

## Washtenaw County Community Mental Health

### **ABILITY TO PAY (policy)**

#### **PURPOSE:**

To establish an ability-to-pay policy for WCCMH that addresses initial assessment and annual reassessment.

#### **POLICY:**

To adhere to the all relevant laws, regulations and requirements of the Michigan Mental Health Code while maximizing first party collections in a fair and consistent manner. No eligible person shall be denied services due to an inability to pay.

#### **STANDARDS:**

- WCCMH establishes fees and seeks reimbursement for all services.
- The ability to pay determination will take place prior to starting services. In the case of emergencies, WCCMH shall begin the process as soon as it is clinically appropriate.
- A responsible party who refuses to participate in the ability to pay process (i.e. furnish the required information) shall be billed the full customary charges for services.
- A responsible party shall only have one determination in place at any given time.
- All Medicaid eligible individuals shall be assigned a zero ability to pay, unless otherwise provided for in the Medicaid Provider Manual.
- A parent shall not be determined to have an ability to pay for more than one minor at a time. The total liability for two or more minors shall not exceed a combined total of 18 years.
- Insurance benefits that cover all, or a portion of, a provided service are considered part of the ability to pay. Insurance benefits are considered primary to any WCCMH coverage.
- If an individual is married, ability to pay is determined jointly for the individual and the spouse.
- All individuals shall be notified of their right to appeal a determination.
- Ability to pay will be reassessed annually or upon significant changes in financial situation.

- A full financial is required for:
  - Residential stays
  - Inpatient stays of more than sixty-one (61) days
  - When a consumer requests one
  - Appeals

## **DEFINITIONS**

Ability to Pay: A determination of an individual's obligation to pay for all or a portion of the fees associated with services. Such determinations are made in accordance with the Michigan Mental Health Code, Act 258 of 1974, Chapter 8.

Customary Charges: The amount to charge for services as determined by WCCMH.

Full Financial: An in-depth evaluation of income, expense, asset, and liability records of an individual that is used to determine a more precise ability to pay amount.

Responsible Party: Any person who is financially liable for services provided to a consumer. This may include the individual themselves, a spouse, a parent or guardian.

## **REFERENCES**

- Michigan Mental Health Code, Act 258 of 1974, Chapter 8
- Medicaid Provider Manual