

## Appendix B. FLEX FUNDS REFERRAL PROCESS

Flex funds are funds use for expenditures in support of the youth and family's *Plan of Care*. A reasonable cost for flex funding is one that in its nature and amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost Flex funds are discretionary funds subject to availability.

### PART I: OPEN DISCUSSION WITH THE YOUTH AND FAMILY

#### 1) REASON FOR ASSISTANCE

Flex funds should be requested as a last resort to provide youth and family with emergency assistance. Discussion should include the reason youth and family is unable to pay the bill and steps that are being taken to assist the youth and family from reoccurring events. The youth and family must be able to continue to sustain funding independently.

#### 2) BUDGET

Document:

- **Source(s) of HOUSEHOLD income**, including employment, SSI/SSDI, GA, Food Stamps, other
- **ALL expenses**, including rent, gas/electricity, water, phone, internet, cable, groceries, clothing, hygiene, bus fare, car payment, car insurance, gasoline, medical (explain co-pays, etc), child care, other children's expenses, entertainment/recreational activities, and other.
- **Options within budget**
  - Distinguish between emergency and non-emergency funds, i.e. rent vs. cable.
  - Discuss possible payment plan options with both the current debtor as well as other vendors, i.e. payment plan with apartment complex, deferred payments with title or loan companies, suspending or cancelling cable or phone services, etc.

#### 3) COMMUNITY RESOURCES

The Child and Family Team must document at least three attempts to identify alternative funding or resources prior to submission of the flex fund request.

Unallowable costs include, but not limited to the following:

- Alcohol beverages
- Bad debts
- Contribution and donations
- Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringement
- Entertainment costs (unless specific written approval has been provided in advance by the agency)
- Fines and penalties
- Interest on borrowed capital/lines of credit
- Costs of organized fundraising

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- Costs of investments counsel/management
- Lobbying
- Renovation/remodeling and Capital Projects (unless specific written approval has been provided in advance by the Agency)

### 4) CLINICAL APPROPRIATENESS

- Based on the discussion with the youth and family, if the child and family team determines the need, update the Plan of Care and submit to the CME for review. The POC needs address the following in the appropriate life domains: Reason for emergency funding
- Options of budget
- Community resources explored
- Child and Family Team recommendations
- Vendor discussion regarding the ability to receive a check (Please note checks can't be process electronically)
- Team verifies funds are available

### PART II: PROCESSED APPROVALS

All flex fund requests submitted on the Plan of Care Requests will be processed based on urgency of need.. All urgent requests require notification Clinical Manager or Program Director

- If the flex fund request is approved, check requests will be submitted to Magellan Accounts Payable Department and a copy to Magellan Finance team
- CFT will need to identify the Vendor
- CFT Will need to submit the W-9 completed for each Vendor
- CFT will need submit a copy of Vendor invoice

### PART III: PAYMENT

Once the check is received and processed, Magellan will mail the check to the designated vendor. All checks will be mailed by subsequent check run.

### MAGELLAN CONTACTS

Clinical Manager: 1-855-883-8740  
Program Director: 1-855-883-8740