



Memorandum

Date: April 24, 1997

From: Acting Deputy Assistant Secretary for Population Affairs

Subject: OPA Program Instruction Series, OPA 97-1: Fees and Charges to Title X Low-Income Clients and Teenagers (Revised)

To: Regional Health Administrators, Regions I-X

This memorandum superseded OPA Program Instruction Series OPA 86-5 "Fees and Charges to Title X Low-Income Clients and Teenagers."

In response to recent questions, this memorandum provides guidance on Title X policy regarding fees for services, in particular the process for charging fees to low income clients and unemancipated minors. Applicable regulations and guidelines remain unchanged.

Projects should be aware that Title X regulations require them to :

- C not charge fees to clients from low-income families;
- C make all reasonable efforts to obtain third party reimbursement for services; charge fees for services to all other clients, with a schedule of discounts based on ability to pay;
- C design fee schedules to recover the reasonable cost of providing service; and
- C not refuse services because of users' inability to pay.

It is important to note that in providing services, Title X projects must assure that priority is given to persons from low-income families. Low income families are those whose annual income is not above 100 percent of the Poverty Income Guidelines issued by the Department. Clients from low-income families may not be charged for service, including the provision of contraceptives or related medical services.

Clients from families with annual incomes between 100 and 250 percent of the Income Poverty Guidelines must be charged for services. Charges for services must be in accordance with a fee schedule, which has discounts based on ability to pay. In addition, clients from families with incomes above 250 percent of the Income Poverty Guidelines must be charged a full fee to recover the reasonable cost of providing services.

When a client is unable to pay, for good cause (as determined by the project director), for family planning services the fee may be waived. The project must determine, as accurately as possible, the client's ability to pay based upon family income. This determination and notice of any applicable waiver should be made prior to the delivery of services and must be conducted each

time a client requests services.

When considering charges to minors for services, several conditions must be taken into account. If the minor is unemancipated and confidentiality of services is not a concern, the family's income must be considered in determining the charge for the services. When a minor requests confidential services, without the involvement of a principal family member, charges for services must be based on the minor's income.

Income actually available to the minor, such as wages from part-time employment, stipends and allowances paid directly to the minor, should be considered in determining the minor's ability to pay for services. Those services normally provided by parents/guardians, e.g., food, shelter, transportation, tuition, etc., should not be included in determining a minor's income.

Under certain circumstances where confidentiality is restricted to limited members of the family, e.g., one parent is aware of the minor seeking services but the other is not because of disagreement regarding the minor's right to receive family planning services, the charges shall be based on the minor's income if the minor's confidentiality would be breached in seeking the full charge.

It is not allowable to have a general policy of no fee or flat fees for the provision of services to minors. Nor is it allowable to have a schedule of fees for minors that is different from other populations receiving family planning services.

Projects must seek payment from third parties who are authorized or legally obligated to pay for services unless, in doing so, patient confidentiality would be compromised. Also, since discounts or waivers are only applicable to individual clients, billing statements to third parties should show total charges without any applicable discount or waiver.

I appreciate your continued cooperation in assuring that grantees are in compliance with Title X requirements, and I hope this memorandum provides additional clarification on this matter.

/s/
Thomas C. Kring