The individuals signing this agreement certify by their signatures that they are authorized to sign this agreement on behalf of the organization specified.

Signature Section:

For the Michigan Department of Health and Human Services

Christine H. Sanches, Director Bureau of Grants & Purchasing	Date

For the CONTRACTOR:

Name (print)	Title (print)
Signature	Date

Added to Section 18. Assurances:

18.1.15 Electronic Visit Verification (EVV)

The PIHP will ensure that its contracts, or those of their CMHSP participants, for personal care services demonstrate compliance with federal requirements regarding the use of electronic visit verification (EVV) in tandem with the MDHHS implementation timeline. PIHPs and/or their CMHSP participants must require compliance in the form of either the existence of an EVV system that meets state requirements as confirmed by a PIHP on-site review or participation in the MDHHS-sponsored statewide EVV system. The PIHP will make evidence of compliance available to the State upon request. The PIHP and/or their CMHSP Participant contracts must stipulate that the EVV system support self-directed arrangements, and should be minimally burdensome or disruptive to care. See attachment 7.7.1.1 PIHP Reporting Requirements for additional details.

7.7.3 Supports Intensity Scale

The PIHP will:

1. Ensure that each individual Michigan Medicaid-eligible, age 18 and older with an Intellectual/Developmental Disability, who are currently receiving case management or supports coordination or respite only services is assessed using the Supports Intensity Scale (SIS) at minimum of once every 3 years (or more or if the person experiences significant changes in their support needs). The SIS assessment is voluntary however the PIHP must document if the SIS assessment is declined. For newly eligible individuals an assessment using the Supports Intensity Scale (SIS) will be completed within the first year of service.
2. Ensure an adequate cadre of qualified SIS assessors across its region to ensure that all individuals are assessed in the required timeframe.
3. Be responsible to ensure an adequate cadre of recognized SIS Assessors to complete the SIS assessment for all Medicaid eligible adults with IDD within a 3-year period. Provide for an adequate number of qualified and Quality Leads to assure that all assessors continue assessments within the three-year time frame. Overall, approximately 10 Quality Leads will be cultivated, one per PIHP for the 10 PIHPs. Opportunity for QL Training for new QLs will be provided and sponsored by MDHHS 2 times a year in FY2020.
4. Participate in the SIS Steering Committee. Each PIHP will have an identified "lead" person to serve on the committee to assure two-way communication between the PIHP and its designees and MDHHS.
5. Assure SIS is administered by an independent assessor.
5. Collaborate with BHDDA to plan for and participate in stakeholder SIS related informational forums
6. Collaborate with BHDDA in planning and provision of training to Supports Coordination/Care Management staff.
7. SIS assessors must meet state specified required criteria including the following minimum criteria:
    a. Bachelor's Degree in human services or four years of equivalent work experience in a related field
    b. At least one-year experience with individuals that have a developmental or intellectual disability
    c. Participation in a minimum of one Periodic Drift Review and one IRQR per year conducted by an AAIDD recognized SIS® Quality Lead
    d. Maintain annual Interviewer Reliability Qualification Review (IRQR) status at "Qualified" status as determined by an AAIDD recognized Quality Lead
    e. Assessors skills will be evaluated as part of quality framework that includes AAIDD/MORC-SNAC/Online reports. It is important to maintain the agreed

upon training schedule. PIHPs are expected to provide 10 business days notice of cancelations.

f. Participate in Michigan SIS® Assessor conference calls
g. Attend annual Michigan SIS® Assessor Continuing Education. In addition, PIHPs shall provide opportunities for all SIS assessors to participate in regional support, communication, mentorship, and educational opportunities to enhance their skill.
h. SIS Assessors must be independent from the current supports and services staff and may not report to the same department within the organization where the individual is being served. In addition, SIS Assessors will remain conflict free as evidenced by annual review and annual signing of the SIS Assessor Conflict Free Agreement.
i. Assessors should not facilitate a SIS® interview for an individual for whom they are providing another ongoing clinical service.
j. It is acceptable for Interviewers to contract with or be employed by a PIHP, CMHSP, or other provider agency as deemed appropriate by the PIHP and consistent with avoidance of conflict of interest.

8. Requirements for SIS Quality Leads

   SIS Quality Leads will be developed to ensure that all assessors continue to meet the AAIDD quality and reliability standards and allow the completion of assessments within the three-year time frame.

   - Passed (at the Qualified; Excellent for higher level) an IRQR conducted by an AAIDD recognized trainer
   - Have experience conducting assessments for a range of individuals with varying needs and circumstances
   - Participated in regular Quality Assurance and Drift Reviews to develop their skills

9. Ensure that SIS data is entered into or collected using SISOnline, the AAIDD web-based platform designed to support administering, scoring, and retrieving data and generating reports (http://aaidd.org/sis/sisonline) within state specified time frames.
10. Provide for necessary DUA's and related tasks required for use of SISOnline.
11. MDHHS will cover annual licensing fees, reports, and SISOnline maintenance. The PIHPs are responsible for SIS-A integration into their EMR.
12. Co-own SIS data with MDHHS
13. Have complete access to all SIS data entered on behalf of the PIHP, including both detail and summary level data.

