

**NORTHERN MICHIGAN REGIONAL ENTITY
ADMINISTRATIVE MANUAL**

POLICY NAME: **ADVANCE PAYMENTS POLICY**
CHAPTER: **EIGHT - FINANCE**
POLICY #: **08-01-011**
EFFECTIVE DATE: **September 28, 2016**

PURPOSE

The purpose of this policy is to allow for cash advances to be distributed from the Northern Michigan Regional Entity to a member Community Mental Health Services Provider, as appropriate, in the event a CMHSP is experiencing a cash shortage.

APPLICATION

All Community Mental Health Services Programs in Northern Michigan Regional Entity.

POLICY

It is the policy of the Northern Michigan Regional Entity (NMRE) that Medicaid and Healthy Michigan funds be used to meet the contractual obligation of providing appropriate services to the Medicaid and Healthy Michigan enrollees for whom the NMRE is responsible. Further, it is the policy of the NMRE that a payment plan addressing monthly payments to the Community Mental Health Services Programs (CMHSP) be approved each fiscal year.

In support of meeting its contractual obligation to fund appropriate services to enrollees, it is the policy of the NMRE that when a CMHSP experiences increased or unexpected changes in demand, resulting in a cash flow issue, the NMRE will provide an appropriate advance payment necessary for the CMHSP to continue providing needed services. Such an advance will be requested, approved, and made in accordance with the NMRE Procedure for Advance Payments.

REFERENCE

REVISED:

REVIEWED:

APPROVED: September 28, 2016

Signed copy is on file with NMRE

Dave Schneider
Chief Executive Officer
Northern Michigan Regional Entity

Date

Signed copy is on file with NMRE

Dennis Priess
Northern Michigan Regional Entity Board Chair

Date