

<b>WCHO</b>		<b><i>Policy and Procedure</i></b>	
<b>Department Finance</b>		<b># of Pages: 10</b>	
<b>Policy Name  COUNTY OF FISCAL RESPONSIBILITY</b>		<b>Type of Policy:</b>  [ ] WCHO [ ] Regional [ <input checked="" type="checkbox"/> ] Network	
<b>Policy Number</b>  10.008	<b>Effective Date</b>	<b>Revision Date</b>	<b>Approval Date</b>  2/17/04
<b>Administrative/Board of Directors Sign Off</b>			
<b>Administrative Signature:</b>			<b>Date:</b>
<b>Board of Directors Signature:</b>			<b>Date:</b>

## I. PURPOSE

To establish a process for determination of the county of financial responsibility (COFR) for individualized cases in which WCHO consumers are receiving services in other counties and/or consumers from other counties are seeking services within the WCHO region.

## II. APPLICATION

This policy applies to WCHO staff including Health Services Access; Psychiatric Emergency Services; WCHO Utilization Review Staff; Finance; Provider Relations; network providers; external CMHSP Boards and Authorities and their service providers.

## III. DEFINITIONS

CMHSP: COMMUNITY MENTAL HEALTH SERVICES PROGRAM means a program operated under P.A. 258, Michigan Mental Health Code, 330.1202, Section 202 as a county community mental health agency, a community mental health authority, or a community mental health organization

COUNTY OF FINANCIAL RESPONSIBILITY (COFR) – The CMHSP/PIHP in which the consumer last resided in an independent living situation who will pay the full costs of authorized services provided on the date the consumer enters the service system.

DEPENDENT LIVING SETTING means all of the following:

- (a) An adult foster care facility.
- (b) A nursing home licensed under article 17 of the public health code, 1978 PA 368, MCL 333.20101 to 333.22260.
- © A home for the aged licensed under article 17 of the public health code, 1978 PA 368, MCL 333.20101 to 333.22260

**(d) Any 24 hour setting including Supported Independent Living**

**INDEPENDENT LIVING:** The location in which the person is residing is intended to be permanent...for example, residing in a shelter or in a motel/hotel which is rented by the day or week, or living in a vehicle is not considered living independently. The location in which the person resided prior to moving into a county that was not a boarding school, a facility or a dependent living setting as defined in the Mental Health Code, section 306.

**LEGAL CUSTODY:** Custodial parent where the child is currently maintaining residence.

**NOTIFICATION:** The responsibility of the WCHO to notify the CMHSP/PIHP which is or may be determined under this requirement to be the COFR that a consumer has initiated a request for service or been served in a crisis situation. Should the consumer's clinical condition prohibit gathering of information to determine the COFR, the COFR's liability shall be limited to 30 days prior to notification by the serving CMHSP/PIHP

**PEPM:** the amount of funds allocated to the CMHSP/PIHP Per Eligible Per Month

**PIHP:** Prepaid Inpatient Health Plan under Medicaid

**IV. POLICY**

The WCHO recognizes:

- The statutory responsibility for serving persons located in their jurisdiction even when responsibility for payment is in question.
- that consumers have a right to choose where they live, unless restricted by court order
- Consumer requests for particular providers, regardless of location, must be considered within the person-centered planning process.
- Capitation payments are intended to be a means of funding **PIHPs** to provide a system of services for eligible populations. As such, they are not intended as payment for services to any identified individual consumer. Therefore, this assumes that the receipt of a **Per Eligible Per Month (PEPM)** payment should not be considered in determining the COFR, nor is specific consideration of the amount of a PEPM a factor in determining the obligation to pay the COFR.
- Eligible consumers must be provided appropriate service without delay resulting from issues of financial responsibility.
- The WCHO shall act ethically to provide services to consumers meeting eligibility requirements when the COFR is disputed.

The WCHO is financially responsible for an uninsured individual's service when the person currently has a primary place of residence in Washtenaw County, or the person last lived independently in Washtenaw County prior to entry into a dependent living situation or facility. For persons who are Medicaid eligible, the Prepaid Inpatient Health Plan (PIHP) serving the county where the person last lived independently is the COFR.