8.4 MDHHS Funding

MDHHS funding includes both Medicaid funds related to the 1115 Waiver, 1915(i) Waiver, the 1915(c) Children Waivers [i.e., HSW/CWP/SEDW] , and the 1115 Healthy Michigan Plan. The financing in this contract is always contingent on the annual Appropriation Act. CMHSPs within a PIHP may, but are not required to, use GF formula funds to provide services not covered under the 1115, 1915(i) and 1915(c) waivers for Medicaid beneficiaries who are individuals with serious mental illness, serious emotional disturbances or developmental disabilities, or underwrite a portion of the cost of covered services to these beneficiaries. MDHHS reserves the right to disallow such use of General Funds if it believes that the CMHSP was not appropriately assigning costs to Medicaid and to General Funds in order to maximize the savings allowed within the risk corridors.

Specific financial detail regarding the MDHHS funding is provided as Attachment P 8.0.1.

8.4.1. Medicaid

The MDHHS shall provide to the PIHP both the state and federal share of Medicaid funds as a capitated payment based upon a per eligible per month (PEPM) methodology. The MDHHS will provide access to an electronic copy of the names of the Medicaid eligible people for whom a capitation payment is made. A PEPM is determined for each of the populations covered by this contract, which includes services for people with a developmental disability, a mental illness or emotional disturbance, and people with a substance use disorder as reflected in this contract. PEPM is made to PIHP for all eligibles in its region, not just those with the above-named diagnoses.

The Medicaid PEPM rates, annual estimates of eligible by PIHP and rate cells, are attached to this contract. The actual number of Medicaid eligibles shall be determined monthly and the PIHP shall be notified of the eligibles in their service area via the pre-payment process.

Beginning with the first month of this contract, the PIHP shall receive a pre-payment equal to one month. The MDHHS shall not reduce the PEPM to the PIHP to offset a statewide increase in the number of beneficiaries. All PEPM rates must be certified as falling within the actuarially sound rate range.

The Medicaid PEPM rates effective October 1, 2019 will be supplied as part of Attachment P 8.0.1. The actual number of Medicaid eligibles shall be determined monthly and the PIHP shall be notified of the eligibles in their service area via the pre-payment process.

The MDHHS shall provide to the PIHP both the state and federal share of Medicaid funds as a capitated payment based upon a per 1915 (c) enrollee per month methodology. The MDHHS will provide access to an electronic copy of the names of the Medicaid eligible and the enrolled people for whom a 1915 (c) waiver capitation payment is made.

8.4.1.1 Medicaid Rate Calculation

The Medicaid financing strategy used by the MDHHS, as stated in the 1115 Waiver, is to contain the growth of Medicaid expenditures, not to create savings.

The Medicaid Rate Calculation is based on the actuarial documentation letter from Milliman USA. Five sets of rate calculations are required: 1) one set of factors for the 1115 state plan and 1915(i) [formerly (b)(3)] services; 2) one set of factors for 1915 (c) Habilitation Supports Waiver services; 3) one set of factors for 1915 (c) Children's Waiver Program services; 4) one set of factors for 1915 (c) Waiver for Children with Serious Emotional Disturbances; 5) one set of factors for the 1115 Healthy Michigan Plan. The Milliman USA letter documents the calculation rate methodology and provides the required certification regarding actuarial soundness as required by the Balanced Budget Act Rules effective

August 13, 2002. The chart of rates and factors contained in the actuarial documentation is included in Attachment P.8.0.1.

The MDHHS shall not reduce the 1115, 1915(i) PEPM, 1115 Health Michigan Plan PEPM or the C-waiver rates to the PIHP to offset a statewide increase in the number of Medicaid eligibles. All PEPM rates must be certified as falling within the actuarially sound rate range.

8.4.1.2 Medicaid Payments

MDHHS will provide the PIHP with required managed care payments each month for the Medicaid covered specialty services under the listed Benefit Plan (BP). When applicable, additional payments may be scheduled (e.g. retro-rate implementation and up to 6 months retro eligibility). HIPAA compliant 834 and 820 transactions will provide eligibility and remittance information.

- Base Rates for Benefit Plan (BHMA, BHMA-MHP, BHMA-HMP, BHMA-HMP-MHP, HSW-MC, SED-MC, CWP-MC)
- Recovery of payments previously made for beneficiaries prior to MDHHS notification of death
- Recovery of payments previously made for beneficiaries, who upon retrospective review, did not meet all the Benefit Plan enrollment requirements
- Modifications to any of the Benefit Plan's rate development factors
- For HSW enrollees of a PIHP that includes the county of financial responsibility (COFR), referred to as the "responsible PIHP", but whose county of residence is in another PIHP, referred to as the "residential PIHP", the HSW capitation payment will be paid to the COFR within the "responsible PIHP" based on the multiplicative factor for the "residential PIHP".

