

Department of Public Health
and Human Services

Section:
POLICIES AND PROCEDURES

MEDICAL ASSISTANCE

Subject:
Cash Management

Supersedes: MA 1801-1 (07/01/05)

► **Reference:** Montana Operations Manual (MOM) Volume II, Section 2-1200; SB 413, 2007 Montana Legislature

GENERAL RULE--This policy is enacted to establish and maintain a system of internal controls over collections and deposits. This system will provide a reasonable assurance that procedures for the collection of monies and the deposits are performed properly in the county offices, Fiscal Bureau, TPL Unit, and CSED.

COUNTY OFFICES

1. Dual control for incoming collections must be implemented. One person must not perform multiple duties such as record keeping and completing the 'Payment Receipt' form (HCS-562). These functions must be kept separate. **Offices with one employee are the only exception to this rule.**
2. All sealed envelopes dropped off at the OPA must be opened. If the participant is present, request that they open the envelope.
3. Checks and money orders must be made out to DPHHS or Department of Public Health and Human Services. If a two-party check from an insurance company is accepted for Third Party Liability (TPL), the recipient must write, "Pay to the order of DPHHS" and sign in the endorsement space.
4. All checks must be stamped "For Deposit Only, To the Demand Account of the Montana State Treasury, DPHHS 6901", when they are first received. **This is the only allowable endorsement.**
5. The person receiving the check must immediately record it on an internal log. (See copy of the log in this section) The log must contain the following information:
 - a. check date,
 - b. check/money order # (indicate if cash),
 - c. payment amount,
 - d. "payer" name and address,
 - e. "payee" name and Social Security #,
 - f. payment given to for processing (employee name),

- g. employee signature/date (who received and logged payment), and
 - h. Fiscal/TPL/CSED receipt received date.
6. Once the first staff member enters the check on the log, the second staff member enters the information on the 'Payment Receipt' form. A separate 'Payment Receipt' form is filled out for each payment. The staff member who enters the information on the log should never be the same person to fill out the 'Payment Receipt' form (unless the office has only one employee).

If the participant is present, make sure all the information is entered and they have signed and dated the 'Payment Receipt' form before they leave.

CHECK PROCESSING

The second staff member will enter all the pertinent information on the Payment Receipt Form and staple the check to the pink copy. A separate form is completed for each check received.

CASH PROCESSING

The first person who received the money will count it and enter the information on the log. The information is also written on the currency envelope along with the initials of the individual who accepted the cash. The cash and the envelope are delivered to the second staff member to verify. While both staff members are present, complete the information on the envelope, place the currency inside and seal the envelope. The second staff person completes the 'Payment Receipt' form for each transaction and attaches Fiscal Bureau's, TPL's, or CSED's copies to the envelope. **Cash cannot be accepted for Food Stamp payments. It must be a check or money order.**

FOREIGN CURRENCY

Please contact the Fiscal Bureau accounts receivable or collection supervisor to find out the rate of exchange immediately upon receipt.

FORM DISTRIBUTION

The original (**white**) copy of the four-part 'Payment Receipt' form is given to the **participant** as a **receipt**. If the participant is not present, mail the receipt to the address on the envelope in which the payment was received.

The **yellow** and **pink** copies are attached to the check or cash envelope and sent to the **TPL Unit, CSED, or Fiscal Bureau**.

PREPARATION (BEFORE MAILING)

Separate the Child Support 'Payment Receipt' forms, TPL Unit 'Payment Receipt' forms, and the 'Fiscal Bureau' forms. Using an

adding machine or an Excel spreadsheet, add all the checks and currency for each batch. Attach a copy of the adding machine tape or the spreadsheet to each batch of checks/currency, initial and date. Verify that the 'Payment Receipt' forms are already attached to the checks/currency.

► MAILING

Establish a daily deadline for all checks and currency to be processed. Mail each Friday or immediately if cash totals \$200 or more or if the total collections exceed \$750. Send to **DPHHS/Fiscal, CSED, or TPL Unit** via regular mail.

CSED payments are mailed to:

TAPP
CSED
PO BOX 5955
HELENA, MT 59620

If you have questions concerning the CSED payments, please contact Technical Accounting & Payment Processing (TAPP).

Examples of CSED payments include:

Child Support Repayment of Public Assistance Benefits
Child Support received after approval for TANF

TPL Unit payments are mailed to:

TPL UNIT
PO BOX 202953
HELENA, MT 59620-2953



If you have questions concerning TPL Unit payments, please contact Lana Haynes or Linda Currie.

