



HURON BEHAVIORAL HEALTH
Policy

Policy #: **FM.1.11**
Issue Date: 07/01/13
Rev. Date: 05/10/25
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Title: Sliding Fee Discount Program/Ability to Pay Policy
Prepared By: Finance Department

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Purpose:

To assure all individuals seeking services from Huron Behavioral Health (HBH) are served regardless of their Ability to Pay (ATP). No person needing mental health treatment will be refused service because of lack of financial means to pay. HBH will provide medically-necessary mental health services free of charge or at a discounted fee to those who have no means, or limited means, to pay for their needed services. This includes un-insured or under-insured individuals and HBH utilizing a sliding fee scale (SFS) or Sliding Fee Discount Program.

Scope:

This policy applies to all employees (including full-time and part-time employees), contract providers, volunteers, students, and/or interns of Huron Behavioral Health (HBH) and all individuals needing mental health services who may lack the financial ability to pay for such services. For individuals who do not have Medicaid coverage, or are under-insured, or un-insured, a sliding fee will be used to assure the cost of services is not prohibitive and does not prevent medically-necessary services from being provided.

Information:

1. In accordance with the most current Federal Poverty Guidelines (FPG), HBH will offer a Sliding Fee Discount Program to all individuals who are unable to pay for medically necessary behavioral healthcare services. HBH will base eligibility on the individual's Ability to Pay (ATP) considering only two (2) factors;
 - family size; and
 - income
2. HBH will not discriminate in the provision of service based on an individual's disability, inability to pay, whether payment is made under Medicare, Medicaid, or Children's Health Insurance Program (CHIP), race, color, sex, national origin, disability, religion, age, sexual orientation, or gender identity.
3. The Federal Poverty Guidelines will be used to update the sliding fee scale discount program guidelines annually.
4. At the time of intake, the HBH Admissions/Intake staff will provide information to the consumer regarding HBH's sliding fee discount program. Consumers who are not already receiving Medicaid benefits will be provided with a "[Sliding Fee Scale Application Form](#)" (90-759), the "[Federal Poverty Guidelines for Sliding Fee Scale Discount Program Form](#)" (90-760), and also information regarding sliding fee discount program. Staff will offer assistance to the consumer in completion of the application form, if needed. Dignity and confidentiality will be respected for all who seek and/or are provided mental healthcare services. The privacy rights of the individual shall be respected at all times.
5. In accordance with applicable Michigan Department of Health and Human Services (MDHHS) Administrative General Rules, Part 8 and Michigan Mental Health Code, Chapter 8 it is the policy of Huron Behavioral Health to utilize a sliding fee scale (SFS) discount program and the individual's ability to pay in determining financial responsibility for services rendered. (For additional guidance on Ability to Pay, see the Michigan Mental Health Code "Financial Liability for Mental Health Services" chapter 8 330.1800 – 330.1844 @ https://www.michigan.gov/documents/mdhhs/Mental_Health_Code_Chapter_8_687834_7.pdf)
6. HBH's Sliding Fee Scale Discount Program and the determination of an individual's ability to pay shall be applied uniformly, and in a fair, consistent, equitable manner.
7. Requests for discounted services may be made by the consumer, family members, social service workers, or others who are aware of an individual's existing financial hardship. Information and forms can be obtained from the front desk at the main office building, on HBH's website, or mailed to the consumer upon request.

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8. HBH will make reasonable, bona fide collection efforts and adopt policies that shall be consistently applied to all individuals for collection of the determined ability-to-pay amounts. The amounts collected shall not exceed the determined ability to pay plus any costs awarded by the court.
9. The process of determining an individual's ability to pay shall not delay the delivery of urgent mental health services. The process may be conducted concurrently with the delivery of services. In the case of emergency services, an explanation of the sliding fee scale discount program for the agency's services shall be provided as soon as practicable.
10. No individual shall be denied medically necessary services due to an inability to pay for those services. Further, an individual's ability to pay shall not impose any undue hardship or burden upon the individual or prevent them from receiving needed services, nor shall an individual's ability to pay exceed the cost of services. In accordance with the Michigan Mental Health Code (Act 258 of 1974 chapter 8 "Financial Liability for Mental Health Services 330.1800...330.1844), financial liability shall be determined per the following guidelines:
 - for a single individual, financial liability shall first be determined for the individual;
 - for a married individual, financial liability shall be determined jointly for the individual and the spouse;
 - for a child, the child shall first be considered as an individual, if the child's financial liability is less than the rates charged for the services, financial liability shall also be determined for the parent;
 - if the parent or the individual and spouse are not members of the same household, their financial liability shall be determined separately;
 - if either parent has been made totally responsible for medical or hospital expenses by a divorce order or settlement, then the remaining parent shall have an ability to pay of zero;
 - if the individual is a minor who is fourteen (14) years of age or older and is seeking treatment under Section 707 of the Mental Health Code, the minor shall be considered as an individual for the determination of ability to pay if the parents are not notified.