The PIHP must be able to receive and transmit HIPAA compliant files, such as:

- 834 – Enrollment/Eligibility
- 820 – Payment / Remittance Advice
- 837 – Encounter

8.4.1.3 Medicaid State Plan and (i) Payments

The capitation payment for the state plan and (i) Mental Health, Developmental Disability and Substance Abuse services is based on all Medicaid eligibles within the PIHP region, ,persons residing in an ICF/IID or individuals enrolled in a Program for All Inclusive Care (PACE) organization, individuals incarcerated, and individuals with a Medicaid deductible.

8.4.1.4.a 1915(c) Habilitation Supports Waiver Payments

The 1915(c) Habilitation Supports Waiver (HSW) capitation payment will be made to the PIHPs based on HSW beneficiaries who have enrolled through the MDHHS enrollment process and have met the following requirements:

- Has a developmental disability (as defined by Michigan law)
- Is Medicaid-eligible (as defined in the CMS approved waiver)
- Is residing in a community setting
- If not for HSW services would require ICF/IID level of care services
- Chooses to participate in the HSW in lieu of ICF/IID services

Beneficiaries enrolled in the HSW Benefit Plan may not be enrolled simultaneously in any other 1915(c) waivers, such as the Children's Waiver Program (CWP) and Waiver for Children with Serious Emotional Disturbances (SEDW). The PIHP will not receive payments for HSW beneficiaries enrolled who reside

in an ICF/IID, Nursing Home, CCI, or are incarcerated for an entire month. The PIHP will not receive payments for HSW beneficiaries enrolled with a Program All Inclusive Care (PACE) organization.

Enrollment Management: The 1915(c) HSW and 1915(i) uses an "attrition management" model that allows PIHPs to "fill in behind" attrition with new beneficiaries up to the limits established in the CMS-approved waiver. MDHHS has allocated certificates to each of the PIHPs. The process for filling a certificate involves the following steps: 1) the PIHPs submit applications for Medicaid beneficiaries for enrollment based on vacant certificates within the PIHP and includes required documentation that supports the eligibility for HSW; 2) MDHHS personnel reviews the PIHP enrollment applications; and 3) MDHHS personnel approves (within the constraint of the total yearly number of available waiver certificates and priority populations described in the CMS-approved waiver) those beneficiaries who meet the requirements described above.

The MDHHS may reallocate an existing HSW certificate from one PIHP to another if:

- the PIHP has presented no suitable candidate for enrollment in the HSW within 60 days of the certificate being vacated; and
- there is a high priority candidate (person exiting the ICF/IID or at highest risk of needing ICF/ IID placement, or young adult aging off CWP) in another PIHP where no certificate is available. MDHHS personnel review all disenrollments from the HSW prior to the effective date of the action by the PIHP excluding deaths and out-of-state moves which are reviewed after the effective date.

HSW Capitation Payments: Per attachment P.8.0.1, the HSW capitation payment will be based upon:

The HSW capitation payment will be scheduled and/or adjusted to occur monthly in accordance to the requirement factors listed in 8.4.1.4a and the payment factors in 8.4.1.2. Additional payments may be scheduled as required

Encounters for provision of services authorized in the CMS approved waiver must contain HK modifier to be recognized as valid HSW encounters. Encounters must be processed and submitted on time, as defined in section 7.8.2 Claims Management System and the Reporting Requirements Attachment P7.7.1.1, in order to assure timely HSW service verification.

8.4.1.4.b 1915(c) Children's Waiver Program.

A. The PIHP shall identify children who meet the eligibility criteria for the Children's Waiver Program Benefit Plan and submit to MDHHS prescreens for those children.

B. The PIHP shall carry out administrative and operational functions delegated by MDHHS to the PIHPs as specified in the CMS approved (c) waiver application. These delegated functions include: level of care determination; review of participant service plans; prior authorization of waiver services; utilization management; qualified provider enrollment; quality assurance and quality improvement activities.

C. The PIHP shall determine the appropriate Category of Care/Intensity of Care and the amount of publicly funded hourly care for each Children's Waiver Program recipient per the Medicaid Provider Manual.

