

NCCMH RESPONSE TO COVID-19

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PROVIDER COMMUNICATION

NORTH COUNTRY COMMUNITY MENTAL HEALTH AUTHORITY
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NCCMH RESPONSE TO COVID-19: PROVIDER FINANCING OPTIONS CLARIFIED



July 6, 2020

TO: Executive Directors of Prepaid Inpatient Health Plans and
Community Mental Health Services Programs

FROM: Jeffrey L. Wierlich, M.A., LLP *JW*
Director
Bureau of Community Based Services

SUBJECT: Financing Resources

Over the past several weeks, the federal stimulus bill, the federal Department of Health and Human Services (HHS), and the Center for Medicare and Medicaid Services (CMS) announced a number of financing resources designed to ensure the fiscal strength of the nation's Medicaid providers and small businesses. These resources, which have been shared by the Behavioral Health and Developmental Disabilities Administration (BHDDA) and others, will be key to the fiscal stability of the providers within Michigan's public behavioral health system. The major financing resources cited in these announcements are:

- Medicaid dollars that are managed by the Prepaid Inpatient Health Plans (PIHP), as part of their required system stabilization plans
- Federal funding available via the Provider Relief Fund
<https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/providers/index.html>
- Loan dollars available through the Paycheck Protection Program
<https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/providers/index.html>

Since the announcement of these resources, providers and payers within Michigan's public behavioral health system have sought clarity, from BHDDA, around how these funds relate. Below is guidance that may be helpful to these organizations as they make use of these resources.

A provider can receive funding through all three of these funding sources. However, the Medicaid dollars that a provider receives, as part of the PIHP stabilization program of their payer and any federal dollars received by the provider via the Provider Relief Fund cannot pay for the same expenditure. Doing so would be, in the vernacular, double dipping.

The providers can use dollars from these two sources to supplement each other, thus covering the full cost of their operations, within the requirements and limits of each program. Given the time and other financial limitations of both of these programs, uncovered costs, from the use

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NCCMH would like to share this document from DHHS which clarifies BHDDA finance resources for contracted providers impacted by COVID-19. This document describes how the following programs may work together and provides links on:

PIHP Medicaid Funding Provider Relief Fund Paycheck Protection Program

Please click on letter for more information and links.

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Administration
North Country Community Mental Health Authority

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