

June 2013

<Provider Name>
<Provider Address1>
<Provider Address2>
<Provider City> <state> <zipcode5-zip4>

Dear Community Mental Health Services Program (CMHSP) Provider:

Re: Billing and Reimbursement of Financial Management Services for Children's Waiver Program

This letter provides updated information about submitting claims for Financial Management Services (FMS) for consumers enrolled in the Children's Waiver Program (CWP). The instructions below are based on clarification received on May 28, 2013 from the Centers for Medicare and Medicaid Services (CMS) and supplement previous directions provided to the CMHSPs for the billing and reimbursement of FMS claims for dates-of-service between October 1, 2010 and August 31, 2012.

According to federal regulation, 45 CFR Subpart A, the Michigan Department of Community Health (MDCH) has a two-year time limit to claim federal match for expenditures under the CWP. This means that MDCH cannot claim federal match for FMS for which the CMHSP made a payment prior to April of 2011. Therefore, MDCH cannot reimburse CMHSPs for services for which federal match cannot be claimed.

In light of CMS' clarification, the following instructions apply to billing and reimbursement for FMS provided to CWP consumers for dates-of-service between October 1, 2010 and August 31, 2012.

1. MDCH cannot reimburse CMHSPs for dates-of-service on or after October 1, 2010 if the CMHSP made payment for the service prior to April 1, 2011.
2. If the CMHSP has already received (or receives) reimbursement from MDCH for a payment made prior to April 1, 2011 – a "claim void" must be submitted before September 30, 2013.
3. MDCH will reimburse CMHSPs for FMS with dates-of-service on or after October 1, 2010 if the CMHSP made a payment on or after April 1, 2011, subject to the following:
 - For payment months April 2011 through June 2011, the CMHSP must submit FMS claims to MDCH by June 19, 2013 in order to be paid by MDCH by June 27, 2013.
 - For payment months July 2011 through September 2011, the CMHSP must submit FMS claims to MDCH by September 18, 2013 in order to be paid by MDCH by September 26, 2013.
4. Claims for FMS service months October 2011 through August 2012 that have not already been paid must be submitted to MDCH by August 31, 2013.
5. The phrase "FMS-MSA 13-11" must be put in the field for "claim notes" on all claims for FMS submitted to MDCH per #2 and #3, above.

CMS will be closely monitoring MDCH's federal claiming for this service to assure compliance with the 2-year timeframe. MDCH will audit paid-claim data and will follow-up with CMHSPs to request additional information on selected claims as necessary (e.g., date of payment for FMS, date of claim void, etc.). All claim voids must be submitted to MDCH before September 30, 2013.

You may contact Audrey Craft at (517) 241-5757 or by e-mail at crafta@michigan.gov or Joan Deschamps at (517)241-5754 or by e-mail at deschampsj@michigan.gov if you have questions regarding this letter.

Sincerely,

A handwritten signature in cursive script that reads "Stephen Fitton".

Stephen Fitton, Director
Medical Services Administration