

# F6.5 – THIRD-PARTY PAYMENTS, COPAYMENTS & ADDITIONAL FEES

## Purpose

The purpose of this policy is to describe the Iowa HHS process for ensuring compliance (including SRs and service sites) that family income is assessed before determining whether copayments or additional fees are charged. (42 CFR § 59.5(a)(8)).

Title X funded agencies must also ensure that, with regard to insured clients, clients whose family income is at or below 250 percent of the federal poverty level (FPL) should not pay more (in copayments or additional fees) than what they would otherwise pay when the schedule of discounts is applied. (42 CFR § 59.5(a)(8)).

Title X-funded agencies should take all reasonable efforts to obtain the third-party payment without application of any discounts, if a third party (including a government agency) is authorized or legally obligated to pay for services. Where the cost of services is to be reimbursed under Title XIX, XX, or XXI of the Social Security Act, a written agreement with the Title XIX, XX, or XXI agency is required. (42 CFR § 59.5(a)(10)).

## Policy

- All reasonable efforts are made to bill and obtain third-party payment, without the application of discounts, from all public and private third-party reimbursement sources authorized or legally obligated to pay for services.
- Family income is assessed before determining whether copayments or additional fees are charged.
- Insured clients whose family income is at or below 250% of the FPL do not pay more (in copayments or additional fees) than what they would otherwise pay when the schedule of discounts is applied.

## Procedure

Iowa HHS will ensure that each SR complies with the following:

- Process for obtaining and/or updating contracts with private and public insurers.
- Process for assessing and documenting family income before determining whether copayments or additional fees are charged.
- Process for ensuring that financial records indicate that clients with family incomes between 101%–250% of the FPL do not pay more in copayments or additional fees than they would otherwise pay when the schedule of discounts is applied.
- Process for identifying third-party payers that the recipient and/or SRs should bill to collect reimbursements for the cost of providing services.
- Process for how Title X SRs along with service sites bill Iowa Medicaid Enterprise, the Managed Care Organizations, and private insurance for family planning services provided through the Iowa Family Planning Program ([FPP](#)), the [Medicaid Program](#) (refer to each MCO’s Provider Manuals for additional information on billing for FP services), and private insurance (individual agency contracts). Maximum reimbursement rates per service are established by each third party payer. Services reimbursed under family planning are considered part of the services supported by this RFP/RFA and must be reinvested back into the program.
- Process for how staff are notified about this policy and updated on changes to the policy.

The items listed above will be monitored on an annual basis as part of the site visit using the federal review tool.

Date Revised	September 2023
References	Title X Program Handbook, Section 3, Financial Accountability #4, #5, #7 ( <a href="https://opa.hhs.gov/sites/default/files/2022-08/title-x-program-handbook-july-2022-508-updated.pdf#page=22">https://opa.hhs.gov/sites/default/files/2022-08/title-x-program-handbook-july-2022-508-updated.pdf#page=22</a> ) 2021 Title X Final Rule 42 CFR § 59.5(a)(8, 10) ( <a href="https://www.ecfr.gov/current/title-42/chapter-I/subchapter-D/part-59#59.5">https://www.ecfr.gov/current/title-42/chapter-I/subchapter-D/part-59#59.5</a> )
Additional Resources	