For additional guidelines for allowable fees/exclusions, see https://www.michigan.gov/documents/mdhhs/Mental_Health_Code_Chapter_8_687834_7.pdf

Policy:**A. Communicating Information Regarding HBH's Sliding Fee Scale Discount Program:**

1. HBH will strive to actively and widely communicate the availability of its' Sliding Fee Scale Discount Program by posting the "[Sliding Fee Discount Program /Ability to Pay \(ATP\) Policy](#)" (FM.1.11) on the HBH website.
2. Additionally, HBH will provide copies of the following notices/forms, and make them easily accessible to consumers at the HBH Main Office lobby and the HBH website:
 - [90-759 "Sliding Fee Scale \(SFS\) Discount Program Application Form"](#)
 - [90-760 "Federal Poverty Guidelines for Sliding Fee Discount Program Form"](#)
 - [90-761 "Ability to Pay/Sliding Fee Scale Discount Program Poster"](#)
 - [90-762 "Non-Discrimination Notice Poster"](#)
 - HRSA/NHSC "Program Funding Poster" @ <https://nhsc.hrsa.gov/sites/default/files/nhsc/scholarships/program-poster-11x17.pdf>

B. Sliding Fee Scale Program:

1. Consumers will be verbally informed about the sliding fee discount program at intake. Additionally, the Intake/Admissions staff will notify new consumers of the sliding fee discount program by:
 - Providing the consumer with the Health and Human Services (HHS) Federal Poverty Guidelines Informational Brochure and payment liability ("[Federal Poverty Guidelines Handout](#)" 90-760).
 - Providing the consumer with a "[Sliding Fee Discount Program Application Form](#)" (90-759) and assisting with completion of the form if needed. The consumer (or responsible party) must complete the Sliding Fee Discount Program form in its entirety confirming their income to HBH as disclosed on the application form (see also "[New Consumer Procedure](#)" ISP.2.05).

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2. Sliding fee discounts will be based on income and family size only (see the “Federal Poverty Guidelines for [“ATP - Sliding Fee Scale \(SFS\) Discount Program Form” 90-760](#)) for current federal guidelines).
 - a. A “family” is defined as: a group of two (2) people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related sub-family members) are considered as members of one family. HBH will also accept non-related household members when calculating family size.
 - b. “Income” is defined as: gross wages; salaries; tips; income from business and self-employment; unemployment compensation; workers' compensation; Social Security; Supplemental Security Income; veterans' payments; survivor benefits; pension or retirement income; interest; dividends; royalties; income from rental properties, estates, and trusts; alimony; child support; assistance from outside the household; and other miscellaneous sources.
3. Consumers applying for a sliding fee discount must provide verification of income. Applicants may provide one (1) of the following: prior year W-2, two most recent pay stubs, letter from employer, or Form 4506-T (if W-2 was not filed). Self-employed individuals will be required to submit detail of the most recent three (3) months of income and expenses for their business. Adequate information must be made available to determine eligibility for the program. Self-declaration of Income may be used if a consumer is unable to provide written verification and then providing a signed statement of income.
4. Consumers with incomes at or below 100% of poverty will receive a full 100% discount for HBH services (in other words all service fees are waived). Those with incomes above 100% of poverty, but at or below 200% of poverty, will be charged a nominal fee according to the current sliding fee schedule and based on their family size and income ([“ATP - Federal Poverty Guidelines for Sliding Fee Discount Program” 90-760](#)). The sliding fee discount schedule will be updated during the first quarter of every calendar year with the latest Federal Poverty Level (FPL) Guidelines. Consumers will not be denied services due to an inability to pay. The nominal fee is not a threshold for receiving care and thus, is not a minimum fee or co-payment. If charges are waived discounted, it must be documented in the consumer’s case record in the Electronic Medical Record (EMR) system with an explanation.
5. If a consumer refuses to pay, or verbally expresses an unwillingness to pay, or vacates the premises without paying for services, the consumer will be contacted in writing regarding their payment obligations. If the consumer is not already on the sliding fee schedule, a copy of the [“ATP - Sliding Fee Discount Program Application Form” \(90-759\)](#) will be sent with the notice of collection. If the consumer does not make effort to pay or fails to respond within sixty (60) days, this constitutes refusal to pay. At this point, HBH may explore options not limited to, but including offering the consumer a payment plan, waiving of charges, or referring the consumer to a collections’ agency. If an individual willfully fails to provide information necessary to determine an ATP, the individual’s financial liability shall be equal to the cost of providing services.
6. On an annual basis, at the time of the person-centered planning meeting, the primary worker will provide the consumer with updated federal poverty guidelines and a “Sliding Fee Discount Program Application Form” (90-759). If the consumer needs assistance in completing the form, the primary worker will assure that assistance is provided. [“ATP - Sliding Fee Discount Program Application Form” \(90-759\)](#) will be completed at least annually for all consumers or whenever there has been a significant change in the factors used in making the determination (family and/or income).
7. The applicant will be notified in writing of the determination regarding their application for the sliding fee discount program and will include the percentage of sliding fee discount program write off, or, if applicable, the reason for denial. If the application is approved for less than a 100% discount or denied, HBH will work with the consumer (and/or responsible party) to establish payment arrangements. Sliding fee discount program applications will cover outstanding consumer balances for six (6) months prior to application date and any balances incurred within twelve (12) months after the approved date, unless their financial situation changes significantly. The consumer has the option to reapply after the twelve (12) months have expired or anytime there has been a significant change in family or income. When the applicant reapplies, the look back period will be the lesser of six (6) months or the expiration of their last sliding fee discount program application.

