



## Policy: Network Provider Invoicing and Expenditure Tracking

**ChildNet Number:** CN 015.016  
**Original Approved Date:** May 10, 2010  
**Policy Revised Date(s):**  
**Policy Sunset Date:**  
**COA Standard(s):** FIN 7.03, 7.11, 7.12, 7.13

### Statement of Policy:

ChildNet demonstrates sound financial practices relating to the tracking, reviewing, processing, and paying of Network Provider invoices.

**Board Chair's Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_



## **Procedure: Network Provider Invoicing and Expenditure Tracking**

**ChildNet Number: CN 015.016**

**Original Approved Date: May 10, 2010**

**Procedure Revised Date(s): September 11, 2013, June 10, 2014**

**Procedure Sunset Date:**

**COA Standard(s): FIN 7.03, 7.11, 7.12, 7.13**

**Definitions (If any):**

**Statement of Procedure:**

ChildNet pays for services provided by Network Providers according to the terms and conditions of contractual agreements and rate agreements. Furthermore, ChildNet has an established protocol for processing all Network Provider invoices and maintaining utilization spreadsheets for the purpose of monitoring over or under utilization of budgeted funds. The following steps are adhered to ensuring consistency with the process:

1. Network Providers submit invoices to ChildNet in a manner and format described in the Network Provider's contract and/or rate agreement. An original invoice on the required form plus two copies and all required back-up documentation is received by ChildNet within ten days after the end of each month for all services provided during such month.
2. Network Provider invoices are immediately date stamped upon receipt by ChildNet and entered into the Invoice Tracking Sheet by the Contract Management staff. The tracking spreadsheet includes the date the invoice is received and the amount requested for reimbursement. Each invoice is subsequently processed by the assigned Contract Manager. Contract Managers have up to 5 working days after receipt of an invoice to approve or deny the invoice
3. Invoices for out of home care services are reconciled by verifying the dates of client placements using the State's Automated Child Welfare Information System (SACWIS). Daily rates and invoice amounts are additionally verified with the terms of the contract or rate agreement. The Contract Management Department coordinates with the Finance Department to ensure multiple out-of-home care providers are not billing the same dates for a client or billing duplicate dates. Specific procedures for the reconciliation and payment of out of home care services are found in CN Policy 010.041, Adoption, Independent Living, and Foster Care Subsidy Payments.



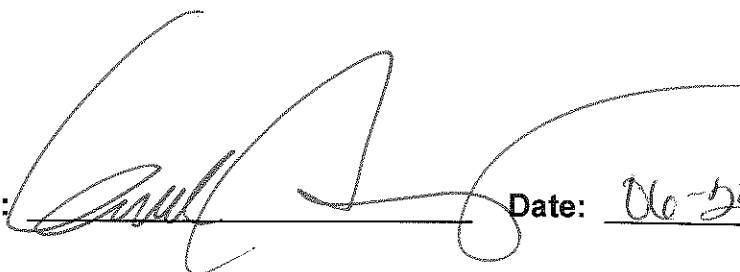
4. Upon verification, the Contract Manager signs the invoice indicating his or her approval and enters the billing information into the specific Network Provider's utilization spreadsheet maintained on ChildNet's share drive.
5. If the invoice is denied, the Contract Manager composes a denial letter indicating the area(s) of the invoice that was found insufficient and emails the letter to the Network Provider. The denied invoice is recorded by date in the Invoice Tracking Sheet and filed in the Network Provider's contract file. A copy of the email communication is also filed with the denial letter.
6. Network Providers have 30 days from the time of notification by ChildNet to correct problems with invoices. Resubmitted invoices sent to ChildNet are subsequently entered into the Invoice Tracking Sheet by date and amount and returned to the Contract Manager for processing.
7. Approved invoices are forwarded to the Assistant Vice President of Administration or designee for final approval and entered in a master Service Expenditure Tracking Log maintained on ChildNet's share drive. A check request form is completed and attached to the invoice. The invoice is subsequently returned to the Contract Management staff for final processing and submission to the Finance Department.
8. The Assistant Vice President of Administration or designee documents in the Invoice Tracking Sheet the check request amount and the date which the invoice is forwarded to the Finance Department. An email is subsequently sent to the Network Provider indicating that the invoice has been approved and forwarded to the Finance Department for payment. Any potential delay in payment is also outlined in this communication.
9. Payments to Network Providers are made within 45 days after ChildNet's receipt of a timely and properly completed invoice. Invoices that are submitted past the ten days after the end of each month are considered late. Late invoices are processed with the following month's invoice and result in a delay of payment according to the subsequent month's reimbursement date. ChildNet is not responsible or liable for payment of any invoice submitted to ChildNet more than 90 days after the end of the month in which the services were rendered.
10. Network Providers must return to ChildNet any overpayments due to unearned funds or funds disallowed. In the event that the Network Provider or its independent auditor discovers that an overpayment has been made, the Network Provider repays ChildNet the total amount overpaid immediately without prior notification from ChildNet. In the event that ChildNet first discovers an overpayment has been made, ChildNet notifies the Network Provider in writing. Should repayment not be made forthwith, ChildNet reserves the right to withhold and/or offset the overpayment against any monies due to the Network Provider for services. Additionally, the



Network Provider may be charged at the lawful rate of interest on the outstanding balance after ChildNet's notification or the Network Provider's discovery.

11. Network Providers may appeal a payment denial pursuant to the dispute resolution terms set forth in the contract or rate agreement. After a written request for dispute resolution is submitted by the Network Provider to the Contract Manager, representatives from each agency will conduct a face to face meeting for the purpose of resolving the payment disagreement amicably. If the representatives are unable to reach a mutually satisfactory resolution, either representative may request referral of the issue to their Chief Executive Officer. Upon referral to this second step, the Chief Executive Officers confer in an attempt to resolve the issue. Nothing precludes ChildNet or the Network Provider from seeking relief from a court of law relating to any unresolved differences or disputes regarding payment for services.

President's Signature:



Date: 06-25-14