

Lancaster County Drug & Alcohol Commission	<i>Fiscal # 2</i> <i>Policy: The LCDAC Liability Determination*</i> <i>*It is strongly recommended that the webinar PA-DDAP Client Liability Training (found on TRAIN PA) be viewed in conjunction with this policy</i>
<i>Most Current Revision: 03272023</i> <i>Effective Date: 07012020</i>	<i>Page: 1 of 5</i>

I. Purpose

The treatment service provider shall determine a liability for clients receiving SUD treatment services, funded in part or in whole by LCDAC funds.

**It is strongly recommended that the webinar PA-DDAP Client Liability Training (found on TRAIN PA) be viewed in conjunction with this policy*

II. Procedure

**It is strongly recommended that the webinar PA-DDAP Client Liability Training (found on TRAIN PA) be viewed in conjunction with this policy*

A. General Information

- 1. The client liability process and forms were developed by the Department of Drug and Alcohol Programs (DDAP) and LCDAC.**
- 2. Providers are bound to all the liability requirements as described in the most current DDAP Fiscal Manual; DDAP Website; and LCDAC Website.**

B. Determination

1. The liability shall be determined **before*** the client is admitted into and/or referred admission into applicable SUD treatment services; meaning that **after the completion of the level of care assessment** BUT **before*** the first treatment appointment; OR at the end of the withdrawal management service episode, the client will have a liability determination completed
 - *except for :
 - emergency referrals or placements in which the liability shall be determined within 15 days following admission.
2. No liability is needed for:
 - A level of care assessment episode;
 - withdrawal management; or
 - treatment services for clients under the age of 18 who are not court ordered to treatment
3. When determining the liability:
 - The monthly gross income to be considered shall be based on the last 30 days.
 - For those clients entering more intensive levels of care, whereby participation will impact earned income, the monthly gross income to be considered shall be based on the income once admitted, pro-rated to a 30-day period.
4. The liability shall be calculated based on the monthly gross income utilizing the most current version of the three Client Liability Tables distributed by DDAP.

- Tables are established for Inpatient Residential, Partial Hospitalization and Intensive Outpatient, and Outpatient Counseling Services.
 - These Liability Tables may be located on the LCDAC website, or a request can be made to the LCDAC Fiscal Department.
 - The Outpatient Liability Tables are used to determine the liability amounts for *ALL* medications prescribed for a SUD (a.k.a. MAT)
5. Lancaster County Drug and Alcohol Commission has established minimum co-pays for all levels of service for all individuals aged 18 and above.
 - These minimum liability amounts are:
 - 10% per session for outpatient, intensive outpatient, and partial;
 - \$2/day for inpatient services;
 - 10% per day for bundled methadone maintenance treatment services;
 - 10% of cost for Buprenorphine.
 6. If two family members are in treatment at the same time, a separate liability is assessed for each family member.
 7. To be considered valid, the liability must show the amount the client will be required to pay towards his or her treatment and the liability form must be signed and dated by the client. Completion of the liability form does not guarantee that the client will receive LCDAC funding.
 8. The liability for an SCA-funded client may not exceed the SCA established rate for the service provided.
 9. At the time the liability is determined or re-determined, a copy of the liability form shall be offered to the liable person/client.

B. Liable Person

1. If the client is 18 years of age or older, is not married and does not have a legal guardian of estate or a representative payee, the client is the liable person.
2. If the client is married and residing with their spouse and does not have a legal guardian of estate or a representative payee, the client and the client's spouse are the liable persons. If confidentiality issues preclude the spouse's information being obtained, then only the client is the liable person.
 - If the client is married and not residing with their spouse and does not have a legal guardian of estate or a representative payee, the client is the liable person.
3. If the client is under 18 years of age and court ordered for assessment and/or treatment under [Act 1997-53](#), both client's parents or legal guardian are the liable persons.
4. If the client is under 18 years of age, is not married, is an emancipated minor and does not have a legal guardian of estate or a representative payee, the client is the liable person.
5. If the client has a legal guardian of estate or a representative payee, the legal guardian of estate or the representative payee is the liable person.

C. Income to be Considered for Adult Clients

1. If the client is 18 years of age or older, is not married, or married and not residing with their spouse, the client's income alone shall be considered the total monthly gross income.
2. If the client is married and residing with their spouse, the client's income and the client's spouse's income shall be combined to determine the total monthly gross income. If confidentiality issues preclude the spouse's information being obtained, then only the client's income is considered.

3. If the client is under 18 years of age, is not married, and is an emancipated minor, the client's income alone shall be considered the total monthly gross income.

