Headway Emotional Health Services

**Subject: Financial Assistance Program Procedure**

**Effective Date:** **July 1, 2021**

**Approved By:** **John Torvik, CFO**

**Review/Revision:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date |  |  |  |  |  |
| Signature |  |  |  |  |  |

**Policy:**

See Financial Assistance Policy document

Financial Assistance agreements are offered to those clients who financially qualify for a reduced rate within our income guidelines or the client has some other unforeseen event in which the client is unable to pay the standard rates for services. Extended payment plans may also be arranged based on financial hardship.

**Procedure:**

Client will complete the financial assistance application along with any supporting financial documentation. The documentation shall be sent to the financial assistance coordinator, Cadi Thyne. If the client drops off the information at a Headway location, administrative staff will forward to the mailing address:

Cadi Thyne

6425 Nicollet Ave.

Richfield, MN 55423

If the client completes and wishes to send the financial assistance information themselves, they shall be directed to send to the mailing address above, or use these other methods of documents delivery:

* Fax: 612-861-3446
* Email: cadi.thyne@headway.org

If the client has questions, they may contact Cadi Thyne at 763-746-2454.

The financial assistance coordinator will review the financial documents and determine the client’s gross annual income. They will use the sliding fee scale to then determine if the client qualifies for a reduced rate.

* + If the client is approved for financial assistance:
		- Create a new financial assistance agreement, print and mail to client to sign
		- When signed copy is returned, scan into client’s chart and place in financial assistance folder
		- Add a “payment plan” note in the client’s dashboard
		- Email billing and the client’s provider letting them know of the new agreement
	+ If the client is denied for financial assistance:
		- Mail a letter to the client letting them know of denial, along with other resources
		- Email the client’s provider letting them know they do not qualify

Renewal of Financial Assistance

* + Financial assistance agreements are valid for one year, unless the client has a change in income or insurance.
	+ One month prior to the client’s agreement expiring, the financial assistance coordinator would look at the account and see if the client is a current client or has been seen in the past 3 months.
		- If the client has been seen in the last 3 months, they will send them a renewal letter and a new renewal application.
			* The current “payment plan” note will be amended in the client’s dashboard with the expiration date.
			* If the client does not renew their financial assistance plan the coordinator will email billing and the client’s provider letting them know the agreement has expired and the client did not renew.
		- If the client has not been seen for the last 3 months
			* The current “payment plan” note will be amended in the client’s dashboard with the expiration date.
			* Email billing to alert them that the client’s agreement has expired.

**Sliding Fee Schedules for Financial Hardship Applicants.**

Each year the sliding fee scale is adjusted as follows:

1. The upper limit of the Gross Annual Income is set to equal the level at which Social Security is no longer required to be withheld (commonly referred to as the taxable maximum). This amount is $142,800 in 2021 (<https://www.ssa.gov/oact/cola/cbb.html> ). This information will be updated by the Accounting staff each year.
2. The lower level (level 6) is equal to the poverty level in the 48 contiguous states with 5 persons in the household. This amount is $31,040 in 2021 (<http://aspe.hhs.gov/poverty/>).

|  |  |
| --- | --- |
| Head of Household Combined Income | Family size |
| Annual | 1 | 2 | 3 | 4 | 5+ |
|   | Percent Discount **(subject to $5 minimum pmt)** |
| $0 - $31,040 | 96 | 100 | 100 | 100 | 100 |
| $31,040 - $47,000 | 88 | 92 | 96 | 96 | 96 |
| $47,001 - $63,000 | 76 | 80 | 84 | 88 | 88 |
| $63,001 - $79,000 | 60 | 64 | 68 | 72 | 76 |
| $79,001 - $95,000 | 44 | 48 | 52 | 56 | 60 |
| $95,001 - $111,000 | 28 | 32 | 36 | 40 | 44 |
| $111,001 - $127,000 | 12 | 16 | 20 | 24 | 28 |
| $127,001 - $142,800 | 0 | 0 | 4 | 8 | 12 |