

POLICIES AND PROCEDURE MANUAL

Chapter:	Financial Management		
Title:	Performance Bonus Incentive Pool (PBIP) Payments		
Policy: <input type="checkbox"/> Procedure: <input checked="" type="checkbox"/> Page: 1 of 2	Review Cycle: Annually Author: Chief Financial Officer	Adopted Date: 04.2018 Review Date: 07.2019 Revision Eff. Date:	Related Policies: Finance: Finance Management

Purpose

The purpose of this procedure is to outline the distribution of Michigan Department of Health and Human Services (MDHHS) performance bonus incentive pool (PBIP) funds between Mid-State Health Network (MSHN) as the Prepaid Health Plan (PIHP) and its Community Mental Health Service Programs (CMHSP) Participants.

Procedure

In accordance with section 105d (18) of Public Act 107 of 2013, MDHHS shall implement a retroactive withhold of 0.75% of payments to PIHPs for the purpose of establishing a PBIP. Retention of funds from the PBIP is contingent on the PIHP’s completion of the required performance of compliance metrics, which shall include, at a minimum, partnering with other contracted health plans to reduce non-emergent emergency department utilization, increased participation in patient-centered medical homes, increased use of electronic health records and data sharing with other providers, and identification of enrollees who may be eligible for services through the Veterans Administration.

Distribution of funds from MDHHS from the PBIP will be contingent on the PIHP's completion of the required performance of compliance metrics as outlined for the current reporting period

MSHN Distribution Procedure

Upon the receipt of PBIP funds or authorization of earning of PBIP funds from MDHHS, MSHN will distribute the proportionate amounts to the CMHSPs based on the percent of capitation revenue in the funding sources used by MDHHS to calculate the PBIP. The PIHP will not retain any PBIP funds earned.

Narrative Summary

PIHPs will submit a narrative summary to MDHHS by the due date specified for the current reporting period in accordance with guidelines specified in the contract.

Accounting Treatment

Distributed funds shall be treated as restricted local funding in the fiscal year received which may be later than the fiscal year of the measurement period. Restricted local funding must be utilized for the benefit of the public behavioral health system.

Applies to:

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows:
- MSHN’s Affiliates: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

CMHSP: Community Mental Health Service Program
MDHHS: Michigan Department of Health and Human Services
MSHN: Mid-State Health Network

Other Related Materials:

N/A

References/Legal Authority:

Michigan Department of Health and Human Services Contract for Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program(s), the Healthy Michigan Program, and Substance Use Disorder Community Grant Programs FY17 Amendment #2; Section 8.4.2 Contract Withholds

Change Log:

Date of Change	Description of Change	Responsible Party
03.31.2018	New Procedure	Chief Financial Officer
03.31.2019	Procedure Update	Chief Financial Officer