



REGION 10 PIHP

SUBJECT Performance Based Incentive Fund Requests		CHAPTER 04	SECTION 01	SUBJECT 04
CHAPTER Fiscal Management		SECTION Budget		
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I. APPLICATION:

- PIHP Board
 CMH Providers
 SUD Providers
 PIHP Staff
 CMH Subcontractors

II. POLICY STATEMENT:

Region 10 receives Performance Based Incentive Payments (PBIP) from MDHHS that it earns by meeting certain performance goals as outlined in the contract with MDHHS.

These funds are not considered Federal or State funds once earned by Region 10 but in accordance with contract limitations must be used for the public behavioral health system.

It is Region 10's policy to allow the CMHSP partners in Region 10 to access these funds to enhance the public behavior health system while ensuring the use of funds adheres to all applicable regulatory and contractual limitations.

III. DEFINITIONS:

None

IV. STANDARDS:

- A. PIHP Administration must identify an appropriate portion of the PBIP funds earned each year to be set aside for use related to the SUD network and PIHP administrative needs.
- B. PIHP Administrative may accept requests for use of PBIP funds from the CMHSPs as part of the annual budget process or at any time during the year as a requested funding/budget amendment.
- C. PIHP Administration must identify and communicate to all CMHSPs the goals that Region 10 administration has identified for which PBIP funds may be used.

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- D. CMHSP requests for PBIP funds must be accomplished by a detailed budget and narrative explaining the valid public behavior health system purpose that aligns with the goals of Region 10.
- E. PBIP funds may not be used by CMHSPs for purposes where Federal, State, or local sources are available for the same purpose. PBIP funds may not be used directly or indirectly to increase CMHSP fund balance.
- F. The PIHP CFO shall review all PBIP requests and present them to the CEO with a recommendation to approve or deny along with rationale for the recommended.
- G. The PIHP Board must approve all PBIP requests that are being recommended for approval by the CEO.
- H. PBIP funds may be released to CMHSPs only after the CMHSP has incurred an expense in line with the approved budget and narrative and has presented the PIHP an invoice summarizing those expenses by budget category.
- I. PIHP Administration must ensure that procedures are in place to verify the use of funds comply with regulatory and contractual limitations and recoup funds found not to comply.

V. PROCEDURES:

- A. Annual, in advance of the budget process for the upcoming year, PIHP administration will communicate to all CMHSPs the funds available after the set aside and the goals for the coming year for which PBIP funds may be used.
 - i. CMHSPs interested in accessing PBIP funds for the upcoming year will submit a formal budget request, with narrative explaining how the use of funds align with the goals communicated by the PIHP
 - ii. The PIHP CFO will review the budget and narrative for alignment with the stated goals and work with the CMHSP to revise the requested as needed
 - iii. The PIHP CFO will present the budget request and narrative to the PIHP Board with a recommendation to approve or deny.
 - iv. The PIHP CFO will communicate denied requests to the CMHSP with a description of the reasons for why the denial.
 - v. The PIHP CFO will communicate approved requests to the CMHSP.

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- B. After the budget approval, PIHP will accept requests for any remaining available PBIP funds
 - i. PIHP Administration may add or change the goals for which PBIP funds may be used after discussion with and input from the CMHSPs. In the event that this would occur, these changes will be communicated to all CMHSPs simultaneously. These changes will not impact any requests previously granted but shall be used by the CFO in evaluating any future requests.
 - ii. The steps (i) through (v) outlined in #1 above shall be followed related to request received during the fiscal year.

- C. The PIHP will issue written agreements with the CMHSP that outlines the approved amount, the process for requesting reimbursement for eligible expenses, and any other terms or conditions s applicable based on the nature of the request.

VI. EXHIBITS:

None

VII. REFERENCES:

None