

**Community Mental Health Affiliation
of Mid-Michigan**

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| PROCEDURE: 7.4 | Page 1 of 2 | SUBJECT: Habilitation Supports Waiver - Finance |
| Related Policy: 7.0 | | SUBJECT: Financial Management |
| Issuing Directors: PIHP Finance Director and Director of Affiliation Operations | | Original Effective Date: 12/14/06 |

REVISED DATE

07/31/08

Review Date(s)

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| 02/05/08 | | | | | |
| 7/1/08 | | | | | |
| 07/10/09 | | | | | |

I. PURPOSE:

To define procedures for assuring that the Community Mental Health Affiliation of Mid Michigan's (CMHAMM) 1915 (C) Habilitation Supports Waivers (HSW) program is in full financial compliance with all applicable federal and state standards.

Define the procedure for allocation and reallocation of HSW funding within the Community Mental Health Affiliation of Mid Michigan.

II. STANDARDS:

Medicaid Managed Specialty Supports Services Concurrent 1915 (b)(c) Waiver Program Contract

III. DEFINITION:

A. HSW:

Habilitation Support Waiver (Hab Support).

IV. PROCEDURES:

A. Monthly review of DEG/payment advice data:

1. Each Community Mental Health Service Provider (CMHSP) will be responsible for reconciling the payments they receive for HSW consumers from the PIHP. Any discrepancies should be reported to the PIHP Accountant as soon as possible.
2. If reason is determined to be at the state level, the PIHP Hab Support Coordinator will follow up with the State for resolution on the payment issue.

B. Monthly review of HSW consumers for valid encounters:

1. Each month the CMHSP will verify each HSW consumer receives at least one HSW service. A list of consumers with no valid HSW services during the month reviewed is created.
2. These consumers are forwarded to the Hab Support Coordinator for problem resolution and confirmation of no valid HSW services during the month.
3. Hab Support Coordinator determines the reason for no valid HSW service and works to correct data if necessary. Hab Support Coordinator notifies IS of need of rerun data for submission to DCH once correction is made.

C. Process for transferring Habilitation Supports Waiver slots between CMHAMM CMHSPs:

1. Any HSW slot, designated to a consumer of a CMHAMM CMHSP, that becomes available, will become designated to the HSW eligible consumer with the highest need in the Affiliation, as determined by the process outlined in section IV-A, of the clinical Habilitation Supports Waiver policy.
2. The CEO of the CMHAMM CMHSP that serves the highest need HSW eligible consumer will provide written notification to the Director of Affiliation Operations of their CMHSP's intent to:
 - a. Accept the HSW slot and agree to use the accepted slot to serve the consumer identified as the highest need HSW eligible consumer in CMHAMM and;
 - b. Accept the accompanying monthly HSW slot payments and a reduction in Medicaid payments (in proportion to the monthly waiver payments) for a three month period following the transfer, with the understanding that a balanced budget for that fiscal year (and beyond), inclusive of this payment adjustment, is still required by the PIHP.
 - c. The CFO of the CMHAMM CMHSP accepting the HSW slot will provide the PIHP Accountant with client specific detail necessary for allocation of the waiver payment.
-OR-
 - d. Reject the HSW slot designated for the HSW eligible consumer served by their CMHSP and ensure that their needs are addressed through alternative funding sources, with the understanding that a balanced budget, regardless of the cost associated with serving this consumer without the waiver slot, is still required by the PIHP and;
 - e. Provide written notification to the Director of Affiliation Operations if their CMHSP would like for their consumer to be considered for the next available HSW slot or removed from consideration altogether.
3. The CMHAMM CMHSP that has a HSW slot transferred to a consumer of another CMHAMM CMHSP will also have the HSW slot payments accompany the transferred waiver slot, thus permanently eliminating their claim to the revenue associated with this particular slot. The CMHAMM CMHSP that transfers the slot will receive monthly Medicaid payments (in proportion to the monthly waiver payments) for a three month period following the transfer, and will remain subject to the PIHP's requirement to maintain a balanced budget for the current fiscal year (and beyond).
 - a. The CFO of the CMHAMM CMHSP that has a HSW slot transferred to a consumer of another CMHAMM CMHSP will also provide the PIHP Accountant with client specific detail necessary for allocation of the waiver payment.

V. APPLICATION:

CMHA-CEI PIHP and all CMHSPs

VI. MONITOR AND REVIEW:

The PIHP Finance Director and the PIHP Habilitation Supports Coordinator ensure compliance with this procedure across the Affiliation. This procedure is reviewed annually by the Director of Affiliation Operations. External review will include MDCFH and CMS site visits and annual financial audits.

VII. RELATED POLICIES AND PROCEDURES:

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| CMHAMM Policy | 7.0 | Financial Management |
| CMHAMM Procedure | 2.5 | Habilitation Supports Waiver (HSW) |