D. Income to be Considered for Minors Involuntarily Committed Under Act 53 of 1997

1. If the client is under 18 years of age, is not married, is not an emancipated minor, and has been court ordered for assessment and treatment under [Act 1997-53](#), both parents' income shall be combined to determine the total monthly gross income.
2. If the parents of an unmarried, non-emancipated client under 18 years of age are separated or divorced and have a legally binding financial agreement, the parents are individually financially responsible in accordance with the terms of that financial agreement.
3. If the parents of an unmarried, non-emancipated client under 18 years of age are separated or divorced and there is no legally binding financial agreement, a separate total monthly gross income shall be determined for each parent.

E. Types of Income

The following types of income shall be combined to determine the total monthly gross income. It may be necessary to prorate income received on an annual basis to a monthly amount.

1. Earned income including wages, salaries, fees, commissions, tips, bonuses, net business income and other earned income subject to Federal income taxation.
2. Interest income including, but not limited to, interest received from accounts with banks, savings and loan associations, money market funds, credit unions and bonds.
3. Dividends received from corporate stock holdings or cash dividends from life insurance policies.
4. Taxable benefits, including but not limited to unemployment compensation, Social Security payments and pensions. Benefits are counted as income only if the benefit is paid on behalf of the client. Food Stamps are not counted as income.
5. Alimony received, or spousal support received before divorce. Does not include child support.
6. Other taxable income to include all other income subject to Federal income taxation, e.g., rental income, lottery winnings, net capital gains, etc.

F. Verification

Providers **MUST ALWAYS** submit a liability that is signed by the client and a witness. This liability signed by the client and a witness serves as an affidavit. As an affidavit, the liability serves as a written statement attesting that the information provided is true and correct. The liability **MUST BE SIGNED** by the client and a witness to be binding. The required signatures of the client and witness is included on the liability form under "Agreement and Understanding."

In addition to the liability that is signed by the client and a witness, it is expected that the Provider shall do their due diligence to provide evidence of the income information recorded on the completed liability form. Evidence includes copies of such items as: income tax statements, pay stubs, written employer statements; etc.

Scanned copies of the liability signed by the client and a witness and the supporting documentation shall be emailed to DrugAlcohol@co.lancaster.pa.us ; attention Fiscal with copies kept on file *by the provider*.

In the event that the client is unable/incapable of providing the supporting income documentation, the Provider is to contact the Fiscal Officer. It is unethical for any Provider to discharge and/or keep clients from participating in services for failure to provide supporting documentation.

G. Failure to Provide Verification

If the liable person was unable/incapable of providing documentation to verify income listed on the liability *or* the Provider failed to have the client sign the liability on the signature line on the liability under “Agreement and Understanding AND the Provider failed to contact the Fiscal Officer to discuss the situation AND the liable person received services with the Provider, the Provider is responsible for the costs of services rendered.

If the liable person refuses to provide documentation to verify income listed on the liability or refuses to sign the liability on the signature line on the liability under “Agreement and Understanding AND the Provider has documented such, the Provider shall bill the liable person for the full cost of any services received.

H. Liability Effective Dates

- Client must apply for MA. Clients who are awaiting a determination of eligibility from MA will receive a LCDAC liability effective for a maximum of 60 days. If the client does not obtain an MA determination within the sixty (60) day limit, the provider can request an extension. These will be reviewed on a case-by-case basis. The client must have applied promptly and complied fully with the MA process to be considered for an extension.

To continue to be eligible for LCDAC funding after the initial 60-day liability has expired, a valid MA rejection form is required. MA rejections due to failure of a client to keep appointments, submit required documentation, or follow specified procedures do not qualify the client for Lancaster County Drug and Alcohol Commission funding. Only one (1) 60-day liability is allowed for a client.

Once a valid MA rejection letter is received, the initial 60-day liability can be extended to be effective for one year. Client liabilities that are effective for one year must be recalculated on an annual basis, using the date of the original liability as the anniversary date. The outpatient provider is responsible for monitoring the client liability and for working with the client to renew the liability one month prior to the anniversary date.

I. Re-determinations

1. The SCA or its designated provider shall inform the liable person in writing that any significant changes in monthly gross income and/or family size are to be reported by the liable person within 30 days of the change. Upon notification, a re-determination shall be completed based upon the income at that point in time, pro-rated to a 30-day period. Notification language is included on the liability form under “Agreement and Understanding.” The SCA or its designated provider will then determine a new liability.
2. The SCA or its designated provider shall complete a re-determination of the liability for a client at least once every 12 months.
3. The effective date of the re-determination shall be the first day of the following calendar month or as otherwise specified by the SCA.

J. Liability Abatements

- Clients who have a liability amount that is above the minimum may request to have their liability lowered or abated. However, no liability can be made lower than the minimums that have been identified above.
- To request an abatement, the client and his therapist shall complete the Request for Liability Reduction and the Liability Appeal Monthly Budget forms in their entirety and submit it to the LCDAC Fiscal Officer. Once reviewed by LCDAC, the final liability determination shall be sent to the provider.

Approved By:



Rick Kastner LCDAC Executive Director

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Date