stub, 1040 Form, or notes should be made and attached to the APPLICATION FORM.
 7. For patients being seen at Community Focus Team Locations of the Community Mental Health Center, the senior secretary of that unit should counsel the patient and complete the APPLICATION FORM.
 8. After completion of the APPLICATION FORM, the financial counselor will make a recommendation for approval by the:
 - a. Patient Accounts Manager: UMDNJ-CMHC at Piscataway;
 - b. Patient Accounts Manager: UMDNJ-University Hospital;
 - c. Patient Accounts Manager: UMDNJ-CMHC at Newark; and
 - d. Patient Accounts Manager: UMDNJ-NJDS.
- The amount of the fee will have no bearing on whether the patient will or will not be provided service. SLIDING FEE SCALES will be used at Healthcare Units indicated thereon.
9. When a patient has been asked to return information at the next visit, the visit should be arranged at least 15 minutes early in order that the counselor might be able to get the information before the treatment.
 10. When the SLIDING FEE SCALE has been applied, bills will be rendered showing the full amount of charges, allowance indicated, and net balance.
 11. Allowances will be the difference between actual charges and that which will apply from the Scales.
 12. Patients will be billed for the net balance shown and normal collection procedures will apply.

13. The SLIDING FEE SCALE plan will also be applied to patients who qualify for third party coverage when a balance remains after third party allowable billing. Normal billing procedures will be used for that patient-pay portion with allowances shown in such billings.
14. As experience in the use of the SLIDING FEE SCALE is gained, it is possible that in many cases the amount of the bill to be paid by the patient will be so small that a procedure for rendering bills at the time of service might have to be developed in order that collection can be more efficiently performed and the expense of billing such patients reduced.
15. The Director of Business Affairs at Newark and Piscataway may challenge or appeal any decision for application of the Sliding Fee Scale when a particular situation warrants it.

By Direction of the President:

Senior Vice President for Administration and Finance