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**Interagency Agreement
between the Division of Mental Health
and the Office of Medicaid Policy and Planning**

A. Purpose

This Interagency Agreement is entered into by the Division of Mental Health (DMH) and the Office of Medicaid Policy and Planning (OMPP) to define the administrative responsibilities and fiscal accountability of the respective parties relative to Medicaid administrative activities performed by DMH-contracted Managed Care Providers under the Hoosier Assurance Plan. Parties to this agreement recognize that state and federal statutes and regulations place shared responsibility and authority for certain programs upon each party.

B. Program Responsibility

Parties to this agreement recognize the responsibilities imposed upon the OMPP as the Single State Medicaid Agency and the importance of ensuring that OMPP retains the authority to discharge its responsibilities. Additionally, the parties recognize that DMH has the responsibility and authority to provide, through contracts with certified managed care providers, a comprehensive community mental health system to the populations it serves. Consequently, the parties agree to cooperate and assist each other in carrying out their respective responsibilities.

C. Responsibilities of the Division of Mental Health

The Division of Mental Health (DMH) shall:

1. certify each of its Managed Care Providers, based on the entity's accreditation as either a network or behavioral health services provider, and ensure that each entity has the capability to perform the functions of a managed care provider, including provision or contracting for provision of services within the continuum of care pursuant to 440 IAC 4.3-1-1(8) and IC 12-7-2-40.6;
2. maintain contracts with Hoosier Assurance Plan Managed Care Providers, or a contract with an entity representing said Managed Care Providers, for purposes of claiming Medicaid administrative matching funds for allowable Medicaid administrative activities performed by the Managed Care Providers;
3. monitor the administrative activities of DMH-contracted Managed Care Providers and review, for accuracy and reasonableness, the providers' claims for Medicaid administrative matching funds prior to submitting the claims to the Office of Medicaid Policy and Planning; in support of such claims, DMH shall require Managed Care Providers to retain sufficient data to substantiate the providers' claims for Medicaid administrative matching funds and demonstrate that adequate quality assurance controls are in place;
4. provide to OMPP assistance with research, budget preparation, financial reporting and account reconciliation, as needed;

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5. cooperate and assist OMPP in conducting financial recoveries that may be necessitated by fraudulent or unallowable practices by DMH-contracted Managed Care Providers;
6. certify that state matching funds are available for reimbursement of Medicaid administrative activities performed by DMH-contracted Managed Care Providers;
7. review and approve the methodology for distributing federal matching funds among DMH-contracted providers;
8. repay upon written demand by OMPP all sums paid to DMH by OMPP, which are identified as the result of an audit exception or cost disallowance, pending resolution of any disputed amount.

D. Responsibilities of the Office of Medicaid Policy and Planning

The Office of Medicaid Policy and Planning (OMPP) shall:

1. seek review and comment from DMH prior to adopting any rules or policies that may affect services, programs or providers under the Hoosier Assurance Plan;
2. make recommendations to DMH regarding compliance with federal statutes and regulations;
3. review and submit to the Health Care Financing Administration (HCFA) Medicaid administrative claims for activities performed by DMH-contracted Managed Care Providers;
4. demand in writing repayment by DMH of all sums paid to DMH by OMPP, which are identified as the result of an audit exception or cost disallowance; OMPP shall offset such amounts against current or future allowable claims, demand cash repayment, or withhold payment of current claims in a like amount pending resolution of any disputed amount.

E. Mutual Responsibilities

1. DMH and OMPP shall provide each other with such information or reports that may be necessary to fulfill their respective responsibilities under this agreement;
2. DMH and OMPP shall comply with all applicable federal and state statutes, regulations, promulgated rules, standards, methods and procedures as designated by the Department of Health and Human Services and Title XIX of the Social Security Act;
3. DMH and OMPP shall cooperate in establishing a Cost Allocation Plan for purposes of claiming Medicaid administrative matching funds;
4. DMH and OMPP shall cooperate in seeking State Budget Agency review and approval of methods and procedures for certifying state matching funds, claiming federal administrative funds, and distributing funds received under this agreement.

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F. Communication

To assure that problems and issues arising under this agreement are resolved expeditiously, each party shall designate a representative to coordinate the execution of the functions and responsibilities encompassed by this agreement and who shall be the recipient of correspondence or communication relevant to issues, understandings or processes encompassed by this agreement.

In recognition of the critical role clear communication plays, the parties further agree that:

1. OMPP shall be responsible for formal communications with the federal government regarding the administrative claims, procedures and responsibilities referenced in this agreement;
2. OMPP and DMH shall involve the designated representative from each agency in all meetings relevant to the administrative claims, procedures and responsibilities referenced in this agreement;
3. Every effort shall be made by the parties' designated representatives to resolve any disputes relating to this agreement; disputes that cannot be so resolved shall be referred to the Director of the Division of Mental Health and the Assistant Secretary of the Office of Medicaid Policy and Planning. Failing resolution at that level, disputes shall be presented to the Secretary of the Family and Social Services Administration, and the Secretary's decision shall be final. All parties agree to seek the most rapid dispute resolution possible.

G. Successor Agency/Official

The successor agencies of the Division of Mental Health and Office of Policy and Planning, and all successor officials of said parties, are hereby bound to the terms and conditions set forth in this agreement.

H. Modification

This agreement may be modified at any time by written modification agreed upon by the parties to this agreement.

I. Termination

The term of this agreement shall begin on the first day of January, 1999, and will continue thereafter until termination by one of the undersigned parties upon thirty (30) days advance written notice to the others. This agreement may be terminated at any time by written authorization of all of the duly appointed representatives of the undersigned parties, or their successors.

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In witness whereof, the Office of Medicaid Policy and Planning, the Division of Mental Health, the Indiana Family and Social Services Administration, and the State Budget Agency have, by duly authorized representatives, entered into this agreement.

By: Janet S. Corson Date: 10/13/99
Janet Corson, Director
Division of Mental Health

By: Kathleen D. Gifford Date: 10/15/99
Kathleen D. Gifford, Assistant Secretary
Office of Medicaid Policy and Planning

By: Peter A. Sybinsky Date: 10/20/99
Peter A. Sybinsky, Ph.D., Secretary
Family and Social Services Administration

By: Peggy E. Sill Date: 12/13/99
Peggy Boehm, Director
State Budget Agency