

ORGANIZATIONAL PROCEDURE

PROCEDURE #2.0a		EFFECTIVE DATE	REVISED DATE
TITLE:	HABILITATION SUPPORTS WAIVER FINANCIAL MANAGEMENT	10/1/26	
<u>ATTACHMENT TO</u>		REVIEW DATES	
POLICY #:	2.0		
POLICY TITLE:	FINANCIAL MANAGEMENT		
CHAPTER:	FINANCIAL MANAGEMENT		

I. PURPOSE

To establish standard finance procedures to ensure the Habilitation Supports Waiver (HSW) program is administered in full financial compliance with applicable federal and State of Michigan requirements, including MDHHS waiver/contract requirements, and to support accurate tracking of HSW slots and associated funding.

Objectives:

- Ensure timely and accurate reconciliation of MDHHS HSW capitation/payment advice.
- Ensure discrepancies are identified, documented, escalated, and resolved in coordination with the LRE Waiver Coordinator and MDHHS.
- Maintain complete and current tracking of HSW slots, enrollment status, and payments for each fiscal year.

II. PROCEDURES

A. Monthly review and reconciliation of payment advice

1. The LRE Finance Team will reconcile MDHHS payment advice/remittance data to HSW enrollment/eligibility records and expected payments for HSW consumers.
2. The LRE Finance Team will document and investigate discrepancies (e.g., missing payments, incorrect consumer identifiers, duplicate payments, rate changes, retroactivity).
3. Discrepancies will be reported to the LRE HSW/Waiver Coordinator **no later than four (4) months following the eligibility month (or expected payment month)** to allow for retroactive adjustments while minimizing duplicative administrative work.
4. If the LRE Finance Team and the LRE Waiver Coordinator cannot validate the cause of a missed/incorrect payment internally, the LRE Waiver Coordinator will contact the assigned CMHSP to validate consumer/program information.
5. The LRE Finance Team will prepare the template for submission to the state. The LRE Waiver Coordinator will coordinate submission of the discrepancy information to MDHHS for resolution and will track the issue through closure in

coordination with the Finance team who will track the payment portion of the process.

B. Tracking HSW slots and payments

1. The LRE Finance Team, in coordination with the LRE Waiver Coordinator, will maintain a fiscal-year tracking log of HSW slot utilization, consumer status, and associated payments in a shared location accessible to authorized staff.
2. At a minimum, the tracking log will include consumer identifier, waiver status (active/inactive), payment months received, variance notes, and resolution status.
3. The LRE Finance Team and the LRE Waiver Coordinator will review the tracking log at least monthly and update it based on payment advice, enrollment changes, and MDHHS communications.

III. CHANGE LOG

Date of Change	Description of Change	Responsible Party
10/1/2026	NEW Procedure	Chief Financial Officer