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C. Re-Determination of Ability to Pay:

1. If a consumer believes that the income figure being utilized to determine the ability to pay is not appropriate to their current income status or does not appropriately reflect their ability to pay, they may request a re-determination through the sliding fee discount program and their ability to pay amount, within thirty (30) days of obtaining a new determination using the "Fee Adjustment Request Form" (90-041) and HBH is required to accept the re-determination request. See "[Ability to Pay \(ATP\) – Financial Re-Determination and Appeals Procedure](#)" (FM.2.28).

D. Staff Training:

1. All HBH employees will receive initial and on-going training in the Sliding Fee Discount Program and this policy to assure their familiarity with the process and assist consumers in accessing the sliding fee discount program. When changes occur to the Sliding Fee Discount Program, HBH's contracted on-line training resource (Relias) may be utilized in addition to on-going staff supervision.

E. Financial Budgeting for Sliding Fee Scale Discount Program:

1. During the annual budget process, the finance department will establish an estimated dollar amount to support the sliding fee discount program and place that amount into the budget as a deduction from revenue.

Definitions/Acronyms:

ATP – Ability to Pay

CHIP – Children's Health Insurance Program

CMHA – Community Mental Health Authority

EMR – Electronic Medical Record

FPG – Federal Poverty Guidelines

FPL – Federal Poverty Level

HBH – Huron Behavioral Health

HHS – Health and Human Services

HRSA – Health Resources and Services Administration

MDHHS – Michigan Department of Health and Human Services

NHSC – National Health Services Corps

SFS – Sliding Fee Scale

SS – Social Security

Forms:

[90-041 Fee Adjustment Form](#)

[90-759 Sliding Fee Discount Program Application Form](#)

[90-760 Federal Poverty Guidelines for Sliding Fee Scale Discount Program Hand-out](#)

[90-761 Ability to Pay/Sliding Fee Scale Discount Program Poster](#)

[90-762 Non-Discrimination Notice Poster](#)

HRSA/NHSC "Program Funding Poster" @ <https://nhsc.hrsa.gov/sites/default/files/nhsc/scholarships/program-poster-11x17.pdf>

Records:

Records related to the sliding fee discount program applications and determinations will be retained in consumer's case record in the EMR system in accordance with "[HBH Record Storage and Retention Policy](#)" (QI.1.23).

The finance department will also maintain records of the ability to pay amount which was determined through the sliding fee discount program.

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MDHHS Administrative Rules, Part 8. Financial Liability for Mental Health Services, Subpart 1. 330.1800 – 330.1844
 Michigan Mental Health Code Act 258 of 1974, Chapter 8 Financial Liability for Mental Health Services @ https://www.michigan.gov/documents/mdhhs/Mental_Health_Code_Chapter_8_687834_7.pdf
 HHS Poverty Guidelines @ <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>
 Michigan Mental Health Code (chapter 8) @ https://www.michigan.gov/documents/mdhhs/Mental_Health_Code_Chapter_8_687834_7.pdf
 HRSA/NHSC Loan Repayment Program Requirements @ <https://nhsc.hrsa.gov/loan-repayment/state-loan-repayment-program/application-requirements>
[FM.2.28 Ability to Pay \(ATP\) – Financial Re-Determination and Appeals Procedure](#)
[ISP.2.05 New Consumer Procedure](#)
[QI.1.23 HBH Record Storage and Retention Policy](#)

Change History:

Change Letter	Date of Change(s)	Changes
None		Converted ISP.2.04 (Ability to Pay Procedure" to FM.1.11 Ability to Pay Policy with some content changes. See QI Coordinator for old revisions/changes
A	02/24/15	Reviewed by Finance Department – minor grammatical and format changes, corrected hyperlinks, no content changes made.
B	02/16/17	Reviewed by the Finance Department – changed "Michigan Department of Community Health/MDCH" to "Michigan Department of Health and Human Services/MDHHS" throughout document (7 places), no other content changes made.
C	01/22/19	Reviewed by the Finance Department – no content changes made.
D	10/21/20	Reviewed by the Finance Department – no content changes made.
E	04/18/22	Added "Sliding Fee Discount Application Form" (90-759) (2 places), made several minor wording/grammatical changes/corrections throughout policy without changing sentence content.
F	07/22/22	Total rewrite of policy – see Controlled Documentation Manager for all changes and/or previous versions of policy.
G	06/19/23	In "Information" section #2 added "an individual's disability, inability to pay, whether payment is made under" to better define current practices and better align with NHSC site application requirements.
H	05/10/25	In "Policy" section D.1 added "When changes occur to the Sliding Fee Discount Program," made several minor wording/grammatical changes/corrections throughout policy without changing sentence content.