Chapter: **CLINICAL PRACTICE**
Title: **PMP / SUBSIDIZED LABORATORY SERVICES**

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Proposed by: Traci Smith 08/19/2026
Chief Executive Officer Date

Approved by: Al Lorenzo 08/20/2026
County Executive Office Date

I. ABSTRACT

This policy establishes the standards and procedures of Macomb County Community Mental Health (MCCMH), an official agency of the County of Macomb, for determination of eligibility and provider enrollment for individual participation in subsidized pharmacy and laboratory services.

II. APPLICATION

This policy shall apply to all directly-operated and contract network providers which provide and bill MCCMH for subsidized psychiatric medication and related services.

III. POLICY

MCCMH will subsidize pharmacy and laboratory services for persons served meeting specified financial eligibility criteria.

IV. DEFINITIONS

A. Psychiatric Medication Program (PMP)
A medical assistance service which provides medication for designated MCCMH persons served at no cost to them.

B. Laboratory Subsidized Services
A medical assistance service which provides laboratory tests to analyze blood and urine samples of designated persons served at no cost to them.

C. Specialty Psychiatric Treatments
Non-standard, high-cost, or emerging psychiatric interventions (e.g., transcranial magnetic stimulation (TMS), esketamine [Spravato], or similar treatments) that are not part of the MCCMH formulary or routine service array and are subject to MCCMH prior authorization processes.

V. STANDARDS

A. MCCMH persons served must meet the following eligibility criteria for enrollment in the PMP or subsidized laboratory services:

1. The person must be a registered MCCMH person served currently receiving services from an MCCMH directly operated or contracted provider, including mental illness (MI), developmental disability (DD), and substance use disorder (SUD) agencies.

2. The person lacks adequate health insurance and has a gross monthly income which results in a zero ability to pay determination and has been denied Medicaid eligibility. See MCO Policy 7-001, "Determination of Financial Liability" for further information.

B. Ongoing efforts must be made to exhaust all available resources such as complimentary drug samples when financial circumstances change or at least yearly; coupons from the Manufacturer or a third party (i.e. GoodRX); Pharmaceutical Industry Prescription Drug Patient Assistance Programs; or other local community organizations providing free medications on a one time only or limited subsidy such as the World Medical Relief, Michigan Emergency Pharmaceutical Program of Senior Citizens, or United Way Community Services.

C. If possible, medications from the low-cost generic lists from local retailers should be considered for treatment prior to referral for PMP. The provider can communicate with the MCCMH Finance Team if the cost for these is burdensome to the person served.

D. The provider through which medications are being prescribed shall determine whether the person is eligible for enrollment into the PMP. When a person is transferred from one MCCMH provider to another, the receiving provider must verify continued eligibility.

E. The person's eligibility for the PMP subsidy program must be verified every quarter through central or third-party resources (e.g., CHAMPS or industry- sponsored programs) and documented in the person's record in MCCMH's electronic medical record (EMR) system. This includes verifying that the person:

1. Has no available pharmacy or laboratory services benefits through his/her health insurance;

2. Has no personal or family financial resources to cover the cost of prescriptions or laboratory services;

3. Is not eligible to receive Medicaid; and

4. Has been denied entry into Pharmaceutical Industry Prescription Drug Patient Assistance Programs.

F. When the necessary criteria are met and funds are available, the MCCMH Finance Department approves most medications through the partner pharmacy. Medication costs exceeding one-hundred and fifty dollars ($150) per month and all specialty psychiatric treatments regardless of cost require submission to the Chief Medical Officer or designee and review in consultation with the Finance department prior to approval.

G. Requests for specialty psychiatric treatments must be submitted using the designated MCCMH Prior Authorization Request form and are subject to review by the Chief Medical Officer (CMO) or designee for determination of medical necessity and clinical appropriateness.

H. For individuals requiring General Fund support, requests meeting clinical criteria shall be forwarded for separate funding review through the Non-Medicaid Workgroup. Approval is contingent upon both demonstration of medical necessity and funding authorization.

