



FLORIDA DEPARTMENT OF HEALTH
OFFICE OF INSPECTOR GENERAL

ESTABLISHMENT OF CLINICAL SERVICES FEES FOR
COUNTY HEALTH DEPARTMENTS

Report # R-1718DOH-013 • May 15, 2018

Purpose of this project:

- Review and gain an understanding of the current methodologies and processes for establishing clinical services fees for county health departments (CHD); and
- Determine if the Department of Health (Department) has written guidance to assist counties establish clinical services fees.

What we reviewed:

We selected 16 of the 67 CHDs to review:

- Methodologies used to develop clinical services fees. Each methodology was consistent with law and rule;
- Policies, procedures, or other written guidance the Department provided to assist CHDs establish clinical services fees; and
- CHD documentation and fee schedules. (**Exhibit 1**)

Summary of Results:

We did not identify issues or concerns with the methodologies of establishing clinical services fees reviewed. However, we found it would be helpful to provide uniform written guidance that could assist new CHD management when working with county governments to establish and revise clinical services fees.

Additional details follow below. Management's response is in **Appendix A**.

BACKGROUND

Section 154.01, *Florida Statutes (F.S.)*, authorizes the services to be provided by the CHDs, and applicable logistics to negotiate the annual contracts between the Department and counties to deliver services.

Section 154.06, *F.S.*, states, "Each county may establish, and each county health department may collect, fees for primary care services, provided that a schedule of such fees is established by resolution of the board of county commissioners or by rule of the department, respectively. Fees for primary care services and communicable disease control services may not be less than Medicaid reimbursement rates unless otherwise required by federal or state law or regulation." The fees collected are to fund CHD services.

Section 402.33, *F.S.*, authorizes the Department to charge reasonable fees for services provided which has no set fee and states clients are responsible for fees assessed, but the client cannot be denied services for inability to pay.

Chapter 64F-16, *Florida Administrative Code (F.A.C.)*, provides the income eligibility determination rules for low-income persons. Specifically, Rule 16F-16.006, *F.A.C.*, provides the sliding fee scale for services for low-income persons based on net family incomes.

DETAILED RESULTS AND RECOMMENDATIONS

Our review identified the following opportunities for improving effectiveness and efficiencies in operations:

No Departmental uniform written guidance exists to assist CHD management when working with county governments to establish and revise clinical services fees.

- CHDs have used various methodologies to establish clinical services fees, including:
 - Comparing cost of services to the Medicaid and Medicare rates
 - Fees set no less than Medicaid rates and no more than Medicare rates
 - Fees set no less than Medicaid rates and no more than twice Medicare rates
 - Fees set at market rates or below
 - Local ordinances
 - Medicaid rates plus 25 percent
 - Covered services are 1.2 percent above Medicare rates. Services not covered are 1.7 percent above Medicaid rates

We recommend the Office of County Health Systems management provide written guidance for establishing clinical services fees for management at the CHDs. The written guidance could assist current and new CHD management establish and revise clinical services fees.

MANAGEMENT COMMENT

CHDs that provided resolutions and/or fee schedules on the InsideFLHealth SharePoint site helped to give insight to the methodology used and the fees charged at the CHD. CHD management statewide may also find this information helpful when establishing fees for their county.

We recommend the Office of County Health Systems annually request the submission of each CHD's resolution and/or ordinance and fee schedule for uploading to the InsideFLHealth SharePoint site.

SUPPLEMENTAL INFORMATION

Section 20.055, *Florida Statutes*, charges the Department's Office of Inspector General with responsibility to provide a central point for coordination of activities that promote accountability, integrity, and efficiency in government.

Danielle Myrick, Senior Management Analyst II, conducted the review under the supervision of Mark H. Boehmer, CPA, Director of Auditing.

Our methodology included interviewing CHD management and staff; and reviewing applicable laws, rules, policies, procedures, and supporting documentation.

This project was not an audit, as industry-established auditing standards were not applied. Internal Audit Unit procedures for the performance of reviews were followed and used during this project.

We want to thank management and staff of the selected CHDs and the Office of County Health Systems for the information and documentation provided, and for their cooperation throughout the project.

Copies of all final reports are available on our website at www.floridahealth.gov (search: internal audit). If you have questions or comments, please contact us by the following means:

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EXHIBIT 1

Examples of County Health Department Clinical Services Fees for 16 Sampled Counties

County	Office Visit - New Patient Comprehensive Moderate (99204)	Initial Comprehensive Preventive Medicine Ages 05-11 (99383)
Bay	\$130.00 plus labs	\$155.00
Broward	\$114.00	\$112.00
Duval	\$287.84	\$181.27
Escambia	\$203.00	\$90.00
Franklin	\$225.54	\$149.00
Jackson	\$130.00 plus labs	\$155.00
Madison	\$65.00	\$125.00
Monroe	\$289.00	\$151.00
Okaloosa	\$164.14	\$104.30
Osceola	\$215.00	\$123.00
Palm Beach	\$159.54 (Medicaid Cost-Based); \$174.02 (Medicare Rate)	No Child Health
Pasco	\$140.90 (Advanced Registered Nurse Practitioner); \$165.76 (Other); \$169.54 (Cost Based Reimbursement)	\$169.54
Seminole	Service Not Provided	Service Not Provided
Sumter	\$0 - \$198.84 Based on Sliding Fee Scale	No Child Health
Union	\$205.00	\$148.00

APPENDIX A: MANAGEMENT RESPONSE

	Recommendation	Management Response
1	<p><i>We recommended the Office of County Health Systems management provide written guidance for establishing clinical services fees for management at the CHDs. The written guidance could assist current and new CHD management establish and revise clinical services fees.</i></p>	<p>We concur.</p> <p>Central Office provided guidance to CHDs on factors to consider and sources to consult when establishing or revising clinical health care service fees. The guidance is posted to the InsideFLHealth SharePoint site.</p> <p>Central Office requested all CHDs post fee schedules to the InsideFLHealth SharePoint site, so all CHDs may quickly and easily review fees set by other CHDs.</p> <p><i>Contact: Phil Street, Research Manager, Office of Deputy Secretary for County Health Systems Completed</i></p>