SUBCHAPTER 140-10.9
SLIDING FEE SCALE PROGRAM REGULATIONS

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Subchapter Authority: 1 CMC §§ 2603(f) and 2605(j).

Subchapter History: Adopted 19 Com. Reg. 15210 (Mar. 15, 1997) (effective June 1, 1997); Proposed 18 Com. Reg. 14375 (Oct. 15, 1996).

Commission Comment: PL 1-8, tit. 1, ch. 12, codified as amended at 1 CMC §§ 2601-2633, created the Department of Public Health and Environmental Services within the Commonwealth government. See 1 CMC § 2601. 1 CMC § 2603(f) grants the Department the power and duty to administer all government-owned health care facilities. 1 CMC § 2605 directs the Department to adopt rules and regulations regarding those matters over which it has jurisdiction, including hospitals and clinics. See 1 CMC § 2605(j).

Executive Order 94-3 (effective August 23, 1994) reorganized the Commonwealth government executive branch, changed agency names and official titles and effected numerous other revisions. According to Executive Order 94-3 § 105:

> Section 105. Department of Public Health.
>
> The Department of Public Health and Environmental Services is re-designated the Department of Public Health.

The full text of Executive Order 94-3 is set forth in the commission comment to 1 CMC § 2001.

Public Law 16-51 (effective Jan. 15, 2010), the "Commonwealth Healthcare Corporation Act of 2008," codified at 3 CMC § 2801 et seq., established the Commonwealth Healthcare Corporation, which assumed the duties of the Department of Public Health as of January 15, 2011.

Part 001 - General Provisions

§ 140-10.9-001 Purpose

(a) It is the intent of the Department of Public Health to provide quality medical care to the residents of the Commonwealth of the Northern Mariana Islands regardless of their ability to pay. Therefore, the Department of Public Health hereby establishes the Regulations for a Sliding Fee Scale Program codified in this subchapter to assist patients whose extenuating circumstances make it difficult to pay medical services rendered at the Commonwealth Health Center, Rota Health Center, and Tinian Health Center.

(b) The sliding fee scale is a schedule of discounts that allows for differing abilities of patients to pay for medical services. The ability to pay for services is determined by the patient's

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income and family size. (See § 140-10.9-120 for the sliding fee scale table.) The patient whose family income from all sources falls within the income levels and family sizes set forth in the tables is entitled to a discount on his or her medical charges. The patient will be billed his or her portion of medical charges after the appropriate discount rate, which ranges from 75%, 50%, and 25%, is deducted from the patient's share of the medical bill.

(c) It shall be the responsibility of the recipient of medical services, or his or her representative, to request and substantiate eligibility to qualify under the sliding fee scale program. The sliding fee scale program is intended to be the last resort for the payment of medical services for patients who cannot themselves pay for medical services because of inadequate income and who are not covered by medical insurance or other responsible third party payor.

Modified, 1 CMC § 3806(c), (d), (f).

History: Adopted 19 Com. Reg. 15210 (Mar. 15, 1997) (effective June 1, 1997); Proposed 18 Com. Reg. 14375 (Oct. 15, 1996).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (c).

Part 100 - Sliding Fee Scale Program

§ 140-10.9-101 Medical Coverage and Exclusions

(a) Sliding fee scale discounts shall apply towards bills for medical services (outpatient, inpatient, and emergency department), ancillary services, dental services, and prescription drugs considered medically necessary for the treatment or diagnosis of a disease, injury, or condition for which the patient is personally liable to pay.

(b) The sliding fee scale shall not apply to the following services:
(1) Cosmetic surgery;
(2) Personal comforts and conveniences;
(3) Non-emergency use of the Emergency Department;
(4) Fertility procedures;
(5) Over-the-counter drugs and supplies;
(6) More than one routine or annual physical examination per year;
(7) Medical services or supplies provided free of charge under Public Health Programs;
(8) Substance abuse treatment on an outpatient basis;
(9) Morgue;
(10) Prosthetic devices and durable medical equipment; and
(11) Any services or items which are not medically required for the diagnosis or treatment of a disease, injury, or condition.

