

CHAPTER Fiscal Management	CHAPTER 06	SECTION 002	SUBJECT 55
SECTION Accounting		DESCRIPTION Invoice Payment Processing for Contract Providers	
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APPLICATION:

<input checked="" type="checkbox"/> CMH Staff	<input type="checkbox"/> Board Members	<input checked="" type="checkbox"/> Provider Network	<input checked="" type="checkbox"/> Employment Services Providers
<input type="checkbox"/> Employment Services Provider Agencies	<input checked="" type="checkbox"/> Independent Contractors	<input checked="" type="checkbox"/> Students	<input checked="" type="checkbox"/> Interns
<input type="checkbox"/> Volunteers	<input type="checkbox"/> Persons Served		

POLICY:

Lapeer County Community Mental Health (LCCMH) processes invoices received from, and payments made to, residential and individual contract providers. This policy shall apply to all LCCMH billable contract services.

STANDARDS:

- A. A claim must be considered a clean claim prior to submitting for payment.
- B. Services billed are authorized in the Individual Plan of Service and entered into the Electronic Medical Record (EMR).
- C. All contracts for mental health services set specific requirements for the timely submission of required documentation and billing of services.
- D. Each claim line must match clinical documentation with the following criteria included:
 - 1. Person served name receiving services and case number

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2. Name and code of the service billed and verification the service was a face-to-face contact
3. Date of service
4. Start and stop times for services are time specific
5. Name and signature (electronic or written, depending on the record) of the individual providing the service
6. Credentials of the individual providing the service which meet the requirements for the service as required by Michigan Department of Health and Human Services (MDHHS)
7. All elements of the documentation must be legible

PROCEDURES:

- A. Contract providers enter claim data directly into the EMR. Multiple services can be entered creating a batch of claims for each submission per provider.
- B. LCCMH Claims staff responsible for monitoring the contracted service reviews each claim batch for validity, accuracy, and completeness. Claims staff also match claims data to documentation submitted by the provider. Account mapping and funding source is reviewed in an adjudication report.
- C. If errors are found, claim batch is returned to contract provider. If claim batch is found to be clean claims, batches are sent through for approval. Once claims are approved, accounts payable invoices are printed and submitted to Accounts Payable staff to be processed, reviewed, and paid. See LCCMH Policy 06.002.50 Accounts Payable Processing

DEFINITIONS:

Account Mapping: The process of assigning specific general ledger numbers to the claims or invoices to ensure proper allocation and processing through the accounts payable system. This ensures accurate financial tracking and reporting.

Adjudication: Claim adjudication is the process of reviewing and settling a claim, such as a medical or insurance claim. The goal is to determine if the claim is valid, accurate, and eligible for payment.

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Clean Claim: A claim for mental health services is completed in the format specified by the contract and can be processed without obtaining additional information from the provider of service or a third party. It does not include a claim from a provider who is under investigation for fraud or abuse, or a claim under review for medical necessity.

REFERENCES:

Policy 06 002 50 Accounts Payable Processing

EM:lr

This Policy supersedes #07/11026
#02/08008 dated 2/26/2008
