



May 16, 2007

To MH/DD/SA Providers,

Wake County Local Managing Entity (LME) has developed a Consumer Co-Pay Schedule for **non-Medicaid services** authorized and subsidized by Wake County, to be effective July 1, 2007. It was distributed on March 9, 2007 for final comment. You will find the final version attached. Based on the feedback we have received regarding the Co-Pay Schedule from consumers and providers, we have drafted a couple changes to make the implementation more feasible.

1. We made the co-pay schedule simpler to understand and to implement.
 - a. All the Intensive Services are combined into one category.
 - b. Nobody under 200% of poverty or who is Medicaid eligible has a fee for non-Medicaid services -- to reduce barriers to service for people with very low incomes.
 - c. Only Behavioral Health Outpatient has a fee for the Co-Pay Group B (the 200-400% of poverty group).
2. We are working on developing a method to reimburse providers for "Benefit and Support Coordination", which would include assisting the consumer with: applications for Medicaid, obtaining housing subsidies, food assistance, etc., including the Application for Reduced Fee. A small group of LME and Providers are developing the expectations, hours and timeframe needed for reimbursement. It would either be authorized as Community Support, or, if the provider is not endorsed for Community Support, it could be billed as Case Support (and paid for with other non-Medicaid money).

As you prepare to implement the Co-Pay schedule, keep in mind that it accomplishes two things: 1) it establishes a uniform co-pay schedule across the Wake County network, and 2) it assures that, amongst people for whom MHDDSA services are medically necessary, those with lower incomes have more access to limited public resources than those with higher incomes. Please start sharing this Co-Pay Schedule with consumers.

Please remember the following:

- The Co-Pay schedule is effective July 1, 2007.
- The Application for Reduced Fee continues to be required with authorization requests, if it has not previously been submitted and verified.
- Effective July 1, 2007, all consumers with incomes over 400% of poverty will be denied authorization for non-Medicaid services, unless a Clinical or Financial Hardship exception request is granted.
- You can see your consumers' Percent of Poverty on the Financial Caseload that is posted on a secure website for your agency each month. David

- Cowan sends an email to your Executive Director (or specified designee) each month when the caseload is posted.
- Consumers may apply for Financial Hardship when their out-of-pocket cost has reached 5% of their gross income for the calendar year.
 - We are planning to reimburse providers the contract rate less the co-pay amount for non-Medicaid services beginning with July 1 dates of service.
 - Providers need to prepare administratively to charge and collect consumer fees for services (co-pays and full fee amounts).
 - Providers who lack administrative capacity may want to consider working together to create an administrative service organization to perform these functions.
 - Providers may want to develop a payment schedule for consumers who are subject to high fees, in order to spread these fees over a period of time manageable to the consumer.

We will be sending out letters to consumers informing them of their co-pay status, prior to the end of May. There will be two letters, one for consumers who have had their Application verified, informing them of their Co-Pay Group, and a second letter for consumers who have not completed their Application for Reduced Fee. Please see the attached templates. When the client-specific letters are generated, you will receive a copy for your information and the consumer's medical record. Letters will not be going to consumers who are Medicaid eligible, even if they are getting non-Medicaid services, as they will not be charged for services, and letters would likely be more confusing than helpful.

If you have consumers who should not receive the letter, either because they are clinically unstable, or cannot read English, please send me an email with those names and their medical record number. It would probably be best for your staff to discuss the co-pay schedule with these individuals. For the consumers you specify, we will send the letters to you, instead of directly to the client. We also anticipate that we may have bad addresses on a large number of consumers. If we get the letters back by return mail, we may be contacting you to determine how best to reach the client.

If you have cases that need to be discharged in our computer system to avoid the consumer getting unnecessary letters, please complete and submit the new, shorter Contract Agency Discharge Data form. It can be found with the rest of our forms on Smartworks.com, and a copy has been attached for your convenience. Your Financial Caseload lists all consumers who are open to your agency in our computer system.

Again, we appreciate your help in ensuring that our limited public funding for MH/DD/SA services is targeted to persons who most need assistance.

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