



Clinical Services Fees
Presentation to Board of Health
February 20, 2020

- The Health District has been receiving payment from Medicaid for more than 17 years
- Since the implementation of the Affordable Care Act; the Health District has been in the process of establishing contracts with other insurance companies

- Cost – the Health District’s expenses to fund a certain service, which includes:
 - Labor; i.e. salary, taxes and fringe benefits
 - Product; i.e. vaccines, medications
 - Supplies; i.e. cotton balls, syringes, gloves
 - Clinical Services overhead; i.e. Clinical Services and Laboratory administrative costs
 - Overhead Multiplier; currently 26.61% based on the current cost allocation as prepared by Mahoney and Associates and reviewed by the Health District BOH Fiscal Committee

- Fee – the maximum amount that the Health District will charge for that service
- Fees are based on methods according to costs, insurance reimbursements rates, service experience, and/or 7% fee increase for certain procedures
- Typical fee includes 150% of the cost factor

- Example of the Cost versus Fee – immunization

- Cost: Chicken Pox immunization

Description	Amount
Vaccine	\$ 129.17
Supplies	\$ 1.70
Overhead	<u>\$ 34.82</u>
Total	\$ 165.70

- Fee: 150% of the cost

Description	Amount
Chicken Pox	\$ 249.00

- Insurance Companies historically pay somewhere between the cost and the fee
- Medicaid pays \$ 57.23

- Payment of Fees – based on insurance status and eligibility for sliding scale
- <https://aspe.hhs.gov/poverty-guidelines>
- Sliding Scale – based on National Poverty Level
 - ✓ - based on family size
 - ✓ - and annual income