I. The medication(s) for which subsidy is authorized must be prescribed specifically for the treatment of the person's psychiatric condition. The subsidy program is not to be used for the treatment of concurrent medical conditions, birth control, general health maintenance, etc.

J. Each designated provider shall use a prescription form specifically for the PMP which bears the name of the provider. Prescriptions provided to persons served newly enrolled in the PMP subsidy program, and to existing PMP individuals requesting new prescriptions, shall primarily be generic medications, unless otherwise approved by the MCCMH Chief Medical Officer.

K. The laboratory services for which the subsidy is authorized must be related to the person's psychiatric condition for the purpose of establishing baseline data for periodic monitoring of safety and medication compliance, progress, or lack thereof. The Subsidized Laboratory Services Program Laboratory Tests Order Form, MCCMH #291 (Exhibit A) is to be used when ordering laboratory services.

L. All medications and laboratory work subsidized under these programs must be prescribed by an MCCMH-authorized physician. Exceptions must be authorized by the MCCMH Chief Medical Office.

M. The Chief Medical Officer or his/her designee review and analyze monthly summary reports from the Finance Team and contract pharmacies/laboratories to monitor cost-effective use of the PMP/laboratory subsidy service. Licensed prescriber's prescribing patterns are analyzed and profiled and such data is used for physician education.

N. A determination of medical necessity by the Chief Medical Officer does not guarantee authorization of services when General Fund resources are required. Funding determinations are made independently through established MCCMH financial review processes.

VI. PROCEDURES

A. PMP Procedures

1. The designated provider shall assess the person's eligibility for the PMP using the MCCMH eligibility criteria.

2. The licensed prescriber shall assess the person's need for psychotropic medications for psychiatric condition(s) and, if need is indicated, prescribe MCCMH formulary generic psychotropic medications.

3. Before a non-MCCMH PMP formulary drug for which there is no suitable

alternative available is prescribed, a Prior Authorization Request form, MCCMH #304, (Exhibit B) shall be completed and faxed to the Finance Team. In the event this is denied the provider may appeal by supplying MCCMH Chief Medical Office with copies of all prescriptions, current psychiatric evaluations, and completed medication reviews, if not available in FOCUS. Criteria for review must be satisfied prior to submission for appeal.

4. The licensed prescriber or nurse, as delegated by the physician, may dispense short-term complimentary drug samples to PMP eligible persons as available while waiting for assistance through the Pharmaceutical Company Patient Assistance Program. It is important to consider that this medication may not be covered under the PMP program.

5. The MCCMH Chief Medical Office shall:

    a. Review the Prior Authorization Request form, MCCMH #304 (Exhibit B), completed by the prescribing MCCMH licensed psychiatrist when marked as an appeal using the review criteria, below:

        1. The use of MCCMH Formulary Drug Products is contraindicated in the person served;

        2. The person has failed an appropriate trial of MCCMH Formulary or related agents;

        3. The choices available in the MCCMH Drug Formulary are not suited for the person's present care need and the medication requested is required for safety reasons;

        4. The use of a MCCMH Formulary Drug Product may provoke an underlying medical condition , which would be detrimental to the person's care.

B. For specialty psychiatric treatments (e.g., TMS, Spravato, or similar services), the licensed prescriber must:

- Complete the applicable MCCMH Prior Authorization Request form (Exhibit F);
- Provide documentation of prior treatment trials and clinical rationale;
- Submit the request to the Chief Medical Office for review prior to initiation.

The review and authorization of specialty psychiatric treatment requests shall occur in the following sequential manner:

1. Clinical Review and Determination:
   The Chief Medical Officer (CMO), or designee, shall conduct an independent clinical review of all requests for specialty psychiatric treatments and determine whether the request meets established medical necessity and clinical appropriateness criteria. This determination shall be based solely on clinical factors, including diagnosis, prior treatment history, and evidence-based standards of care.