**For purposes of serving specific populations, the following shall apply:**

**Children:** The COFR **shall** be the county where the child and parents have their primary

residence. If the child has been placed into a 24-hour dependent care facility, then the COFR is the county where the person with legal responsibility lived at the time of the child's placement. If the parents have joint legal custody, then the COFR is the residence of the custodial parent at the time of the placement. In cases where Family Independence Agency (FIA) places a child on a temporary basis, with the express intent of returning that child to the county in which the custodial parent resides, the COFR shall remain in the county in which the parent resides.

**Adults:** Choice of residence shall be considered to be the consumer's/guardian's choice when it is not **initiated** or facilitated by a service manager or provider in the home county (A), and the consumer is residing in an independent living situation in their home County (A). When an individual, who is living dependently, chooses to relocate to another County (B) into a dependent living situation, the COFR remains with the home county where the consumer last lived independently.

When a consumer locates to a dependent facility in Washtenaw County from an independent living situation in another county, that county remains the COFR.

When the CMHSP or PIHP or FIA in another county **initiates and facilitates** a relocation of an adult consumer from that county to Washtenaw County, the original county remains the COFR.

When the consumer or their family wishes to obtain services in another County (B) because of the unavailability of services in their home County (A), County A remains the COFR, provided that services meets either **a)** Medical Necessity criteria in the case of Medicaid eligibles, or **b)** service selection guidelines utilized by County A for all consumers who meet criteria for General Fund Services.

**Supported Independent Living:** SIPs are considered to be independent living, with the COFR being the CMHSP/PIHP county where the SIP is located. However, if the consumer's level of care and intensity of service required is equivalent to a dependent living setting, the consumer shall be considered to be in dependent care for the purposes of COFR, and the home county shall be responsible for the payment of services.

**Specialized Mental Health Treatment Services to Persons in Nursing Homes:** Provision of OBRA specialized services; the COFR is the county in which the nursing home is located. For mental health services which are not specialized, financial responsibility **shall be** the county where the consumer last lived independently.

**Jail:** CMHSPs/PIHPs are responsible to provide mental health services to persons in their local county correctional facilities (jails) on the same basis as they provide services to other persons located in their geographical jurisdiction. **WCHO or Designee** shall work with jail personnel to ensure that all reimbursements for mental health services are pursued, including the county's responsibility to pay for costs of mental health care for its residents.

## V. EXHIBITS

### A. COFR Flowchart

**Attachment A:** County of Financial Responsibility Authorization Request Form Letter

for Out-County Clients served by WCHO providers

**B. Attachment B:** County of Financial Responsibility Processing Form

**VII. REFERENCES**

P.A. 258 Michigan Mental Health Code, Section 306

**VI. PROCEDURES**

**WHO**

**DOES WHAT**

- Health Services Access
- 1.0 HSA will schedule all routine appointments within 14 days.
  - 1.1 HSA will document all information received regarding COFR request & status in information system.
  - 1.2 Will forward copy of Authorization Request, COFR Processing form & documentation from County A to CSTS, PRU, UR, and Finance.
  - 1.3 Notifies Director if COFR disputed.
  - 1.4 When a WCHO consumer not currently involved with CSTS seeks services in another county, HSA completes screening; works with CMHSP in the receiving county to discuss rates & authorization for services, WCHO UR process; coordinates with Provider Relations Unit on conditions of agreement; notifies WCHO utilization review staff, Finance staff and Office of Recipient Rights (ORR) of the COFR agreement and conditions. HSA will generate initial authorization for services through the Encompass system.
  - 1.5 When Consumers from another county seek services from the WCHO, HAS screens for the appropriate level of care; verifies whether independent or dependent services are needed; coordinates with the other county for authorization and payment for services at WCHO rates; informs CSTS; notifies PRU, ORR and Finance.
- Provider Relations Unit
- 2.0 Establishes County of Fiscal Responsibility agreements with Other CMHSP/PIHP boards.
  - 2.1 Places completed agreements on the Encompass Data System and interfaces with the County's JDE financial data system when appropriate.
  - 2.2 Coordinates with the Finance Unit on rates for services.
  - 2.3 Notifies Director if unable to secure agreements.
- CSTS
- 3.0 Requests additional units of services as needed from County A (COFR) when serving clients originating from out-county. Documents information about ongoing authorizations in information system.
  - 3.1 Coordinates treatment and discharge planning with County A
  - 3.2 Contacts UR Coordinator when CSTS client is being placed out-county. Provides UR with service(s) needed, rate(s), provider(s), contact(etc.) Amends PCP
- Finance unit
- 4.0 Determines rates for services and provides Access & UR with updated rate sheets.
  - 4.1 Generates a COFR Report to track consumers services for billing and payment purposes; bills County A as appropriate
  - 4.2 Coordinates with other CMHSP/PIHP Finance departments to

