



TUSCOLA BEHAVIORAL HEALTH SYSTEMS  
**Financial Administration Policies**

<b>Policy Section</b>	<b>Contracts</b>	<b>Policy Number</b>	<b>III-006-004</b>
<b>Subject</b>	<b>County of Financial Responsibility (COFR) Agreement</b>	<b>Issue Date</b>	<b>09/01/2009</b>
		<b>Revision Date</b>	<b>09/27/2022</b>
		<b>Approved By</b>	
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**POLICY**

It is the policy of Tuscola Behavioral Health Systems (TBHS) to develop County of Financial Responsibility, (COFR) Agreements for individualized cases in which individuals from Tuscola County with Medicaid are receiving services in other counties and/or individuals from other counties are seeking services from TBHS.

**PURPOSE**

The purpose of this policy is to define the process to develop a COFR agreement and to identify the minimum requirements to be included.

**APPLICATION**

This policy shall be applicable to staff of the Financial Services Division of TBHS .

**DEFINITIONS**

County of Financial Responsibility (COFR)-The Community Mental Health Services Program in which the individual last resided in an independent living situation who will pay the full costs of authorized services.

**PROCEDURES**

The following standards shall apply in COFR Agreements initiated by TBHS.

1. Contract requirements from Michigan Department of Health and Human Services (MDHHS) are assumed to be met by all participants in the Agreement.
2. A Provider Network Application will be required prior to payment or services being rendered. At a minimum, the application will be reviewed and updated bi-annually.
3. TBHS will initiate a COFR Agreement for individuals authorized by TBHS to receive services and for whom TBHS has been determined to be the COFR based on the most recent version of the COFR Technical Requirements for CMHSPs.
4. Agreements shall be specific for the individual being served and shall include at a minimum: type of service, amount, duration and cost.
5. All TBHS COFR Agreements shall clearly identify responsibility in the area of Recipient Rights.
6. All TBHS COFR Agreements shall contain language that the Agreement is conditional upon available funding.

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7. All TBHS COFR Agreements shall contain language that TBHS be the payer of last resort.
8. COFR Agreements do not require TBHS Board approval. A listing of all COFR Agreements is provided to the Contract Committee of the TBHS Board at their meetings in January and August.
9. All TBHS issued COFR Agreements will include a minimum 30-day notice of termination (without cause) clause.
10. All TBHS COFR Agreements will include Grievance and Appeals language.

The following standards shall apply in COFR Agreements initiated by another CMHSP.

1. Contract requirements from Michigan Department of Health and Human Services (MDHHS) are assumed to be met by all participants in the Agreement.
2. TBHS will receive a request for a COFR agreement from the PIHP/CMHSP. The request shall contain specific information regarding the individual to be served, in addition to information regarding the responsible CMHSP.
3. The TBHS Contract Manager shall review the request and shall confirm availability of services with the Chief Operating Officer (COO).
4. If TBHS is able to provide the requested service(s), the Contract Manager shall initiate contact with the appropriate party at the responsible CMHSP to establish a COFR Agreement.
5. Agreements shall be specific to the individual being served and shall include at a minimum: type of service, amount, duration and cost.
6. COFR Agreements do not require TBHS Board approval. A listing of all COFR Agreements is provided to the Contract Committee of the TBHS Board at their meetings in January and August.

## **RELATED FORMS & MATERIALS**

County of Financial Responsibility Agreement Template  
Tuscola Behavioral Health Systems COFR Agreement  
Provider Network Application

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**REFERENCES/LEGAL AUTHORITY**

MDHHS/CMHSP Managed Mental Health Supports and Services Contract  
Attachment C.1.3.1 –“County of Financial Responsibility Technical Requirement for CMHSP’s”

Revision Dates:

- 12/22/2009
- 07/29/2011
- 07/16/2012
- 10/07/2013
- 10/14/2014
- 06/23/2015
- 05/02/2016
- 09/08/2016
- 04/11/2018
- 03/19/2019
- 09/27/2022