

BEHAVIORAL HEALTH PROGRAM ADDITIONAL FISCAL REQUIREMENTS

**Purpose:** This procedure outlines the Northwest Educational Service District 189 (NWESD 189) compliance with [WAC 388-877-0300](#) and North Sound Mental Health Administration (NSMHA) Policy [#1019.00](#), [#3044.00](#), [#3045.00](#), [#3046.00](#), and [#5003.00](#).

**Eligibility Verification:** The NWESD 189 will conduct eligibility verification for all children, youth, and families seeking services from the NWESD 189 Behavioral Health Program to determine financial eligibility.

At the point of referral, the Clinical Supervisor or designee will determine whether the child, youth, or family has private insurance, is eligible for Medicaid, or has a state coupon.

For those with Medicaid or state coupon- If a child or youth is eligible for Medicaid or has a state coupon, the Clinical Supervisor or designee will verify coupon status in Provider One. If Medicaid eligibility is verified, but the client does not have a mental health benefit, he/she is eligible for an intake to determine clinical eligibility.

For those with private insurance- If a child, youth, or family has private insurance, and the NWESD 189 has the ability to directly bill that insurance provider, the Clinical Supervisor or designee will coordinate with the insurance provider and/or the primary care provider to request authorization to provide services and to determine the limitations of those services.

If the child, youth, or family has private insurance and the NWESD 189 does not have the ability to directly bill that insurance provider, the Clinical Supervisor or designee will:

- 1) provide the family the option of paying for the service directly and then seeking reimbursement from their insurance provider; and/or,
- 2) provide the child, youth, or family a referral to a preferred provider within their insurance network.

In some cases the NWESD 189 may have access to additional funds through grants or contracts. Those funds may be used to provide behavioral health services to children, youth, and families with private insurance if such use is allowed under the terms of the grant or contract.

For those with neither private insurance, Medicaid, nor state coupons- If a child, youth, or family does not have the financial resources to pay, insurance or coupons, he/she will be asked for family income. If the family income is 200% or more of the Federal Poverty Level, the child or youth may be eligible for state funded services. The Clinical Supervisor or designee will work to coordinate with NSMHA to determine clinical eligibility. If the child, youth, or family is financially eligible, but not clinically eligible, he/she will be referred to other NWESD 189 or community programs.

If a child, youth, or family does not meet financial eligibility requirements he/she will be referred to other NWESD 189 or community programs.

**Use of Flexible Funds:** The NWESD 189 will utilize flexible funds when available to purchase goods and services to support the recovery and resiliency needs of children, youth, and families in compliance with specific contract requirements.

The NWESD will work with funding partners across the systems of care to promote the development of flexible funds for use in Department of Behavioral Health and Prevention Services programs.

Flexible funds are not designed to be a “fund of convenience” and will only be utilized when no other resources are available to the child, youth, or families. When used to pay for services, service shall not exceed three (3) months. The purposes of flexible funds are:

- 1) to divert hospitalizations, or out of home placement;
- 2) to create or maintain a least restrictive, safe living environment; or,
- 3) for immediate medication, housing, food, or other basic needs on a one-time basis with a plan for future funding.

Flexible fund use must be consistent with the child’s or youth’s current needs related to mental health or substance abuse recovery and resiliency as documented on the treatment plan. Attempted use of other resources must be clearly documented prior to the use of flexible funds. Flexible funds will not be used for legal fees. Flexible funds from non-Medicaid sources will not be used to provide Medicaid-eligible services and supports to children, youth, and families eligible for Medicaid.

Requests for the use of flexible funds will be made by the clinical staff using [Form 1301-BH1200F1, Flex Fund Request Form](#). The Clinical Supervisor is the flexible fund manager and will review and either approve or deny all requests under fifteen hundred dollars (\$1,500). Any Flex Fund request for reimbursement over fifteen hundred dollars (\$1,500) per incident requires prior approval of the Director of the Department of Behavioral Health and Prevention Services and the NWESD 189 Assistant Superintendent of Finance and Compliance.

All approved flexible fund requests will be copied to the Quality Manger for analysis.

**Limitations on Medicaid Enrollee’s Financial Obligations:** It is the procedure of the NWESD 189 that Medicaid enrollees shall not be held liable for the following:

- 1) services that are within the scope of those contracted between NWESD 189 and NSMHA, covered services, and for which the state does not pay NSMHA or its contractors;
- 2) covered services provided by NWESD 189 in the event of insolvency; and/or,

- 3) Covered services furnished under contract, referral or other arrangements, to the extent that payments are in excess of the amount that the enrollee would be obligated if NWESD 189 provided the service directly.

**Third Party Liability:** The NWESD 189 will comply with Washington State's Division of Behavioral Health and Recovery (DBHR), NSMHA, and other contract requirements regarding the need to identify, pursue and record third party liability in accordance with the use of Medicaid as the payer of last resort.

NWESD 189 will notify DBHR, NSMHA, and other appropriate contract contacts of the requirement to identify, pursue, and record third-party liability and will include this written notice in any subcontracts with other entities.

The Clinical Supervisor will determine whether third-party liability exists at the point of initiation of services and throughout the course of treatment to determine whether third-party liability status has changed.

The NWESD 189 will record all third-party collections.

**Program Termination:** The following procedures apply if the NWESD 189 either loses a program-specific certification or terminates any program actively providing behavioral health services, whether voluntary or not.

- 1) Provide notification of the closure at least thirty (30) days before the date of closure to each child, youth, and family being serviced by the program.
- 2) Assist affected children, youth, and families with relocation and transition to another program.
- 3) Provide information on how to access clinical records to which the child, youth, and/or family is entitled.

The following procedures apply if the NWESD 189 terminates a substance abuse program or component. The NWESD 189 will:

- 1) Keep all individual records at least six (6) years after the closure before destroying the records in a manner that preserves confidentiality.
- 2) Notify the Division of Behavioral Health and Recovery (DBHR) that the NWESD 189 will do one (1) of the following:
  - A. continue to retain and manage all individual clinical records, provide the method of contact, such as a telephone number and/or electronic address, and provide the mailing and street address where the records are stored, or

- B. arrange for the continued storage and management of all individual clinical records, including: i) a specific qualified service organization agreement, authorized by 42 C.F.R. Part B2, with a DBHR-licensed agency/entity, and ii) written DBR notification of the name of the licensed agency/entity storing and managing the records, the method of contact (such as a telephone number and/or electronic address), and mailing and street address where the records will be stored.
  
- C. When the NWESD 189, or an entity that stores records on its behalf, receives an authorized request for a record, the record will be provided to the requester within a reasonable period of time.

Presented to the Board: 01/28/15

Reference:

[WAC 388-877-0300](#)

Cross Reference:

[NSMHA Policy#1019.00](#)

[NSMHA Policy #3044.00](#)

[NSMHA Policy #3045.00](#)

[NSMHA Policy #3046.00](#)

[NSMHA Policy #5003.00](#)