

Reasons for Foster Care (FC) Payment Reductions

Did you know...

*... that FC payments could potentially be reduced from the amount billed due to a **Provider Liability** or **Client Liability** amount recovered?*

There are 2 primary reasons that a payment to a FC provider may be reduced from the amount billed, even if 100% of the month is billed for payment:

- Reductions due to **Provider Liability** amounts (**PLA**) owing
- Reductions due to **Client Liability** amounts (**CLA**) owing

Provider Liability Amounts

Provider Liability amounts (or accounts) — PLAs — are amounts that are owed back from the provider for payments previously made, but those claims were later voided or corrected after payment was issued. DHS doesn't ask FC providers to send a check back to us to repay that money already paid to them, but owed back. Instead, eXPRS allows providers to keep those funds paid, but logs the amounts owed back to DHS in a PLA.

When a FC provider has a PLA owing, that PLA amount will be taken out of future payments (they are reduced) for services provided at that FC home, until the provider's PLA balance is \$0.

- FC providers can use the [Payment Detail Report](#) to see if a PLA has been recovered from a payment and the PLA details.

Client Liability Amounts

Client Liability amounts (or accounts) — CLAs — are amounts that some individuals in FC services must pay to the provider for the cost of their FC services. FC providers may know this as the individual's "service contribution" or "monthly offset". It is collected from the individual along with their monthly room & board. eXPRS payments to the FC provider for individuals with CLAs are reduced by the CLA amount. And since Medicaid is always the last payer, those CLA amounts are reduced from the first claim(s) paid in a month, until the CLA is \$0. The CLA amount + the reduced eXPRS payment = the total owed to the FC provider for services provided to the individual that month.

- FC providers can use the [Client Liability Report](#) to determine how much (if any) funds they need to collect from individuals that month.

Remember ...

...even though a FC may provide & bill for services to an individual for 100% of the month, payments to the FC provider may be reduced due to either or both of the reasons above.