

NORTHCARE NETWORK

POLICY TITLE: Service Unit & Consumer Centered Cost Analysis & Rate Setting		CATEGORY: Financial Management	
EFFECTIVE DATE: 6/25/13		BOARD APPROVAL DATE: 6/25/13	
REVIEW DATE: 3/6/24		REVISION(S) TO POLICY STATEMENT: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	OTHER REVISION(S): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
RESPONSIBLE PARTY: Chief Financial Officer		CEO APPROVAL DATE: 4/9/24 Megan Rooney, CEO	

APPLIES TO

NorthCare Network Personnel
Network Providers

POLICY

All service and support activity provided to or on behalf of Medicaid beneficiaries must be reported on the Encounter Quality Initiative (EQI) as stipulated by MDHHS. Cost analysis and rate setting is conducted in a manner consistent with MDHHS established criteria.

PURPOSE

To ensure compliance with budgeting and rate setting criteria required by applicable federal and state law, regulations and contract mandates.

DEFINITIONS

N/A

REFERENCES

- MDHHS/PIHP Contract, as amended
- Operating Agreements with Member CMHSPs
- Bylaws for the NorthCare Network Regional Mental Health Entity, as amended

HISTORY

REVISION DATE: N/A, 4/1/16, 11/5/18, 9/17/20, 8/24/21, 3/6/24

REVIEW DATE: 6/14/13, 6/14/14, 5/28/15, 4/1/16, 1/30/17, 12/4/17, 11/5/18, 9/17/20, 8/24/21, 10/25/22, 3/6/24

CEO APPROVAL DATE: 6/14/13, 6/14/14, 6/5/15, 4/4/16, 2/7/17, 12/11/17, 11/6/18, 10/6/20, 9/7/21, 11/1/22, 4/9/24

BOARD APPROVAL DATE: 6/25/13

PROCEDURES

NorthCare Network shall establish procedures and protocols consistent with MDHHS funding guidelines in the setting of a fee for service schedule and cost analysis of same. The CFO shall utilize documentation provided by MDHHS as a tool to set rates for specialty services provided to the region's beneficiaries based upon sound documentation and according to Generally Accepted Accounting Principles (GAAP).

NorthCare Network shall maintain documentation regarding how each of the unit rates used in its agreements was established. The process of establishing and adopting rates must be consistent with criteria in OMB Uniform Guidance 2 CFR Part 200, whichever is applicable, and with the requirements of individual fund sources.

NorthCare Network shall review contractor provider indirect cost documentation in accordance with OMB Uniform Guidance 2 CFR Part 200, as applicable.

The CFO shall routinely monitor cost analysis data to assure service provisions meets quality standards within the established rate parameters.

The CFO shall also monitor cost analysis reports to detect instances of fraud, waste and abuse and maintain appropriate financial risk protection.