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Owner: *Darlene Owens: Director, Substance Use Disorders, Initiatives*

Policy Area: *Substance Use Disorders*

References: [MDHHS / PIHP Boilerplate Section 19.1](#)

## SUD Ability To Pay

### POLICY

It is the policy of Detroit Wayne Mental Health Authority (DWMHA) that all DWMHA treatment providers monitor a client's ability to pay for treatment. Each provider must complete a client Determination of Eligibility Worksheet on each DWMHA client from all funding sources.

DWMHA shall assure that 12 month availability of services, for any subcontracted Substance Use Disorder (SUD) treatment or prevention service, each subcontractor maintains service availability throughout the fiscal year for persons who do not have the ability to pay.

### PURPOSE

DWMHA's SUD and Utilization Management (UM) Departments are required to manage SUD authorizations for services and its expenditures in light of known available resources in such a manner as to avoid the need for imposing arbitrary caps on authorizations or spending. "Arbitrary caps" are those that are not adjusted according to individualized determinations of the needs of clients. This requirement is consistent with Medical Necessity Criterion.

### APPLICATION

This policy applies to all SUD consumers and providers. SUD providers must check consumer's ability to pay no matter the funding source. This information must be kept in the provider's case record at all times.

### KEY WORDS

### STANDARDS

1. Financial information to determine ability to pay must be reviewed at least every six months, or at a change in an individual's financial status.
2. Third party insurance must be utilized to its full extent.
  - a. Once insurance benefits are exhausted, if medically necessary services are not fully covered by the third party insurance, or if the co-pay or deductible amount is greater than the person's ability to pay, Block Grant funds may be applied.
  - b. MDHHS - administered funds must be applied after exhausting all 1st and 3rd party payments.

3. No DWMHA client will be denied treatment services because of inability to pay or meet his/her co-pay. The SUD Department will review situations where a client reports an inability to pay his/her co-pay, and make determinations on a case-by-case basis. See DWMHA's Client Co-Pay Policy.
4. All treatment providers will use the attached **Determination of Eligibility Worksheet** and a copy will remain in the client's case record.
5. It is the provider's responsibility to notify the UM Dept. if there has been a significant change in the client's financial status.

## **QUALITY ASSURANCE/IMPROVEMENT**

The Authority shall review and monitor contractor adherence to this policy as one element in its network management program, and as one element of the QAPIP Goals and Objectives.

This contractual obligation will be monitored on annual site visits conducted by DWMHA staff or its designee.

The quality improvement programs of MCPNs, their subcontractors and direct contractors must include measures for both the monitoring of and the continuous improvement of the programs or processes described in this policy.

## **COMPLIANCE WITH ALL APPLICABLE LAWS**

Authority staff, MCPNs, contractors and subcontractors are bound by all applicable local, state and federal laws, rules, regulations and policies, all federal waiver requirements, state and county contractual requirements, policies, and administrative directives, as amended.

## **LEGAL AUTHORITY**

Michigan Department of Health and Human Services

Michigan Office of Recovery Oriented Systems of Care

## **RELATED POLICIES**

1. Client Co-Pay

## **RELATED DEPARTMENTS**

1. Compliance
2. Customer Service
3. Integrated Health Care
4. Legal
5. Managed Care Operations
6. Management & Budget
7. Quality Improvement
8. Recipient Rights

# CLINICAL POLICY

NO

# INTERNAL/EXTERNAL POLICY

EXTERNAL

## EXHIBIT(S)

1. DWMHA Determination of Eligibility Worksheet

### Attachments:

[SUD Ability To Pay Policy exhibit.pdf](#)

### Approval Signatures

Approver	Date
Jeff Delay: Chief Operating Officer [AS]	03/2016
Allison Smith: Project Manager, PMP	03/2016
Darlene Owens: Director, Substance Use Disorders, Initiatives	03/2016
Darlene Owens: Director, Substance Use Disorders, Initiatives	03/2016
Carmen Mcintyre: Chief Medical Officer	03/2016

DETROIT WAYNE MENTAL HEALTH AUTHORITY (DWMHA)  
DETERMINATION OF ELIGIBILITY WORKSHEET

Program Name: \_\_\_\_\_

1. INCOME

(Use Annual Income figures, rounded to the nearest whole dollar)

Client's Earned Income: 1. \$ \_\_\_\_\_

Add (where applicable):

Spouse (cohabitant) Income: 2. \$ \_\_\_\_\_

(If minor living with parents)

Father/Guardian Income: 3. \$ \_\_\_\_\_

Mother/ Guardian Income: 4. \$ \_\_\_\_\_

TOTAL EARNED INCOME: 5. \$ \_\_\_\_\_

(Add lines 1 thru 4)

ADD: Additions to Income:

(i.e., SSI, SSDI, Unemployment,  
Workers Compensation, Child Support)

Specify: 6a. \$ \_\_\_\_\_

6b. \$ \_\_\_\_\_

SUBTOTAL:

(Add lines 5 thru 6b) 7. \$ \_\_\_\_\_

DEDUCT: Child Support paid for  
(Children not claimed as dependents)  
On Income Tax Forms

8. \$ \_\_\_\_\_

Adjusted Annual Income: 9. \$ \_\_\_\_\_

(Line 7 minus line 8)

2. DEPENDENTS:

Number of children living in the home: 10. \_\_\_\_\_  
(Include client if minor)

(Number of children not living in the home)  
but claimed as dependents on Income  
Tax Forms:

11. \_\_\_\_\_

TOTAL DEPENDENTS: 12. \_\_\_\_\_

(Add Lines 10 & 11)