(c) The sliding fee scale program is intended to be the last resort for the payment of medical services for patients who cannot themselves pay for medical services because of inadequate income and who are not covered by medical insurance or other responsible third party payor.

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Modified, 1 CMC § 3806(f).

History: Adopted 19 Com. Reg. 15210 (Mar. 15, 1997) (effective June 1, 1997); Proposed 18 Com. Reg. 14375 (Oct. 15, 1996).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (c).

§ 140-10.9-105 Eligibility Criteria

To be eligible for consideration for participation in the sliding fee scale program, the applicant must satisfy the following eligibility requirements:

(a) Residency Requirements
(1) The patient must be a United States citizen residing in the Commonwealth of the Northern Mariana Islands, or other individual who has established legal residence in the CNMI. For purposes of the regulations in this subchapter, "residence" shall mean "the place where a person maintains an abode, with the intention of remaining permanently, or for an indefinite period of time." It shall be the responsibility of the patient, or patient representative, to demonstrate residence in the CNMI as required by these regulations.
(2) In determining the residence of the patients, the Business Office staff shall consider the patient's overall situation in the CNMI, including the following:
(i) The number of days spent in the CNMI each year;
(ii) Employment within the CNMI;
(iii) Whether the patient maintains an abode in the CNMI;
(iv) Enrollment in a CNMI school;
(v) Possession of a valid CNMI driver's license;
(vi) Current postal address within the CNMI;
(vii) Filing of personal income tax returns with the Department of Finance for prior years;
(viii) Enrollment in other CNMI welfare programs such as the Medicaid program, Food Stamps, or Low Income Housing Energy Assistance Program; and
(ix) Any other evidence considered as indicative of residency within the CNMI such as rental receipts, bank account statements, Social Security number, telephone number, cable TV subscription, etc.

(b) Income Limitations
(1) In order to qualify under the program, the total income from all sources of the applicant and dependent family members shall not exceed the established sliding fee scale standards set forth in the sliding fee scale tables.
(2) For purposes of the regulations in this chapter, total income from all sources shall include, but not be limited to, annual gross wages and salaries and other sources of income such as public assistance supplementary payments, Social Security, unemployment and workmen's compensation, alimony, child support, all forms of pensions, income from dividends, interests, rents, royalties, income from estates or trusts, etc.
(3) "Dependent family members" for purposes of these regulations is defined as those person(s) who are members of the applicant's household for at least one year and who fall within

the following categories:
(i) Spouse (including common-law);
(ii) Children including natural children, step children, legally adopted children, children under legal guardianship;
(iii) Father and mother;
(iv) Father-in-law and mother-in-law;
(v) Grandparents and grandparents of spouse; and
(vi) Grandchildren.

Modified, 1 CMC § 3806(d), (f), (g).

History: Adopted 19 Com. Reg. 15210 (Mar. 15, 1997) (effective June 1, 1997); Proposed 18 Com. Reg. 14375 (Oct. 15, 1996).

Commission Comment: The original paragraphs of subsections (a) and (b) were not designated. The Commission designated subsections (a)(1) and (a)(2) and (b)(1) through (b)(3).

In subsection (a)(1), the Commission corrected the spelling of "responsibility."

§ 140-10.9-110 Procedures for Verifying Validity and Eligibility

The applicant's percentage of sliding fee scale discount is based on the supporting income documents and family size. The patient or patient representative shall have the burden of providing verifiable documentation to support eligibility to qualify under the sliding fee scale program. To apply, the applicant must:

(a) Complete the sliding fee scale discount application form available at the Business Office registration desks.

(b) Provide proof of identification (birth certificate, certificate of identity, marriage license, alien registration card, entry permit, passport, etc.)

