

MARK W. (MARCUS) CHEATHAM, PH.D.
Health Officer

JENNIFER MORSE, MD, MPH, FAAFP
Medical Director

CLINTON OFFICE

1307 E. Townsend Rd.
Saint Johns, MI 48879-9036
(989) 224-2195

GRATIOT OFFICE

151 Commerce Dr.
Ithaca, MI 48847-1627
(989) 875-3681

MONTCALM OFFICE

615 N. State St.
Stanton, MI 48888-9702

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Board of Health (BOH) Action Sheet

January 24, 2018

ADMINISTRATOR: Melissa Bowerman, Director of Administrative Services

SUBJECT: Family Planning Cost Study Policy and Fee Changes

Information Only Action Needed

I. Authority For This Action:

- Local Policy
 Law or Rule Public Health Code, Act 368 of 1978, MCL 333.2444

II. Summary:

(Previous board action relating to this item? Background information and if any future action anticipated.)

The Family Planning Program requires that a cost study be conducted at least every two years in an effort to recoup the costs of the Program if the sliding fee scale was not in place. The cost study considers the costs for the clinical services and the number of services performed in order to recoup the costs. Any service codes that cross other programs will be affected as there can only be one fee for each service code. The primary other program would be Sexually Transmitted Disease (STD) which should have similar costs as Family Planning. In addition, the BOH must approve any variance of the cost study. In order to not make small changes, the attached policy states that Mid-Michigan District Health Department (MMDHD) will change the fees based on a 10% or \$10 change.

III. Strategic Objective, Health Issue, or other Need Addressed:

(What priority should be given in relation to goals? Include reason for recommending change in priorities and how the need will be introduced into planning process.)

Vision Priority #5 from the agency's Strategic Plan states that *We effectively manage our fiscal resources*. It is necessary for us to recover our costs to effectively manage our fiscal resources and in addition, it is a requirement of the Program.

IV. Fiscal Impact and Cost:

(Immediate, ongoing, and future impact.)

This process should align the fee schedule for both the Family Planning and STD Programs, to recoup the costs.

V. Alternatives Considered:
(Scope of options reviewed. Reasons for rejecting alternatives.)

As it is a program requirement, there were no other alternatives considered.

VI. Recommendation:
(Advantages/benefits of proposal. Expected results. Possible problems or disadvantages of proposal. Effect of action on agency. Consequences of not approving recommendation or taking action.)

MMDHD recommends that the BOH approve the policy as outlined and make the fee changes effective February 1, 2019, based on the results of the cost study below:

SERVICE	CPT CODE	CURRENT FEE	PROPOSED FEE	DIFFERENCE
IUD Removal	58301	\$100.00	\$135.00	\$35.00
Removal/Insert Drug Implant	11983	\$310.00	\$321.00	\$11.00
Injection Administration	96372	\$50.00	\$35.00	\$(15.00)
Office Visit, Established Patient (Simple Problem Focused/Low Complexity/ 10 minutes)	99211	\$45.00	\$28.00	\$(17.00)
Preventative Visit, New Patient, Age 12-17	99384	\$160.00	\$190.00	\$30.00
Preventative Visit, New Patient, Age 18-39	99385	\$160.00	\$185.00	\$25.00
Preventative Visit, New Patient, Age 40-64	99386	\$205.00	\$215.00	\$10.00

VII. Monitoring and Reporting Time Line:
(Evaluation method and timeline. Next report to the Board.)

The cost study will be performed at a minimum of every two years as indicated in the policy.