

Policy Name: Policy Section/ Number:	Created By:	Initial Date:	Current Date:	Pages:
Ability to Pay Determinations- Reimbursement	Ana Dutcher Quality Assurance Manager	8/1/2011	3/31/22	Page 1 of 7

Approved By: Mohamad Khraizat	Title: Health Operations Manager
Signature: 	Date: 3/31/22

I. POLICY

The policy of ACCESS Community Health and Research Center (CHRC) ensures that health services are provided to the community while we adhere to the standards and rules of Ability to Pay as detailed in the Supplement #6 to the August 1987 Administrative Rules Michigan Department of Community Health (MDHHS CH); the Michigan Revised Mental Health Code, Chapter 8, Financial Liability for Mental Health Services; ACCESS also adheres to the rules and regulations of all other funders in regard to financial liability for services rendered. There is no charge for services covered by specific Survivor Victim Empowerment Grants.

The financial liability determination is prepared before the start of services and annually thereafter. ACCESS maximizes all first party revenue sources and considers Community Mental Health funding as the "dollars of last resort."

II. PURPOSE

It is the purpose of this policy to provide uniform written standards and procedures to ACCESS staff for establishing Financial Liability and determining Ability to Pay for services, establish uniform standards and procedures for the re-determination, appeals, and hearing processes for clients to utilize and establish uniform standards and procedures for the collection of client fees in the programs that fee for services are allowed.

III. APPLICATION

This is a policy that applies to ACCESS employees, interns and volunteers who provide support and treatment on behalf of the agency.

IV. PROCEDURES

- A. When the information is available, the amount, scope and duration of benefits available under the Individual's insurance contract is provided to the Individual and where applicable, their guardian, in sufficient detail to ensure that the beneficiary/Individual understand the benefits to which they are entitled. For Medicaid and General Fund benefits, see the Public Mental Health System Schedule for Determining Monthly Ability to Pay Exhibit. The ACCESS Staff shall encourage the Individual to confirm their benefits with their insurer.

Policy Name: Policy Section/ Number:	Created By:	Initial Date:	Current Date:	Pages:
Ability to Pay Determinations- Reimbursement	Ana Dutcher Quality Assurance Manager	8/1/2011	3/31/22	Page 2 of 7

- B. If the Individual has Medicaid or General Fund coverage, the Individual/new enrollee and where applicable, their guardian shall be informed of the funders' service structures. The Individual shall be given information about the funders affiliated with ACCESS. The staff shall use the
- C. Upon completion of the orientation, for Behavioral Health services, the ACCESS Staff shall contact the Individual's insurance for authorization for treatment and billing instructions. If the Individual has Medicaid or General Fund benefits, the individual shall contact the Access Center (to enroll the new Individual and obtain the Individual's mental Health Wellness Information Network identifiers/MHWIN Number. This information will be added to the clinical record with the Ability to Pay form(s).
- D. ACCESS staff will complete Ability to Pay Determination for every person receiving services. Ability to Pay shall be determined on at least annually basis as the individuals' financial situation may change. The established amount of financial liability is the maximum amount that is solicited for the provision of services.
- E. Determination of Ability to Pay shall not impose an undue financial burden on a client, a spouse, or parent.
- F. The combined total of Ability to Pay Determinations for all responsible parties cannot exceed the patient pay amount established by Medicaid for the individual. This includes parents of minor children receiving inpatient psychiatric services and individuals receiving services for the developmentally disabled.
- G. Responsible parties with Medicaid coverage or VOCA and TH service recipients have a "zero" Ability to Pay.
- H. There is "zero" Ability to Pay for the parents of minors served under the home and community based children's waiver. This rule applies only to services provided as part of this waiver. A minor who has been determined to be Medicaid-eligible shall be deemed to have a "zero" Ability to Pay for non-residential services. A parent shall not be determined to have an Ability to Pay for more than one individual at any one time, and a parent's total liability for two or more individuals shall not exceed eighteen years.
- I. There shall be only one Ability to Pay Determination in effect for a responsible party at any given time and there shall be cooperative, collaborative effort among ACCESS and other service providers to assure that the information is available to all appropriate service providers.
 - a. ACCESS shall determine the insurance coverage and Ability to Pay at the initiation of service or as soon as practical thereafter.