(c) Provide employment verification and proof of current income including, at minimum, the last three pay check stubs and previous year's tax returns filed with the Division of Revenue and Taxation.

(d) Provide proof of residency.

(e) Submit copy of Social Security card of applicant and each dependent family member.

Modified, 1 CMC § 3806(f).

History: Adopted 19 Com. Reg. 15210 (Mar. 15, 1997) (effective June 1, 1997); Proposed 18 Com. Reg. 14375 (Oct. 15, 1996).

§ 140-10.9-115 Procedures for Processing Applications

The staff of the Department of Public Health shall follow the procedures set forth below:

(a) Advise indigent patients of possible qualification for Medicaid program or sliding fee scale program. The applicant must be screened for and agree to apply for Medicaid, if potentially eligible, prior to being considered for eligibility in the sliding fee scale program.

(b) Advise applicants to submit and complete documents required in § 140-10.9-110 within five working days from date of service.

(c) Process the application and determine eligibility in the program within fifteen working days from the date all required supporting documents are received.

(d) Notify applicant by letter of the approval or denial of application. If approved, advise applicant of the total percentage of discount allowed and the percentage of his or her liability. Advise applicant that his or her share of medical charges must be paid after each encounter. Failure of the applicant to pay for his or her share of medical bills may result in reverting his or her account to a 100% pay status. If approved, coverage under the program will be effective from the date the application was submitted.

(e) Issue a program card to the qualified applicant, listing all eligible family members.

(f) Advise applicant that changes of circumstances must be immediately reported and that a redetermination of qualifications shall be made where necessary. Eligibility is for one year and the account will be reviewed and redetermined annually.

(g) As a condition for eligibility, applicant and/or eligible members of the family may be required to authorize release of information from their employers or other agencies/institutions for purposes of verifying the validity of supporting documents submitted.

Modified, 1 CMC § 3806(c), (e), (f).

History: Adopted 19 Com. Reg. 15210 (Mar. 15, 1997) (effective June 1, 1997); Proposed 18 Com. Reg. 14375 (Oct. 15, 1996).

§ 140-10.9-120 Department of Public Health 1996 Sliding Fee Scale Table

Annual Income Level[1]

Family Unit Size	Discount 75%+	Discount 50%	Discount 25%
1	0 to 8,910	8,911 to 11,138	11,139 to 13,365
2	0 to 11,920	11,921 to 14,900	14,901 to 17,880
3	0 to 14,930	14,931 to 18,663	18,664 to 22,395
4	0 to 17,940	17,941 to 22,425	22,426 to 26,910
5	0 to 20,950	20,951 to 26,188	26,189 to 31,425
6	0 to 23,960	23,961 to 29,950	29,951 to 35,940
7	0 to 26,970	26,971 to 33,713	33,714 to 40,455
8	0 to 29,980	29,981 to 37,475	37,476 to 44,970

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9	0 to 32,990	32,991 to 41,238	41,239 to 49,485
10	0 to 36,000	36,001 to 45,000	45,001 to 54,000
11	0 to 39,010	39,011 to 48,763	48,764 to 58,515
12	0 to 42,020	42,021 to 52,525	52,526 to 63,030
13	0 to 45,030	45,031 to 56,288	56,289 to 67,545
14	0 to 48,040	48,041 to 60,050	60,051 to 72,060
15	0 to 51,050	51,051 to 63,813	63,814 to 76,575

[+] For family units of more than 15 members, add $3,010 for each additional member.

[1] The maximum annual income levels used in the tables are based on the 1996 Hawaii Poverty Guidelines published in the Federal Register dated March 4, 1996.

Modified, 1 CMC § 3806(f).

History: Adopted 19 Com. Reg. 15210 (Mar. 15, 1997) (effective June 1, 1997); Proposed 18 Com. Reg. 14375 (Oct. 15, 1996).

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