

## **Clinic Services fee schedule calculation justification**

Monterey County Health Department's Federally Qualified Health Center Look-Alike Clinics are approved by the Federal Health Resource and Services Agency (HRSA). Under Section 330(k)(3)(F) and (G) of the Public Health Services Act, we are required to make all reasonable efforts to collect reimbursement from patients with insurance, patients without insurance and to maintain financial viability. Sliding Scale fee programs are available to all patients with no insurance and who have incomes less than 200% of Federal Poverty Level.

Although we increased our fee schedule in 2014, our oversight body, HRSA, continues to voice their concern that our fees are below similar safety net clinics' fee schedules. In addition, to enable us to remain financially sustainable, it is necessary to adopt a fee schedule that is at or above insurance levels of reimbursement to ensure that they are fully reimbursing us for the services we provide to their patients.

Currently, 80% of our patient mix is covered by either Medi-Cal or Medicare and we are required by contract to accept their payment as payment in full. Fee schedule rates apply to uninsured and private pay patients.

The Health Departments Clinic Services Bureau has proposed the setting of fees at 165% of the current Medicare Fee schedule for our area or at an amount equal to 75% of the customary local charges for the indicated service/activity, whichever is less. We also take into consideration our cost of providing medical services as staying consistent with local and State (of CA) prevailing charges.

Those schedules and list of customary charges are available for review at the following websites: <http://files.medi-cal.ca.gov/pubsdoco/rates/rateshome.asp> and <https://med.noridianmedicare.com/web/jeb/fees-news/fee-schedules/mpfs;jsessionid=C1809007888102AC78C8BB1895D6663E>.

The (proposed) fee setting methodology is consistent with that used for the recommending and the setting of these types of fees and costs for the past fourteen years. Though Clinic Services will still be operating at a Zero General Fund Contribution, due to outside funding reimbursement programs, these fees will not generate excess fees, nor do current (insurance) payors supplement the fees paid by others, even if some payors receive discounts in fee rates due to personal economic conditions.