D. The PIHP shall assure that services are provided in amount, scope, and duration as specified in the approved plan.

E. The PIHP shall comply with policy covering credentialing, temporary/provisional credentialing and re-credentialing processes for those individuals and organizational providers directly or contractually employed by the PIHPs, as it pertains to the rendering of services within the Children's Waiver Program. PIHPs are responsible for ensuring that each provider, directly or contractually employed, credentialed or non-credentialed, meets all applicable licensing, scope of practice, contractual and Medicaid Provider Manual qualifications and requirements. Please reference the applicable licensing statutes and standards, as well as the Medicaid Provider manual should you have questions concerning scope of practice or whether Medicaid funds can be used to pay for a specific service. Through the Critical Incident Reporting System, the PIHP will report the following incidents for children on the CWP: Suicide; Non-suicide death; Arrest of Consumer; Emergency Medical Treatment due to injury or Medication Error: Type of injury will include a subcategory for reporting injuries that resulted from the use of restrictive interventions; Hospitalization due to Injury or Medication Error: Type of injury will include a subcategory for reporting injuries that resulted from the use of restrictive interventions.

The Children's Waiver Program (CWP) capitation payment will be made to the PIHPs based on CWP beneficiaries who have enrolled through the MDHHS enrollment process and have met the following requirements:

- Has a developmental disability (as defined by Michigan law)
- Is Medicaid-eligible (as defined in the CMS approved waiver)
- Is residing in a community setting
- If not for CWP services would require ICF/IID level of care services
- Chooses to participate in the CWP in lieu of ICF/IID services

Beneficiaries enrolled in the CWP may not be enrolled simultaneously in any other 1915(c) waivers. In addition, beneficiaries enrolled in the CWP may not be enrolled simultaneously in the Habilitation Supports Waiver (HSW), Waiver for Children with Serious Emotional Disturbances (SEDW). The beneficiaries enrolled in the CWP may not be enrolled simultaneously with a Program All Inclusive Care (PACE) organization. The PIHP needs to assure that CWP services will not be provided for CWP enrolled beneficiaries who reside in an ICF/IID, Nursing Home, CCI, or are incarcerated for an entire month.

CWP Capitation Payments:

The CWP capitation payment will be scheduled and/or adjusted to occur monthly in accordance to the requirement factors listed in 8.4.1.4b and the payment factors in 8.4.1.2. Additional payments may be scheduled as required.

8.4.1.4.c 1915(c) Waiver for Children with Serious Emotional Disturbances

The intent of this program is to provide Home and Community Based Waiver Services, as approved by Centers for Medicare and Medicaid Services (CMS) for children with Serious Emotional Disturbances Benefit Plan, along with state plan services in accordance with the Medicaid Provider Manual.

A. PIHP shall assess eligibility for the SEDW and submit applications to the MDHHS for those

children the PIHP determines are eligible. For children determined ineligible for the SEDW, the PIHP, on behalf of MDHHS, informs the family of its right to request a fair hearing by providing written adequate notice of denial of the SEDW to the family.

B. The PIHP shall carry out administrative and operational functions delegated by MDHHS to the PIHPs as specified in the CMS approved (c) waiver application. These delegated functions include: level of care determination; review of participant service plans; prior authorization of waiver services; utilization management; qualified provider enrollment; quality assurance and quality improvement activities.

C. The PIHP shall assure that services are provided in amount, scope and duration as specified in the approved plan of service. Wraparound is a required service for all participants in the SEDW and PIHPs must assure sufficient service capacity to meet the needs of SEDW recipients.

D. The PIHP shall comply with credentialing, temporary/provisional credentialing and re-credentialing processes for those individuals and organizational providers directly or contractually employed by the PIHPs, as it pertains to the rendering of services within the SEDW. PIHPs are responsible for ensuring that each provider, directly or contractually employed, credentialed or non-credentialed, meets all applicable licensing, scope of practice, contractual and Medicaid Provider Manual qualifications and requirements.

E. Through the Critical Incident Reporting System (CIRS), the PIHP will report the following incidents for children on the SEDW**:** Suicide; Non suicide Death; Arrest of Consumer; Emergency Medical Treatment Due to Injury or Medication Error: Type of injury will include a subcategory for reporting injuries that resulted from the use of restrictive interventions; Hospitalization due to Injury or Medication Error: Type of injury will include a subcategory for reporting injuries that resulted from the use of restrictive interventions.

The Waiver for Children with Serious Emotional Disturbance (SEDW) capitation payment will be made to the PIHPs based on SEDW beneficiaries who have enrolled through the MDHHS enrollment process. Beneficiaries enrolled in the SEDW may not be enrolled simultaneously in any other 1915(c) waivers. In addition, beneficiaries enrolled in the SEDW may not be enrolled simultaneously in the Children's Waiver Program (CWP) and the Habilitation Supports Waiver (HSW) under the 1115 demonstration waiver. The beneficiaries enrolled in the SEDW may not be enrolled simultaneously with a Program All Inclusive Care (PACE) organization. The PIHP must assure that SEDW services will not be provided for SEDW enrolled beneficiaries who reside in an institutional setting, including a Psychiatric Hospital, CCI, or are incarcerated for an entire month.

SEDW Capitation Payments: The SEDW capitation payment will be scheduled and/or adjusted to occur monthly in accordance to the requirement factors listed in 8.4.1.2 and the payment factors in 8.4.1.4c Additional payments may be scheduled as required.