2. Funding Review (Non-Medicaid/General Fund Only):
   For individuals who do not have Medicaid or other coverage and require the use of General Fund resources, requests that meet medical necessity criteria shall be forwarded to the Non-Medicaid Workgroup by emailing NonMedicaid@mccmh.net for separate review. The Workgroup shall evaluate requests based on funding availability, cost considerations, and organizational prioritization. This funding review occurs subsequent to and independent of the clinical determination of medical necessity by the Chief Medical Officer.

3. Final Authorization:
   Final authorization of services requiring General Fund support is contingent upon both:
   - A determination of medical necessity by the Chief Medical Officer (or designee); and
   - Approval of funding by the Non-Medicaid Workgroup.

The Chief Medical Officer's determination of medical necessity shall be independent and shall not be influenced by funding availability.

Denials or limitations based on funding availability shall be issued by the Non-Medicaid Workgroup and shall be clearly distinguished from clinical determinations. The Chief Medical Officer shall not be responsible for funding-based denial decisions.

C. Invoices from approved pharmacies or providers shall be submitted to billing@mccmh.net.

D. Laboratory Testing Program Procedures

1. The designated provider shall determine the person's eligibility for the subsidized laboratory services using MCCMH's eligibility criteria.

2. The licensed prescriber shall

   a. Assess the person's need for laboratory services to establish baseline data prior to the initiation of medication, monitor safety and medication compliance, progress or lack thereof.

   b. Order laboratory services using the FOCUS EMR or Subsidized Laboratory Services Program Laboratory Tests Order Form MCCMH #291(Exhibit A) indicating the person's case no., D.O.B., physical and behavioral diagnosis code, and the person's signature. One copy is given to the individual, a second copy is scanned into the clinical record, and another copy is forwarded to the MCCMH Chief Medical Office.

   c. Request prior authorization from the MCCMH Chief Medical Office, or designee for laboratory tests, using the Prior Authorization Request Subsidized Laboratory Services Program MCCMH #293 (Exhibit C). Following approval from MCCMH Chief Medical Office, the licensed prescriber will order the prior approved laboratory tests using the Laboratory Test(s) Order Form Prior Authorized Request MCCMH #294 (Exhibit D).

3. The licensed prescriber/nurse shall review laboratory test results as soon as received and document his/her review of the laboratory test results by placing his/her signature and the date on the laboratory report. The nurse will have follow-up communication with licensed prescriber on any abnormal results and a notation will be made in the licensed prescriber/nurse's progress notes indicating

action taken and follow-up outcome.

4. The MCCMH Chief Medical Officer, or designee, shall

   a. Review and monitor the appropriate use of subsidized laboratory services by physicians.

   b. Request clarification of laboratory services as necessary using the Laboratory Services Utilization Review Request for Clarification, MCCMH #295 (Exhibit E).

   c. Receive and approve (or not approve, providing rationale) requests for the prior authorization of laboratory tests, MCCMH #294 (Exhibit D).

   d. Receive and approve (or not approve, providing rationale) requests for the authorization of the use of medications that are not MCCMH formulary generic medications, MCCMH #304 (Exhibit B).

   e. Forward a copy of the Diagnostics/Subsidized Laboratory Services Program Laboratory Tests Order Form, MCCMH #291(Exhibit A), received from licensed prescribers, and any prior approved lab services to the MCCMH Finance Department.

   f. Provide quarterly subsidized laboratory services utilization reports to MCCMH Administration, managers, and physicians.

VII. REFERENCES / LEGAL AUTHORITY

None

VIII. EXHIBITS

A. Subsidized Laboratory Services Program Laboratory Tests Triplicate Order Form, MCCMH #291

B. Prior Authorization Form, MCCMH #304

C. Prior Authorization Request Subsidized Laboratory Services Program, MCCMH #293

D. Laboratory Test(s) Order Form Prior Authorized, MCCMH #294

E. Laboratory Services Utilization Review Request for Clarification, MCCMH #294