Policy Name: Policy Section/ Number:	Created By:	Initial Date:	Current Date:	Pages:
Ability to Pay Determinations- Reimbursement	Ana Dutcher Quality Assurance Manager	8/1/2011	3/31/22	Page 3 of 7

- b. Ability to Pay shall not be incurred for more than one family member at any one time.
 - c. It shall be the responsible party's obligation to notify ACCESS that an Ability to Pay determination has been made by another service provider or Community Mental Health Services Program.
 - d. The clinically responsible service provider shall establish the Ability to Pay.
- J. For recipients receiving services from multiple service providers, the billing must be coordinated so that the maximum monthly amount is not exceeded. The clinically responsible service provider is responsible for informing the other agencies of the billing expectations
- K. Financial Liability Determinations will be kept in the service provider's client files and entered into ACCESS' information system.
- L. An individual shall not be denied services because of the inability or unwillingness to pay for such services on the part of the responsible party.
- M. The process of determining the Ability to Pay may be conducted concurrently with the provision of service but shall not delay the provision of required emergency mental health services.
- N. ACCESS shall give an explanation, orally and in writing, of the financial liability process before the start of service or as soon as practical thereafter. A service charge schedule shall be made available to the public.
- O. Order of Financial Liability
- a. Single Individual: Financial liability determined for the individual.
 - b. Married Individual: Financial liability determined jointly for individual and spouse.
 - c. Child Individual: If the individual is an unmarried minor, the individual's insurance coverage and Ability to Pay shall be determined for the parents.
 - d. If the parent or the individual and spouse are not members of the same household, their financial liability shall be determined separately.
 - e. If either parent has been made totally responsible for the medical and hospital expenses by a divorce settlement, the remaining parent shall be determined to have no Ability to Pay.
 - f. If a Individual is a minor who is 14 years of age or older and is seeking services under Section 707 of the Mental Health Code (MCL 330.1707) the minor shall be considered the responsible party for the determination of Ability to Pay if the parents are not notified of the treatment.
- P. The responsible party who is covered in part or in whole under any type of insurance arrangement, public or private, for services, the benefits from such insurance shall be considered as part of the

Policy Name: Policy Section/ Number:	Created By:	Initial Date:	Current Date:	Pages:
Ability to Pay Determinations- Reimbursement	Ana Dutcher Quality Assurance Manager	8/1/2011	3/31/22	Page 4 of 7

responsible party's financial liability notwithstanding that the premiums for such insurance are paid for by a person or entity other than the responsible party.

- Q. When a responsible party willfully fails to provide any information necessary to apply for or secure insurance or other benefits, fails to apply for payment to the provider of insurance benefits that cover, in part or in whole, the cost of services provided to the client or fails to apply for other benefits to which the client may be entitled, the responsible party's Ability to Pay shall be determined to include the amount of insurance and other benefits which would be available. If the amounts of the insurance or other benefits are not known, the responsible party's Ability to Pay shall be determined to be the full cost of services.
- R. All responsible parties shall make available to ACCESS all relevant financial information that ACCESS is not prohibited by law from seeking and obtaining and ACCESS considers essential for the purpose of determining Ability to Pay. Willful failure to provide the relevant information may result in a determination of Ability to Pay up to the full cost of services received by the individual.
- S. ACCESS shall re-determine a responsible party's financial liability when significant changes occur in any of the factors used to determine financial liability for prospective services or annually, whichever comes first. Financial determinations shall be automatically examined by the service provider when a Individual becomes 18-years old and a new redetermination must be performed, if appropriate. Re-determination of financial liability shall not be made retroactively, except where the prior determination was based on erroneous or incomplete information or where the re-determination is a decrease in financial liability.
- T. Financial liability shall not exceed the rates charged for services by ACCESS Mental Health and Family Counseling. ACCESS' rates shall reflect the actual planned and expected cost for a particular service based upon the estimated volume of service units and the planned operation expenses for the service, including distributed costs for administration. The approved schedule of rates shall be available to the ACCESS staff and to all Individuals upon request.
- a. Court orders: ACCESS will comply with the terms of a court order that is related to the responsible party's obligation to pay for services. The amount under a court order shall not be less but may be more than the Ability to Pay as determined in accordance with the Mental Health Code/Rules.
 - b. Ability to Pay Determination may be appealed:
 - i. If a responsible party finds an Ability to Pay determination is not acceptable, the responsible party may request a re-determination in writing to the service provider. This request shall be made within 30 days of the notification of the determination.

Policy Name: Policy Section/ Number:	Created By:	Initial Date:	Current Date:	Pages:
Ability to Pay Determinations- Reimbursement	Ana Dutcher Quality Assurance Manager	8/1/2011	3/31/22	Page 5 of 7

- ii. If a re-determination is not acceptable to the responsible party, it may be appealed in writing to the executive director of the service provider. The appeal request shall be made within 30 days of the notification of the re-determination.
- iii. If the responsible party finds the re-determination resulting from an appeal to the executive director of the Community Mental Health service provider unacceptable, it may be appealed in writing to the Agency within 30 days.