MDHHS SEDW Child Welfare Project Procedural Requirements

- Develop local agreements with County local MDHHS offices outlining roles and responsibilities regarding the MDHHS SEDW Child Welfare Project.
- Local MDHHS workers, PIHP SEDW Coordinator, CMHSP SEDW Leads and Wraparound Supervisors identify a specific referral process for children identified as potentially eligible for the SEDW.

- Participate in required SEDW Child Welfare Project State/Local technical assistance meetings and trainings.
- Collect and report to MDHHS all data as requested by MDHHS.

8.4.1.5 Expenditures for Medicaid 1115 State Plan, 1915(i), 1915(c), 1115 Healthy Michigan Services

On an ongoing basis, the PIHP can flexibly and interchangeably expend capitation payments received through all sources or "buckets." Once capitation payments are received, the PIHP may spend any funds received on 1115 state plan, 1915(i), 1115 Healthy Michigan Plan, or 1915(c) waiver services. All funds must be spent on Medicaid beneficiaries for Medicaid services. Surplus funding generated in either Medicaid or Healthy Michigan may be utilized to cover a funding deficit in the other fund only after that fund sources risk reserve has been fully utilized.

While there is flexibility in month-to-month expenditures and service utilization related to all "buckets," the PIHP must submit encounter data on service utilization - with transaction code modifiers that identify the service as 1115 state plan, (1915(i) services, or 1915(c) services – and this encounter data (including cost information) will serve as the basis for future 1115 state plan, (i) services, and 1915(c) waiver capitation payment rate development.

The PIHP has certain coverage obligations to and to Medicaid beneficiaries under the 1115 waiver (both state plan and (i) services), and to enrollees under the 1915(c) waiver. It must use capitation payments to address these obligations.

2.10.1 Under an arrangement between the Michigan Department of Corrections (MDOC) and the Michigan Department of Health and Human Services (MDHHS), the PIHP shall be responsible for medically necessary community-based substance use disorder treatment services for individuals under the supervision of the Michigan Department of Corrections once those individuals are no longer incarcerated. These individuals are typically under parole or probation orders and excludes individuals referred by court and services through local community corrections (PA 5ll) systems.

REFERRALS, SCREENING AND ASSESSMENT:

Individuals under MDOC supervision are considered a priority population for assessment and admission for substance use disorder treatment services due to the public safety needs related to their MDOC involvement. The PIHP shall ensure timely access to supports and services in accordance with Section 26 and the Access Standards in Attachment P 4.1.1 (III) of this contract.

PIHPs shall designate a point of contact within each PIHP catchment area for referral, screening and assessment problem identification and resolution. The position title and contact information will be provided to MDHHS, which will provide the information to the MDOC Central Office Personnel. PIHPs will provide this contact information to MDOC Supervising Agents in their regions.

The MDOC Supervising Agent will refer individuals in need of substance use disorder treatment through the established referral process at each PIHP. The Supervising Agent will make best efforts to obtain from the individual a signed Michigan Behavioral Health Standard Consent Form (MDHHS 5515) and provide it to the PIHP and/or designated access point along with any pertinent background information and the most recent MDOC Risk Assessment summary.

The Supervising Agent will assist the individual in calling the PIHP or designated access point for a substance abuse telephonic screening for services. Individuals that are subsequently referred for substance use disorder treatment as a result of a positive screening must receive an in-person assessment. If the individual referred is incarcerated, the Supervising Agent will make best efforts to facilitate service initiation and appropriate contact with the PIHP/Designated Access Point. Provided that it is possible to do so the PIHP shall make best efforts to ensure the individual receives a telephonic, video or in-person screening for services at the designated location as arranged by MDOC Supervising Agent. The PIHP/designated access point may not deny an individual an in-person assessment via phone screening.

Assessments must be conducted in accordance with MDHHS-approved assessment instruments (if any) and admissions decisions based on MDHHS-approved medical necessity criteria included in this contract. In the case of MDOC supervised individuals, these assessments should include consideration of the individual's presenting symptoms and substance use/abuse history prior to and during incarceration and consideration of their SUD treatment history while incarcerated. To the extent consistent with HIPAA, the Michigan Mental Health Code and 42 CFR Part 2, and with the written consent of the individual, the PIHP/designated provider will provide notice of an admission decision to the Supervising Agent within one business day, and if accepted, the name and contact information of the individual's treatment provider. If the individual is not referred for treatment services, the PIHP/designated access point will provide information regarding community resources such as AA/NA or other support groups to the individual.

PIHPs will not honor Supervising Agent requests or proscriptions for level or duration of care, services or supports and will base admission and treatment decisions only on medical necessity criteria and professional assessment factors.

