CHAPTER: **2**	SECTION: 23	SUBJECT: Ability to Pay
TITLE: **Ability To Pay Policy**		
EFFECTIVE DATE: **DATE** 04/02/2019	REVISED DATE: 5/20/20; 4/12/2021, 10/20/22, 11/14/23	
ISSUED AND APPROVED BY:  EXECUTIVE DIRECTOR		

I. **PURPOSE:** To establish policy and procedures for charging consumers and outside entities for services for those who are not receiving ongoing non Medicaid services provided by Community Mental Health of Ottawa County (CMHOC).

To describe the policies and procedures for the assessing of fees for residential and non-residential services provided directly, or contracted by, CMHOC in compliance with the Department of Health and Human Services, Office of legal Compliance, General Rules, as filed with the Secretary of State on March 31, 1997.

II. **APPLICATION:** All CMH programs operated by CMHOC and to all individuals and spouses of individuals receiving ongoing services.

III. **REQUIRED BY:** Michigan Mental Health Code (Act 258 of the Public Acts of 1974 as amended).

IV. **DEFINITION:** These are included in the General Rules "Attachment A", Part 8. Financial Liability for Mental Health Services, R 330.8005, Definitions.

V. **POLICY:** It is the policy of CMHOC to provide a uniform charge for services to all payors. The charges will be based upon analysis of the cost to provide services. Charges will be updated periodically to reflect changes in cost. It is the policy to have persons receiving services participate fairly in the payment of services.

VI. **PROCEDURES:**

1. Insurance Coverage and Ability to Pay will be completed upon entry into services and will be updated annually for those consumers receiving ongoing services if found eligible.
    - Persons served shall be fully informed, at the start of service, of the cost of services and how they are financed. It is assumed that everyone has full ATP and if not, they have a responsibility to show their inability to pay the full cost. Medicaid, MIChild and Healthy Michigan Plan are exceptions to this rule. By virtue of their Medicaid, MIChild or Healthy Michigan Plan coverage, these individuals have a "zero" ATP. A consumer will not be denied services because of an inability of responsible parties to pay for services.
2. A consumer will not be denied services because of inability of responsible parties that are in charge of services.
3. When ability to pay is calculated, consumers will be expected to provide proof of income. Consumers will be set as full fee until proof of income is received.
4. Once the ability to pay amount is verified and set, all cost above that monthly amount will be waived for a period up to one year. After one year, updated family/individual income verification must be obtained and a new ability to pay amount set.
5. It is the consumer's responsibility to notify CMHOC if there is a change in income status.

6. If the consumer feels the initial ability to pay determination is unreasonable, the consumer may complete a re-determination form. Copies of recent bills, receipts, etc., must accompany this form in order to determine if a reduction in fees is allowed. This form is submitted to the Accountant II/ Billing Reimbursement Specialist.

VII. SUPPORTING DOCUMENTS:

Refer to:

- Mental Health Code – Extended form
- Re-determination form
- Ability to Pay income range
- Sliding Scale