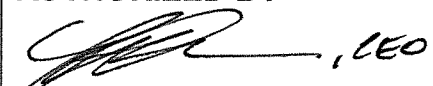


LAPEER COUNTY COMMUNITY MENTAL HEALTH

Date Issued 02/01/2005

Date Revised 07/29/11; 12/14/12; 08/24/15; 12/07/15; 02/04/19; 02/07/22

CHAPTER Fiscal Management	CHAPTER 06	SECTION 002	SUBJECT 30
SECTION Accounting		DESCRIPTION Institutional Billing Process	
WRITTEN BY Michael K. Vizena, M.B.A. Executive Director	REVISED BY Inder Abrol, Finance Services	AUTHORIZED BY  Lauren Emmons, ACSW, CEO	

APPLICATION:

<input checked="" type="checkbox"/> CMH Staff	<input type="checkbox"/> Board Members	<input type="checkbox"/> Provider Network	<input checked="" type="checkbox"/> Employment Services Providers
<input type="checkbox"/> Employment Services Provider Agencies	<input checked="" type="checkbox"/> Independent Contractors	<input checked="" type="checkbox"/> Students	<input checked="" type="checkbox"/> Interns
<input checked="" type="checkbox"/> Volunteers	<input type="checkbox"/> Persons Served		

POLICY:

The Michigan Mental Health Code mandates each county will be financially responsible for a portion of the services provided by State Institutions to citizens of their own counties.

STANDARDS:

- A. Lapeer County's share of State Institutional costs are determined monthly by the Michigan Department of Health and Human Services (MDHHS).
- B. These costs must be paid with local match funds.

PROCEDURES:

Following is a description of the process by which the county reimburses the State for services provided to Lapeer County residents by state institutions.

- A. All institutional billings from the various state institutions are grouped by MDHHS according to the individual's county of residence. Once this has been accomplished, counties are sent an "Itemized Billing – Charge for County Share

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of Net Cost of Service” by MDHHS. The following information is listed on the form:

- cost center number
- name of the individual
- file number of the individual
- number of days at the state institution
- county liability amount

- B. In addition to the Itemized Billing, the MDHHS also sends a “Statement of Disputed Charges for Hospitals and Centers” (DCH Form #0921), as well as a “County 10% Remittance Advice”. The County 10% Remittance Advice is a formalized summary of the total payments made for the billed month by each state institution.
- C. After these forms have been received, the LCCMH Finance Department will verify the county of residence. If it is determined that an individual is not a resident of Lapeer County, the Finance Department will notify the reimbursement office of the specific institution where the patient resides for a resolution. If the questioned person is not a Lapeer County resident, then MDHHS will verify this. This notification is completed on DCH Form #0921. If it is established the person in question is a Lapeer County resident, the total amount associated with the person served is the liability of Lapeer County and the charges are forwarded to accounts payable for payment.
- D. Vouchers will be reviewed by the designated fiscal staff person to assure accuracy and compliance with agency confidentiality policies. Invoices submitted for payment will comply with federal and state regulations including, but not limited to HIPAA and the Michigan Mental Health Code, and will assure the confidentiality of the persons served.
- E. After Chief Executive Officer approval is obtained, an electronic listing of the vouchers is submitted for payment and a summary is sent to LCCMH Board members for their review. The bill is submitted through the County audit process for payment to MDHHS and the amount is deducted from the LCCMH budget.

IA:lr

This Policy supersedes
#02/05005 dated 02/01/2005.