Examples of TPL payments include:

Third Party Liability (TPL)
Accident Insurance Reimbursement
Estate Recoveries
Health Insurance Reimbursement
Premium Payment
VA Aid & Attendance
Conditional Assistance

Medicaid Program
 Excess Resources
 Unreported Income
 VA Unreported

Special Needs Trusts

All of the other payments listed on the form are mailed to:

DPHHS/FISCAL
 PO BOX 4210
 HELENA, MT 59604



If you have PAB questions or concerns, contact Wendie Fredrickson.

Examples of other payments include:

Food Stamp Allotment Repayment (*cash **not** accepted*)
 Cash Assistance Repayment
 Interim Assistance Reimbursement (SSI)
 TANF Benefits
 Other TANF Supportive Service

The county retains the **goldenrod** copy and attaches it to the log.

Once the Fiscal Bureau, CSED, or TPL Unit signs and dates their copies, they will send the **yellow** copy back to the county. The county enters the date returned on the log and files the **yellow** copy in the **recipient's file** as proof of deposit.

Review log to identify and follow up on all missing yellow receipts from the Fiscal Bureau, TPL Unit, and/or CSED. If you have questions, please contact Fiscal Bureau Accounts Receivable for help.

**FISCAL BUREAU,
 TPL UNIT, or CSED**

1. Once the Fiscal Bureau, TPL Unit, or CSED receives the checks or currency, the amounts on the adding machine tape or Excel spreadsheet should be verified with the 'Payment Receipt' forms.
2. The box checked on the form will correlate to a speed chart number.
3. Fiscal Bureau, TPL Unit, or CSED employee will enter the date the payment is received, speed chart number if applicable, date

the yellow copy is mailed to the OPA, Fiscal, TPL Unit, or for CSED, the CSED employee's signature and date. By entering this information, the Fiscal Bureau, TPL Unit, or CSED is confirming that they have received the currency and/or checks attached to the 'Payment Receipt' form.

The Fiscal Bureau, TPL Unit, or CSED employee who receives the payment will mail the **yellow** copy of the form back to the originating county as a receipt of the currency and/or checks.

Fiscal Bureau, TPL Unit, and CSED will then follow their normal deposit procedures. In conjunction, TPL will verify the amount paid to the amount owed.

COUNTY OFFICE

Review log to identify and follow up on all missing yellow receipts from the Fiscal Bureau, TPL Unit, and/or CSED. If you have questions, please contact Fiscal Bureau Accounts Receivable for help.

SAFEKEEPING

During work and non-work hours, the checks and currency are required to be kept in a secured area. If the staff member must leave his or her work area while processing the deposit, lock the checks in the secured area until the staff member returns. A secured area is a fireproof locked box or safe not accessible by the public. Keys are to be secured at all times. Preferably only two staff members should have access to these keys. An access registry for the keys shall be kept on file.

RETENTION

The log and the office copies of the forms will be kept on file for three (3) Federal fiscal years (Oct 1 through Sept 30). The county office will be responsible to make sure the deposit receipt date is entered on the log for each payment sent to the TPL Unit, Fiscal Bureau or CSED.

WARRANT CANCELLATIONS

County offices may occasionally be notified of a lost or stolen warrant. In order to have a replacement check issued, the State of Montana requires the payee to fill out a form. To request this form, contact Fiscal Bureau Accounts Payable.

To reissue a stale-dated warrant, contact Fiscal Bureau Accounts Payable for the State of Montana form.

► EXCESS RESOURCES V. OVERPAYMENT

When a Medicaid recipient is found to have unreported resources in excess of the resource limit for the program(s) received, and the recipient chooses to immediately pay down the resources to the Department in order to both retain on-going Medicaid eligibility and

begin repayment of the overissuance, the payment made to the Department is recorded on the HCS-562 as "Other" in the box for payments going to DPHHS Fiscal. Write "Medicaid overissuance recovery" as an explanation.

A Medicaid "Excess Resources" payment, which goes to DPHHS TPL, is a situation where a Medicaid recipient receives a windfall payment, timely reports the receipt of the payment and no overissuance has occurred. The recipient is simply choosing to reimburse Medicaid for past correctly issued benefits in order to preserve future eligibility.

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