PLAN OF SERVICE

The individual's individualized master treatment plan shall be developed in a manner consistent with the principles of person-centered planning as applicable to individuals receiving treatment for substance use disorders as defined in this contract and applicable portions of contract attachment P.4.4.1.1.

The PIHP/designated provider agrees to inform the Supervising Agent when Medication Assisted Treatment (MAT) is being used, including medication type. If the medication type changes, the PIHP/designated provider must inform the Supervising Agent.

RESIDENTIAL SERVICES:

If an individual referred for residential treatment does not appear for or is determined not to meet medical necessity criteria for that level of care, the Supervising Agent will be notified with one business day. If an individual is participating in residential treatment, the individual may not be given unsupervised day passes, furloughs, etc. without consultation with the Supervising Agent. Leaves for any non-emergent medical procedure should be reviewed/coordinated with the Supervising Agent. If an individual leaves an off-site supervised therapeutic activity without proper leave to do so, the PIHP/designated provider must notify the Supervising Agent by the end of the day on which the event occurred.

The PIHP/designated provider may require individuals participating in residential treatment to submit to drug testing when returning from off property activities and any other time there is a suspicion of use. Positive drug test results and drug test refusals must be reported to the Supervising Agent.

Additional reporting notifications for individuals receiving residential care include:

- Death of an individual under supervision.
- Relocation of an individual's placement for more than 24 hours.
- The PIHP/designated provider must immediately and no more than one hour from awareness of the occurrence, notify the MDOC Supervising Agent any serious sentinel event by or upon an individual under MDOC supervision while on the treatment premises or while on authorized leaves.
- The PIHP/designated provider must notify the MDOC Supervising Agent of any criminal activity involving an MDOC supervised individual within one hour of learning of the activity.

SERVICE PARTICIPATION:

The PIHP will ensure the designated provider completes a monthly progress report on each individual on a template supplied by the MDOC and will ensure it is sent via encrypted email to the Supervising Agent by the 5th day of the following month.

The PIHP/designated provider must not terminate any referred individual from treatment for violation of the program rules and regulations without prior notification to the individual's Supervising Agent, except in extreme circumstances. The PIHP/designated provider must collaborate with the MDOC for any non-

emergency removal of the referred individual and allow the MDOC time to develop a transportation plan and a supervision plan prior to removal.

PIHP will ensure a recovery plan is completed and sent to the Supervising Agent within five business days of discharge. Recovery planning must include an offender's acknowledgment of the plan and the Contractor's referral of the offender to the prescribed aftercare services.

TESTIMONY:

With a properly executed release inclusive of the court with jurisdiction, the PIHP and/or its designated provider, shall provide testimony to the extent consistent with applicable law, including HIPAA and 42 CFR Part 2."

TRAINING:

In support of the needs of programs providing services to individuals under MDOC supervision, the MDHHS will make available in-person training on criminogenic risk factors and special therapy concerns regarding the needs of this population.

The PIHP shall ensure its provider network delivers services to individuals served consistent with professional standards of practice, licensing standards, and professional ethics.

COMPLIANCE MONITORING:

PIHPs are not accountable to the MDOC under this contract. The PIHP agrees to permit the MDHHS, or its designee, to visit the PIHP to monitor PIHP provider network oversight activities for the individuals served under this section.

PROVIDER NETWORK OVERSIGHT:

The PIHP is solely responsible for the composition, compensation and performance of its contracted provider network. To the extent necessary, the PIHP will include performance requirements/standards based on existing regulatory or contractual requirements applicable to the MDOC-supervised population. Provider network oversight must be in compliance with applicable sections of this contract.

Part II.B of the PIHP contract boilerplate:

The Code of Federal Regulations and the Michigan Public Health Code define the first four priority population clients. The fifth population is established by MDHHS due to its high-risk nature. The priority populations are identified as follows and in the order of importance:

1. Pregnant injecting drug user.
2. Pregnant.
3. Injecting drug user.
4. Parent at risk of losing their child(ren) due to substance use.
5. Individual under supervision of MDOC AND referred by MDOC OR individual being released directly from a MDOC facility without supervision AND referred by MDOC. Excludes individuals referred by court and services through local community corrections (PA 511 funded) systems.
6. All others.

Access timeliness standards and interim services requirements for these populations are provided in the next section.

