
LACKAWANNA-SUSQUEHANNA
BEHAVIORAL HEALTH ■ INTELLECTUAL DISABILITIES ■ EARLY INTERVENTION PROGRAM



To: Behavioral Health Service Providers
From: Katerina Vasko, CFO
Date: June 8, 2021
Re: PA Code 55 Chapter 4305 Compliance

Dear Provider,

As you are already aware, County Mental Health and Intellectual Disability Funding is a prayer of last resort. Commonwealth of Pennsylvania Code 55 Chapter 4305 enforces this principle of the County funding by describing “the procedures for establishing and collecting liability for clients receiving community mental health or intellectual disability services funded in whole or in part through the county mental health and intellectual disability program.”

As per our program’s contractual agreement: “the assessment of client liability and actual fee collections from clients or their legally responsible relatives, where applicable, are the responsibility of the Service Provider and must be performed in accordance with the provisions in Section 4305 of the MH/ID Fiscal Manual”.

To assist our providers with this task, our office has created the following documents:

1. Service Provider Chapter 4305 Compliance Check List
2. Monthly Liability Determination Worksheet
3. Document verification checklist

We strongly recommend our providers utilize the attached material to assure compliance with PA Code 55 Chapter 4305.

If you have any questions, please feel free to contact me at vaskok@lsbhidei.org.

Thank you,
Katerina Vasko



Service Provider Chapter 4305 Compliance Check List

1. Does your Agency have a written step-by-step procedure to determine monthly liability amounts?
 2. Does the procedure include detailed instructions starting with the initial intake and ending with billing the county?
 3. Does your Agency verify the following documents when determining monthly liability amounts?
 - a. Proof of identity
 - b. Proof of income
 - c. Proof of deductions
 - d. Proof of insurance
 - e. Proof of MA Status
 4. Does your Agency use a worksheet that demonstrates the calculation of monthly liability amounts and includes the following information?
 - a. Liable person
 - b. Insurance information
 - c. Gross Annual Income 4305.36
 - d. Deductions 4305.36
 - e. Monthly Liability Amounts 4305.103
 5. Does the procedure include a Documents Verification Checklist that provides a complete list of all acceptable documentation that must be verified when determining monthly liability amounts?
 - a. Identity
 - b. Gross income
 - c. Deductions
 - d. MA Status
 - e. Private insurance coverage
 6. Does your Agency retain the following proofs in its records?
 - a. Copies of documents verified.
 - b. Worksheet used to calculate monthly liability amounts.
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- c. MA Rejection Status
 - d. Clients consent to report changes in income and insurance situation.
 - e. Clients consent to receive or deny a copy of Chapter 4305.
7. Does your Agency determine monthly liability amounts at initial intake and annually?
8. Does your Agency reduce county billing by the amounts of determined monthly liability amounts?

If you answered “No” to one or more questions, there is a risk that DHS may find your agency to be out of compliance with PA code Chapter 4305 regulation.

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Monthly Liability Determination Worksheet

Worksheet Completed by	
Completion Date	
Part 1: Client Information	
Client's Name	
Client Case	
Liable Person's Name(s)	
Liable Person's Relationship to Client	
Liable Person's Marital Status	
Liable Person's Address	
Liable Person's Phone Number	
Part 2: Health Insurance Information	
MA Status	
MEDICARE Number/ Part/ VA#	
Private Insurance Name and #	
Private Insurance Deductible	
Part 3: Monthly Liability Amount	
Gross Annual Income as per 4305.36	
List all applicable:	
Wages and Salaries	
Other (Specify)	
Other (Specify)	
Other (Specify)	
Deductions as per 4305.36	
List all applicable:	
Family living allowance	
Federal, State, and local taxes paid	
Dependent deduction	
Other (Specify)	
Other (Specify)	
Other (Specify)	
Adjusted family income (Subtract total deductions from Gross Income)	
Monthly Gross Income	
Monthly Liability Amounts as per 4305.101 Appendix A or B	



Document Verification Checklist

Chapter 4305.38 – “Income and deductions shall be verified by written documentation, such as income tax statements, pay stubs, written employer statements, or affidavits. Copies of these verification documents shall be kept on file.”

Identification

- ◆ Driver’s license
- ◆ State ID
- ◆ Passport

Income

- ◆ Medical Insurance cards
- ◆ Proof of cost of medical insurance if not covered by an employer
- ◆ Medical assistance cards
- ◆ Medicare Card
- ◆ Medical assistance denial letter

Deductions

- ◆ Real estate and school tax proofs
 - ◆ Proof of IRS deductible medical expenses (not paid by insurance)
 - ◆ Homeowner’s due’s
 - ◆ Childcare expense records
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