

MFP Guidance for Pre-payment of MFP Transition Services

The MFP Program is experiencing increased requests from agencies to provide pre-payment dollars for items that are covered under MFP Transition Services, for example, first month's rent, deposits, and rental application fees. This guidance offers an option for helping agencies with pre-payment costs that can occur as part of providing MFP Transition Services.

Pre-payment costs for MFP Transition Services will be considered in the following cost framework **based on actual cost up to** the following amounts:

1 st month's rent	\$1000
Rental deposits	\$1500
Utility hookups	\$500
Rental application fees	\$250

Medically necessary items not covered under State Plan/CFC services could be considered on a case-by-case basis.

To receive pre-payment funds:

- State plan services must be used first
- Agency must explore other options for payment (family, local organizations, grants, churches)
- Agency requests pre-approval through the MFP Program
- MFP program will review risk and likeliness of transition
- Agency will explore lower cost options for items (such as rent of equipment versus purchase)
- Agency must invoice the MFP Program (include tax ID number and W-9) along with written explanation and itemized breakdown of each cost
 Mail invoice to MFP-SLTC, PO Box 4210, Helena, MT 59604
- Pre-payment costs are paid from MFP administrative funds directly to the agency
- Agency pays other entities such as property owners and utility companies
- Receipts for payments are submitted to the MFP Program

Billing for MFP Transition Services after receiving pre-payment funds:

- When the participant has transitioned to the community, the agency will submit the entire cost of MFP Transition Services (including pre-payment costs) through the Xerox (MMIS) claims system.
- The agency is required to reimburse MFP administrative funds in one of two ways:
 - 1) The claim will be adjusted and the amount of pre-payment costs will be deducted. The agency will be reimbursed the adjusted amount; or
 - 2) The agency can refund MFP Administrative funds directly with a check for the amount of the pre-payment costs.

Participants who do not move into the community:

- Pre-payment costs are expended in MFP administrative funds
- Agencies will explore refunds of pre-payment costs wherever possible
- Refunds of pre-payment costs will be returned to the MFP Program
- MFP will assess reasons for failure to move
- To ensure fiscal responsibility, MFP will review failed transitions involving pre-payment funds to identify possible improvements in pre-transition activities