27.0 ACCESS TIMELINESS STANDARDS

The following chart indicates the current admission priority standards for each population along with the current interim service requirements. In a situation where a referred MDOC individual meets the criteria for one on of the previous populations, the admission standards for that population must be followed. Suggested additional interim services are in italics: Admission Priority Requirements

Population	Admission Requirement	Interim Service Requirement	Authority
Pregnant Injecting Drug User	1) Screened & referred w/in 24 hrs. 2) Detox, Meth. or Residential – Offer Admission w/in 24 business hrs Other Levels of Care – Offer Admission w/in 48 Business hrs	**Begin w/in 48 hrs:** Counseling & education on: A. HIV & TB B. Risks of needle sharing C. Risks of transmission to sexual partners & infants Effects of alcohol & drug use on the fetus Referral for pre-natal care *Early Intervention Clinical Svc*	CFR 96.121; CFR 96.131; Tx Policy #04 Recommended
Pregnant Substance User	1) Screened & referred w/in 24 hrs 2) Detox, Meth or Residential Offer admission w/in 24 business hrs Other Levels of Care – Offer Admission w/in 48 Business hrs	**Begin w/in 48 hrs** 1. Counseling & education on: A. HIV & TB B. Risks of transmission to sexual partners & infants C. Effects of alcohol & drug use on the fetus 2. Referral for pre-natal care 3. *Early Intervention Clinical Svc*	CFR 96.121; CFR 96.131; Recommended
Injecting Drug User	Screened & Referred w/in 24 hrs; Offer Admission w/in 14 days	**Begin w/in 48 hrs – maximum waiting time 120 days** 1. Counseling & education on: A. HIV & TB B. Risks of needle sharing C. Risks of transmission to sexual partners & infants 2. *Early Intervention Clinical Svc*	CFR 96.121; CFR 96.126 Recommended
Parent at **Risk of Losing Children**	Screened & referred w/in 24 hrs. Offer Admission w/in 14 days	**Begin w/in 48 business hrs** *Early Intervention Clinical Services*	Michigan Public Health Code Section 6232 **Recommended**

Individual Under Supervision of MDOC and Referred by MDOC or Individual Being Released Directly from an MDOC Without Supervision and Referred by MDOC	**Screened & referred w/in 24 hrs.** **Offer Admission w/in 14 days**	**Begin w/in 48 business hrs** ***Early Intervention Clinical Services*** ***Recovery Coach Services***	**MDHHS & PIHP contract** **Recommended**
All Others	Screened & referred w/in seven calendar days. Capacity to offer Admission w/in 14 days	**Not Required**	CFR 96.131(a) – sets the order of priority; MDHHS & PIHP contract

PIHP REPORTING REQUIREMENTS
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rent charges cannot exceed the actual cost of ownership if the lease is determined to be a less-than-arms-length transaction. Guidance on determining less-than-arms-length transactions is provided in 2 CFR Part 200.

Reported costs for **sale and leaseback arrangements** must be limited to underlying cost (2 CFR Part 200, Subpart E – Cost Principles, 200.465 (b)).

Capital asset purchases that cost greater than $5,000 must be capitalized and depreciated over the useful life of the asset rather than expensing it in the year of purchase (2 CFR Part 200, Subpart E – Cost Principles, 200.436 and 200.439). All invoices for a remodeling or renovation project must be accumulated for a total project cost when determining capitalization requirements; individual invoices should not simply be expensed because they are less than $5,000.

Costs must be allocated to programs in accordance with relative benefits received. Accordingly, **Medicaid costs must be charged to the Medicaid Program and GF costs must be charged to the GF Program**. Additionally, **administrative/indirect costs** must be distributed to programs on bases that will produce an equitable result in consideration of relative benefits derived in accordance with 2 CFR Part 200, Appendix VII.
Distributions of salaries and wages for employees that work on multiple activities or cost objectives, must be supported in accordance with the standards listed in 2 CFR Part 200, Subpart E – Cost Principles, 200.430 (i).

B. Medical Loss Ratio (MLR) Report

The PIHP's most recently completed Medical Loss Ratio Report complied with 42 CFR § 438.8 and Medical Loss Ratio Reporting requirements contained in the PIHP contract 8.4.1.7.

C. Procurement

The PIHP or CMHSP followed the Procurement Standards contained in 2 CFR 200.318 through 200.326. The PIHP or CMHSP ensured that organizations or individuals selected and offered contracts have not been debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs as required by 45 CFR 92.35.

D. Internal Service Fund (ISF)

The PIHP's Internal Service Fund complies with the Internal Service Fund Technical Requirement contained in Contract Attachment P 8.6.4.1 with respect to funding and maintenance.

E. Medicaid Savings and General Fund Carryforward

The PIHP's Medicaid Savings was expended in accordance with the PIHP's reinvestment strategy as required by Sections 8.6.2.2 and 8.6.2.3 of the Contract. The CMHSP's General Fund Carryforward earned in the previous year was used in the current year on allowable

COMPLIANCE REQUIREMENTS J-K

(APPLICABLE TO PIHPs WITH A SAPT BLOCK GRANT THAT DID NOT HAVE A SINGLE AUDIT OR THE SAPT BLOCK GRANT WAS NOT A MAJOR FEDERAL PROGRAM IN THE SINGLE AUDIT)

J. SAPT Block Grant – Activities Allowed or Unallowed

The PIHP or CMHSP expended SAPT Block Grant (CFDA 93.959) funds only on allowable activities in accordance with the Federal Block Grant Provisions and the Grant Agreement.

