

POLICY

CUMBERLAND COUNTY MENTAL HEALTH CENTER	Section No. 73 Page 1 of 2
Subject: LME Financial Policy Effective Date: Responsible Official: Administrative Services Director	Supersedes: New Dated:
Approved by the Area Board on _____. Recorded in Area Board Minutes, dated _____, paragraph _____, page ____.	

The Cumberland County Mental Health Center (CCMHC) in performing its responsibilities as a Local Management Entity (LME) under the Local Business Plan shall:

1. Generate and publish financial reports at state required frequency during the fiscal year, but no less than monthly, and present them to the board of directors quarterly.
2. Continue the existing reporting system on service funding and shall share applicable budget information of service and support dollars for eligible children with the community collaborative.
3. Process financial claims, including denials and disputed claims, on a monthly basis, and shall develop a procedure to provide for the effective processing of such claims.
4. Comply with and shall maintain adequate resources to assure the ability to comply with federal and state fiscal requirements.
5. Develop a contract monitoring process to ensure compliance with federal and state fiscal requirements. All contracts and provider network agreements shall contain language requiring compliance with applicable federal and state fiscal requirements.
6. Include language in all contracts and provider network agreements that requires each provider to identify and actively pursue all first and third party revenues in compliance with N.C.G.S. 122C-146.
7. Use all available funding to supplant mental health funds when appropriate and in compliance with N.C.G.S. 122C-146.

8. Conduct an independent audit annually, separate and distinct from other agencies, of the LME financial program in compliance with N.C.G.S. 159. As provided in N.C.G.S. 122C-116(a), CCMHC is considered a department of the county for purposes of compliance with N.C.G.S. 159, but funds are separate from other county funds, therefore the audit complies with N.C.G.S. 159.
9. Require that each contract provider that receives funds, except when funds are for purchase of service, to comply with financial reporting requirements contained in Section 2.1 of N.C.G.S. 143-6.1. Except for purchase of service, all contracts and provider network agreements shall contain language requiring annual audits in compliance with state requirements.
10. Use real property acquired with public funds to serve the target populations. Real property no longer used to serve the target populations will be disposed of per N.C.G.S. 122C-147(b)(2) if provided with Mental Health, Developmental Disabilities or Substance Abuse Services funding. As provided in N.C.G.S. 122C-147 (c), Cumberland County shall hold title to all real property. Property provided by the County shall revert to county use.