ensure payments are secured

- Recipient Rights
- 5.0 Coordinates with HSA, CSTS and the CMHSP/PIHP to determine which county Recipient Rights Office is responsible for rights protection for the consumer and contractually clarify the matter of ORR jurisdiction over any rights-related issues that might arise.
- Psychiatric Emergency Services
- 6.0 Manages Inpatient admissions for consumers needing inpatient services both within and outside the county.
- 6.1 Determines COFR responsibilities and Generates initial 2 day authorization for WCHO consumers
- 6.2 Notifies WCHO Inpatient staff; Hospital Liaison and UR staff of Admission through the Encompass system.
- Community Hospitals
- 7.0 Attempts to establish residency upon admission and coordinates with the appropriate CMHSP/PIHP when admitting a consumer from another county.
- 7.1 Works with WCHO Utilization Review staff if assistance is necessary in coordinating with the CMHSP/PIHP, or in the case of a WCHO consumer in an out of network hospital, completes utilization review for continued stay authorizations.
- Utilization Review
- 8.0 Conducts inpatient continued stay reviews and authorizes days of care; coordinates with HSA on consumers needing services; notifies PRU of need for COFR agreement when consumer is receiving services outside of network panel
- 8.1 Performs retrospective reviews for Washtenaw County residents placed in Out-County Hospitals without prior PES authorization. Enters initial authorization in these situations when appropriate.
- 8.2 Acts as a liaison between WCHO Community hospitals and out-county CMHSP's/PIHP's when out-county clients are placed in local community hospitals
- 8.3 For CSTS clients being placed out-county, UR will request services & authorize as appropriate to out-county CMHSP/PIHP
- 8.4 UR will notify ORR, PRU & Finance
- 8.5 Will conduct UR with out-county CMHSP's/PIHP's requesting further authorization for specialty mental health services for WCHO clients

**Attachment A: County of Financial Responsibility Authorization Request Form Letter for Out-County Clients served by WCHO providers**



Date

Contact Person & Title  
 Out-County Agency  
 Out-County Agency Address  
 Contact Person Phone Number

**ADMINISTRATION**

555 Towner Blvd.,  
 P.O. Box 915  
 Ypsilanti, Michigan 48197-0915  
 Phone (734) 544-3000  
 FAX (734) 544-6732

Kathleen Reynolds,  
Executive Director  
Dave Neal, Associate Director

Board Members

Michael F. Dabbs, Chair  
 Peg Ball  
 Leila Bauer  
 Barbara Bergman  
 Barbara Chesney  
 Sallie Churchill  
 Saul Cooper  
 Diane Davidson  
 Christian Elkins  
 Linda King  
 Donna Roth  
 Lafayette Wallace

**RE: Client Name, Client DOB, Client SSN**

Dear Contact Person,

On (Date Services First Requested) the above client/designee contacted Health Services Access to arrange for service provision through Washtenaw County Community Support & Treatment Services (CSTS). It has been determined that the client last lived independently in \_\_\_\_\_ County.

This letter is to notify you that we have determined that \_\_\_\_\_ County is the County of Financial Responsibility in this case. We further request authorization for initial services for this client. Attached, please find a copy of our rate sheet. We are requesting an initial authorization beginning (date) and ending (date). This authorization request is for an initial assessment & immediate needs identified during our telephonic screening. The client's service needs will be more fully assessed by during a face-to-face assessment completed by CSTS. After this assessment, CSTS will request ongoing services through your identified Utilization Review Process. At this time, we are requesting authorization to provide:

<u># Units</u>	<u>CPT Code</u>	<u>Description</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

We also request information regarding your Recipient Rights process and Utilization process, including contact information. If we do not yet have a signed County of Financial Responsibility Agreement with your county, our Provider Relations Unit will contact you in the near future. If you would like to contact our Provider Relations Unit, you can do so by calling (phone number).