K. SAPT Block Grant – Sub-recipient Management and Monitoring

If the PIHP contracts with other sub-recipients ("sub-recipient" per the 2 CFR Part 200.330 definition) to carry out the Federal SAPT Block Grant Program, the PIHP or complied with the Sub-recipient Monitoring and Management requirements at 2 CFR Part 200.331 (a) through (h).

RETENTION OF WORKING PAPERS AND RECORDS

Examination working papers and records must be retained for a minimum of three years after the final examination review closure by MDHHS. Also, PIHPs are required to keep affiliate CMHSP's reports on file for three years from date of receipt. All examination working papers must be accessible and are subject to review by representatives of the Michigan Department of Health and Human Services, the Federal Government and their representatives. There should be close coordination of examination work between the PIHP and provider network CMHSP auditors. To the extent possible, they should share examination information and materials in order to avoid redundancy.

EFFECTIVE DATE AND MDHHS CONTACT

These CMH Compliance Examination Guidelines are effective beginning with the fiscal year 2019/2020 examinations. Any questions relating to these guidelines should be directed to:

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Division of Program Development, Consultation & Contracts
Bureau of Community Based Services
Michigan Department of Health and Human Services
Lewis Cass Building
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Lansing, Michigan 48913

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GLOSSARY OF ACRONYMS AND TERMS

AICPA.....American Institute of Certified Public Accountants.

Children's Waiver.....The Children's Waiver Program that provides services that are enhancements or additions to regular Medicaid coverage to children up to age 18 who are enrolled in the program who, if not for the availability and provisions of the Waiver, would otherwise require the level of care and services provided in an Intermediate Care Facility for the Mentally Retarded. Payment from MDHHS is on a fee for service basis.

CMHS Block Grant Program.The program managed by CMHSPs under contract with MDHHS to provide Community Mental Health Services Block Grant program services under CFDA 93.958.

CMHSP.....Community Mental Health Services Program (CMHSP). A program operated under Chapter 2 of the Michigan Mental Health Code – Act 258 of 1974 as amended.

Examination Engagement.....A PIHP or CMHSP's engagement with a practitioner to examine the entity's compliance with specified requirements in accordance with the AICPA's Statements on Standards for Attestation Engagements (SSAE) –Attestation Standards – Clarification and Recodification - AT-C 205 (Codified Section of AICPA Professional Standards).

Flint 1115 Waiver .....The demonstration waiver expands coverage to children up to age 21 years and to pregnant women with incomes up to and including 400 percent of the federal poverty level (FPL) who were served by the Flint water system from April 2014 through a state-specified date. This demonstration is approved in accordance with section 1115(a) of the Social Security Act, and is effective as of March 3, 2016 the date of the signed approval through February 28, 2021. Medicaid-eligible children and pregnant women who were served by the Flint water system during the specified period will be eligible for all services covered under the state plan. All such persons will have access to Targeted Case Management services under a fee for service contract between MDHHS

and Genesee Health Systems (GHS). The fee for service contract shall provide the targeted case management services in accordance with the requirements outlined in the Special Terms and Conditions for the Flint Section 1115 Demonstration, the Michigan Medicaid State Plan and Medicaid Policy.

GF Program.....The program managed by CMHSPs under contract with MDHHS to provide mental health services and supports to individuals with serious mental illness, serious emotional disturbances or developmental disabilities as described in MCL 330.1208.

MDHHS .....Michigan Department of Health and Human Services

Medicaid Program.....The Concurrent 1915(b)/(c) Medicaid Program and Healthy Michigan Program managed by PIHPs under contract with MDHHS.

PIHP.....Prepaid Inpatient Health Plan. In Michigan a PIHP is an organization that manages Medicaid specialty services under the state's approved Concurrent 1915(b)/1915(c) Waiver Program, on a prepaid, shared-risk basis, consistent with the requirements of 42 CFR Part 438. The PIHP, also known as a Regional Entity under MHC 330.1204b or a Community Mental Health Services Program, also manages the Autism Program, Healthy Michigan, Substance Abuse Treatment and Prevention Community Grant and PA2 funds.

Practitioner.....A certified public accountant in the practice of public accounting under contract with the PIHP or CMHSP to perform an examination engagement.

Serious Emotional Disturbances Waiver.....The Waiver for Children with Serious Emotional Disturbances Program that provides services to children who would otherwise require hospitalization in the State psychiatric hospital to remain in their home and community. Payment from MDHHS is on a fee for service basis.

SSAE.....AICPA’s Statements on Standards for Attestation Engagements.

SAPT Block Grant Program ..The program managed by PIHPs under contract with MDHHS to provide Substance Use Services Block Grant program services under CFDA 93.959.

SUD Services.....Substance Use Disorder Services funded by Medicaid, Healthy Michigan, and the "Community Grant" which consists of Federal SAPT Block Grant funds and State funds.