U. Before the start of service or as soon as practical, and annually thereafter, prepare a financial liability determination and explain to the Individual and/or responsible party, the process for determining financial liability for services and the process for appeal. The explanation shall be given orally and in writing in a manner understandable by the responsible party. A service charge schedule shall be made available to the responsible party. The order of financial liability is as stated in VI Standards J in this policy. Financial liability shall not exceed the cost of the services.

V. Appeal of Re-determination of the Ability to Pay to Agency:

- a. Responsible Party- Appeals in writing to the Agency, within 30 days of notification of the Service provider's/Hospital's Executive Director's decision regarding the re-determination of Ability to Pay.
- b. Agency Executive Director - Appoints a hearing officer who will hold a hearing in accordance with MHC Sec. 834 {MCL 330.1834} and the Agency Financial Determination Appeals Procedure (Exhibit D.)
- c. Hearing Officer
 - i. Follows the Agency's Financial Determination Appeals Procedures.
 - ii. May require a pre-hearing conference, which may be held by telephone, to establish the parties' pertinent facts and circumstances.
 - 1. If the parties are able to resolve their differences, an agreement shall be reduced to writing by the Hearing Officer within five business days following the pre-hearing conference.
 - 2. If the parties are unable to resolve their differences, or do not sign the written agreement, then a formal hearing will be set within 15 business days
 - iii. Conducts a hearing with a certified court reporter and considers the evidence presented. May affirm, re-determine or direct the re-determination of Ability to Pay based on applicable Rules and Guidelines or may change the redetermination based on evidence of undue hardship.
 - iv. Informs parties of the right to appeal the decision to Wayne County Probate Court

W. Collection Procedures

- d. ACCESS will follow the reimbursement policies that include the following:

Policy Name: Policy Section/ Number:	Created By:	Initial Date:	Current Date:	Pages:
Ability to Pay Determinations- Reimbursement	Ana Dutcher Quality Assurance Manager	8/1/2011	3/31/22	Page 6 of 7

- i. During the interview establishing the monthly Ability to Pay, inform the responsible party of the expectation that payment will be made at the time of service until the Maximum Monthly Ability to Pay has been reached.
 - ii. Requests payment from Individual/Responsible Party at time of service for current service and any outstanding balance.
 - iii. Conducts a reasonable/bona fide collection effort. Prepares aging schedule monthly and sends statement of outstanding balance to responsible party monthly. Alerts therapist/case manager of accounts 30 days in arrears so that they can determine if there has been a change in financial circumstances. Follow up by telephone, if possible, on all accounts aged 60 days or more. Notifies appropriate administrative staff of accounts aged 90 days or more.
- X. Procedures to waive the Ability to Pay of adoptive parents for a pre-existing condition that has been approved for medical adoption subsidy
- e. The responsible party must provide documentation of adoption subsidy coverage.
 - f. After receiving confirmation of adoption subsidy coverage, a parental determination of Ability to Pay will not be completed. All available insurance benefits, including Medicaid, will be billed for the cost of services.

V. QUALITY ASSURANCE:

ACCESS Ability to Pay Policy shall be reviewed annually through the Agency's standards review to determine compliance with these policies, standards, and procedures.

ACCESS will be reviewed annually through the funders' Quality Management site visits to determine compliance with this policy. If this review identifies areas of concern with the service provider's compliance with these requirements, this issue will be referred to the funders' compliance division for resolution.

VI. COMPLIANCE WITH ALL APPLICABLE LAWS:

ACCESS is bound by all applicable state and Federal rules, regulations and policies, all Federal waiver requirements, state and county contractual requirements, policies and administrative directives in effect at the time of the writing of this policy as amended.

VII. LEGAL AUTHORITY AND REFERENCES:

- Supplement #6 to the August 1987 Administrative Rules, Michigan Department of Community Health (R8005) et seq.).
- Michigan Mental Health Code; Chapter 8, Financial Liability for Mental Health Services, (MCL 330.1800, et seq.).

Policy Name: Policy Section/ Number:	Created By:	Initial Date:	Current Date:	Pages:
Ability to Pay Determinations- Reimbursement	Ana Dutcher Quality Assurance Manager	8/1/2011	3/31/22	Page 7 of 7

- Interim Policy on Ability to Pay, Michigan Department of Community Health, April 16, 1998.
- MDCH Administrative Directive 08-R-82401 AD, November 29, 2000.

VIII. EXHIBITS

- Ability to Pay Agreement Form
- Financial Determination Appeals Procedures
- Full Financial Determination Form
- Letter Format for Request of Payment-One Copy to Consumer and Copy in Chart
- Public Mental Health System Schedule for Determining Monthly Ability to Pay