

Northeastern Behavioral Health Care Consortium, Inc.  
POLICIES & PROCEDURES - ADMINISTRATION



SECTION: FINANCIAL MANAGEMENT		POLICY #:	TBD
TITLE: Provider Rate Setting		Page 1 of 3	
ISSUED: 09/01/2008	REVISED: 09/09/09		
APPROVED (CAO):		DATE:	
APPROVED (CEO):		DATE:	

**POLICY STATEMENT:**

To ensure that NBHCC's Provider Rate Setting Policy and Procedure is thoroughly documented, available to all Service Providers, and complies with OMHSAS Rules and Regulations.

**OPERATING PROCEDURE:**

1. Requests for rate increases will be considered annually, for implementation July 1, based upon requests received by providers no later than March 1. Any requests received subsequent to March 1 will be held for consideration until the next annual rate consideration period.
2. Requests for rate increases will be directed to the Community Care Network Department and should include the following information:
  - a. For a request to increase to an MA-approved rate, the provider should submit its MA-rate letter and a copy of the documentation it submitted to MA in support of the rate request.
  - b. For a request other than an increase to an MA-approved rate, the provider should submit a detailed budget in support of the rate request in a form similar to that it would have provided to the MA program. Information should include, at the greatest level of detail possible:
    - i. Personnel Costs (Salaries, Benefits and Other)
    - ii. Occupancy Expenses (Rent, Utilities, Maintenance and Other)
    - iii. Other Operating Expenses, as appropriate
    - iv. Depreciation and Amortization (Buildings, Major Moveable Equipment)
    - v. Projected Units of Service for all payors
  - c. In addition to the aforementioned documentation, the provider should submit its most recent internal financial statement or cost center report for the specific product or service for which it is submitting the request.

ALL POLICIES, STANDARDS, DIRECTIVES, RULES OR REGULATIONS, CONTAINED IN THESE MATERIALS AND HOWEVER DENOMINATED, DEVELOPED, PUBLISHED OR PROMULGATED BY NBHCC ARE SUBJECT TO CHANGE, REVISION, MODIFICATION OR WITHDRAWAL BY NBHCC AT ANY TIME WITHOUT NOTICE AND SUBJECT ONLY TO ANY REQUIRED GOVERNMENTAL APPROVALS AS TO SUCH CHANGES OR MODIFICATIONS.

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3. The above information would be reviewed by the Community Care Network Department and the NBHCC Finance Department to determine the reasonableness and the validity of the request as well as its financial impact and develop an appropriate recommendation to NBHCC's Program Development/Network (PDN) Committee.
4. The Program Development/Network Committee will review the recommendation and make a determination of whether to recommend approval or denial of the request by the NBHCC Board of Directors. The NBHCC Board will act on the Committee's recommendation for approval or denial.
5. In order to further NBHCC's objectives of improving quality, access and the cost-effectiveness of services, special reimbursement arrangements may be developed. These include performance incentives and alternate payment arrangements and may apply on a case-by-case basis or network-wide. In such cases, the arrangement, whether developed internally or externally, shall be evaluated by the Community Care Network Department and the NBHCC Finance Department and an appropriate recommendation developed for consideration of the Program Development/Network Committee. The PDN Committee will review the recommendation and make a determination of whether to recommend approval or denial of the arrangement by the NBHCC Board of Directors. The NBHCC Board will act on the Committee's recommendation for approval or denial. If approved, and any OMHSAS approvals of the arrangement are required, NBHCC shall notify OMHSAS of its intent sixty (60) days prior to its intended implementation.
6. When circumstances warrant a network-wide rate increase or decrease for one or more services, the financial impact of such shall be evaluated by the Community Care Network Department and the NBHCC Finance Department and an appropriate recommendation developed for consideration of the PDN Committee. The PDN Committee will review the recommendation and make a determination of whether to recommend approval or denial of the action by the NBHCC Board of Directors. The NBHCC Board will act on the Committee's recommendation for approval or denial. Should a network-wide rate increase or decrease be approved by the NBHCC Board, NBHCC shall notify OMHSAS of its intent sixty (60) days prior to its intended implementation. Should the action involve a network-wide rate decrease for all providers or a specific provider type, NBHCC shall also meet with providers to discuss the proposed action and provide justification to OMHSAS that the action will not adversely affect compliance with choice and access requirements

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7. This Policy and Procedure, as well as that of Community Care, shall be made available to all NBHCC providers, initially through a mass mailing and on an ongoing basis. Any updates shall be posted on both Community Care's and NBHCC's websites so that they may be accessed at any time by all providers and any interested parties.