**Attachment A: County of Financial Responsibility Authorization Request Form Letter for Out-County Clients served by WCHO providers (continued)**

Date



**washtenaw community  
health organization**

Contact Person & Title  
Out-County Agency  
Out-County Agency Address  
Contact Person Phone Number

The client has a scheduled appointment with CSTS on \_\_\_/\_\_\_/\_\_\_ . Therefore, your prompt attention to this matter will be greatly appreciated. Please mail all correspondence regarding this matter to:

**ADMINISTRATION**

555 Towner Blvd.,  
P.O. Box 915  
Ypsilanti, Michigan 48197-  
0915  
Phone (734) 544-3000  
FAX (734) 544-6732

HSA Contact Name  
Title  
Health Services Access  
555 Towner Blvd  
Ypsilanti, MI 48197-0915

Kathleen Reynolds,  
Executive Director  
Dave Neal, Associate Director

If you have any questions or concerns, or would like to discuss this matter please feel free to contact me at (phone number).

Board Members

Michael F. Dabbs, Chair  
Peg Ball  
Leila Bauer  
Barbara Bergman  
Barbara Chesney  
Sallie Churchill  
Saul Cooper  
Diane Davidson  
Christian Elkins  
Linda King  
Donna Roth  
Lafayette Wallace

Thank you in advance,

Name  
Title  
Address  
Etc

Attachment: WCHO Rate sheet

Cc: WCHO Provider Relations Unit

Accredited by



**Attachment B: County of Financial Responsibility Processing Form**

Client Name \_\_\_\_\_ DOB \_\_\_/\_\_\_/\_\_\_ SSN \_\_\_\_\_

**ACCESS PROCEDURES**

Client or designee contacted HSA on \_\_\_/\_\_\_/\_\_\_  
 COFR determined to be: \_\_\_\_\_ County

Contact Name: (incl # or address)	Date Contacted:	Method of Contact: (phone/mail/Other)	Resolution:
_____	___/___/___	_____	_____
_____	___/___/___	_____	_____
_____	___/___/___	_____	_____
_____	___/___/___	_____	_____

<b>Documentation</b> (Attach when possible)	<b><u>Date Sent/Received</u></b>
<b>COFR Auth Request:</b>	___/___/___
<b>Response Received:</b>	___/___/___
<b>Authorization Received:</b>	___/___/___

<b><u>Notified:</u></b>	<b><u>Date</u></b>	
___ PRU	___/___/___	Client scheduled for appt w/: _____ on ___/___/___
___ ORR	___/___/___	
___ CSTS	___/___/___	Director notified of Dispute: ___/___/___
___ UR ___/___/___	___/___/___	

COFR Processing Form transferred to: \_\_\_\_\_ on \_\_\_/\_\_\_/\_\_\_

**Notes:**

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**Attachment B: County of Financial Responsibility Processing Form (Continued)**

<b>Client Name</b> _____ <b>DOB</b> ____/____/____ <b>SSN</b> _____
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**PROVIDER RELATIONS PROCEDURES**

COFR determined to be: \_\_\_\_\_ County

\_\_\_\_\_ COFR agreement already exists with this County

\_\_\_\_\_ COFR Agreement mailed on \_\_\_\_/\_\_\_\_/\_\_\_\_ to:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_ Signed COFR Agreement received on: \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_\_ Entered into JDE on: \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_\_ Referred to Director on: \_\_\_\_/\_\_\_\_/\_\_\_\_ due to: \_\_\_\_\_

<b>Contact Name:</b> (incl # or address)	<b>Date Contacted:</b>	<b>Method of Contact:</b> (phone/mail/Other)	<b>Resolution:</b>
_____	____/____/____	_____	_____
_____	____/____/____	_____	_____
_____	____/____/____	_____	_____
_____	____/____/____	_____	_____

COFR Processing Form transferred to: \_\_\_\_\_ on \_\_\_\_/\_\_\_\_/\_\_\_\_

**Notes:**

\_\_\_\_\_

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