

County of Financial Responsibility (COFR) Dispute Resolution Committee - Case 2011-2

Committee:	Doug Ward	Community Mental Health for Central Michigan
	Cindy Lowe	Kalamazoo Community Mental Health
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The Committee met in Lansing on August 24, 2011 concerning a dispute between two county CMHSP's. CMHSP representatives from the two counties participated to explain the case and the rationale for each CMHSP's position.

Issue: An individual lived in County A, first with his parents and then in a specialized residential home. His services were provided by County A CMH under a HAB Waiver. Later his sister became his guardian and, because of the distance involved, requested a move to County B. An appropriate foster home placement was secured and, in November 2008, his services were transferred to County B. Under a COFR agreement, the costs were paid for by County A.

Beginning January 2011, County A declined to continue to pay for these services. County A asserted that the individual, as a Medicaid client, has the right to move wherever he (or his guardian) chooses. Requiring County A to pay for these services is inconsistent with that right. The services that the individual needed were available in County A; the only reason for the move was consumer choice. If County A were to decide to only pay for the services provided in County A, it would effectively block the consumer's choice. In support of this position, County A referenced two letters from the Department of Community Health. The COFR should be County B.

County B maintained that the individual was living dependently in County A and then transferred to a dependent setting in County B. Under the guidelines of the COFR amendment, "When a consumer, who is living dependently, chooses to relocate from County A to County B into a dependent living situation, the COFR shall remain the county in which he/she last lived independently..." if there is an existing COFR agreement. The COFR should be County A.

Resolution: County A offered and County B agreed to accept the transfer of the individual's costs along with the permanent transfer of the HAB Waiver slot from County A, both effective January 1, 2011. In addition, the Department was tasked with determining how the related encounter data could also be reassigned to County B for purposes of future actuarial Medicaid rebasing.

Contract: This Committee and MACMHB's Contract and Financial Issues Committee have maintained that the COFR amendment should be applied to both General Fund and Medicaid consumers based on a principle of fairness, even though the amendment is attached only to the General Fund contract. The amendment addresses this indirectly in its principles, saying "...the receipt of a PEPM payment should not be considered in determining the COFR..."

This issue, however, continues to be a source of confusion, given contradictory guidance based on Federal Medicaid guidelines. Additionally, there is some question whether a county should be permanently responsible for a consumer's costs when the move was solely the consumer's choice, even under the General Fund. The COFR Committee should address these issues.