



POLICY AND PROCEDURE MANUAL

SUBJECT Denial of Payment	ACCOUNTABILITY NMRE	Effective Date: 10/21/2021	Pages: 2
REQUIRED BY: 42 CFR 438.404(c)(2)	BBA Section: PIHP Contract Section: 6.3.2 Information Requirements Other:	Last Review Date:	Past Review Date:
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/>	Review Cycle: Annual Author: Customer Services Specialist	Responsible Department: Access	Reviewers: Customer Services

Definitions

Code of Federal Regulations (CFR): The codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the Federal Government. It is divided into 50 titles that represent broad areas subject to Federal regulation

Community Mental Health Services Program (CMHSP): For the purposes of this document, a CMHSP member is one or more of the following: AuSable Valley Community Mental Health Authority, Centra Wellness Network, North Country Community Mental Health, Northeast Michigan Community Mental Health Authority, and Northern Lakes Community Mental Health Authority.

Consumer/Customer: Refers to individuals who are eligible to receive specialty mental health and substance use disorder services, as well as those currently receiving such services and their families/guardians. For the purpose of NMRE policy, these terms are used interchangeably.

MDHHS: Michigan Department of Health and Human Services

Network Provider: Any provider that receives Medicaid funding directly or indirectly to order, refer, or render covered services as a result of the state's contract with the NMRE, its member CMHSPs, and the Substance Use Disorder provider panel.

Prepaid Inpatient Health Plan (PIHP): One of ten organizations in Michigan responsible for managing Medicaid services related to behavioral health, development disabilities, and substance use.

SUD Provider Network: Refers to a Substance Use Disorder Provider that is directly under contract with the NMRE to provide services and/or supports.

Purpose

The purpose of this policy is to ensure that providers of Substance Use Disorder (SUD) services and behavioral health services funded in whole or in part by the Northern Michigan Regional Entity receive timely and accurate notification in the event that a request for payment for an authorized service is denied.

Policy

- 1) The NMRE will notify the requesting provider and the consumer in the form of a written notice (Adverse Benefit Determination) when the payment of a claim is denied.
- 2) The NMRE will monitor CMHSPs to ensure timely written notification (Adverse Benefit Determination) is sent to the consumer when a claim is denied.

Approval Signature



NMRE Chief Executive Officer

10/21/21

Date

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Procedure

A. For Substance Use Disorder (SUD) Services Providers:

1. When a decision is made by the NMRE's Billing and Claims Department to deny a claim, this decision is sent to the Access Department.
2. The NMRE's Access Department will notify the requesting provider orally within 24 hours when a claim is denied.
3. The Access Department or a designee will generate and send an Adverse Benefit Determination letter to both the provider and the consumer within 2 days of receiving a request for payment.
4. Notification will be made utilizing the state-mandating Adverse Benefit Determination Notice.

B. For Community Mental Health Services Programs (CMHSP):

1. The Member CMHSPs are responsible for generating an Adverse Benefit Determination for denial of payment of a mental health service to a Medicaid beneficiary.
2. CMHSPs will have written policies/procedures outlining their processes for providing notification to consumers.
3. Notification will be made utilizing the state-mandated Adverse Benefit Determination Notice.
4. The NMRE will monitor to ensure the CMHSPs' compliance with notification standards during the annual site review process.

Approval Signature



NMRE Chief Executive Officer

10/21/21

Date