

Office of Mental Health and Substance Abuse Services
Bureau of Policy and Program Development

HealthChoices Behavioral Health

Policy Clarification

Issue Clarification #: 03-11
Date of Receipt: 11/18/2011

Applicability: All Zones
Source Documentation:

Submitted by: OMHSAS
County Authority: All

Topic Area: *Alternative Payment Arrangements (APA)*

Questions:

- What is the procedure for making changes (financial or programmatic) to existing approved Alternative Payment Arrangements (APA)?
- What is the procedure for adding/deleting counties to/from an existing APA?
- Do Counties/Primary Contractors need approval from the Supplemental Services Review Committee (SSRC) to change payment rates or to make programmatic changes to approved APAs?
- Why must the APA Annual Report show cost neutrality or cost effectiveness?

Background:

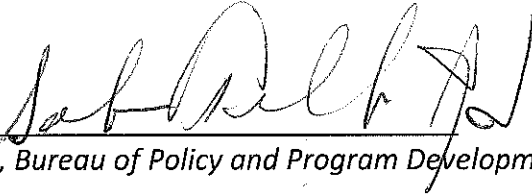
It has come to the attention of OMHSAS that Counties/Primary Contractors have changed payment rates; made program changes; and/or added/deleted counties to/from existing approved APAs during a contract period without notifying OMHSAS.

In addition, some of the Annual Reports do not document cost neutrality or cost effectiveness.

OMHSAS Answer/Response:

Counties/Primary Contractors must seek approval from OMHSAS via the Field Office and Division of Medicaid and Financial Review in order to change an approved APA's rate or rate methodology; program or program components; or to expand an approved APA program to other counties or areas. Requests must be sent to the appropriate field office which will then be forwarded to the pertinent SSRC staff for review and approval. The Primary Contractor and/or its BH-MCO must have an approval letter on hand for purposes of meeting the HealthChoices Behavioral Health Annual Contract Audit.

Counties/Primary Contractors must accurately document their proof of cost neutrality or cost effectiveness in the Annual APA Report. If this section of the Report is not complete and accurate, there is the possibility that some or all of the costs of the APA will be excluded from the capitation rates going forward.



Director, Bureau of Policy and Program Development

Date:

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