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LME-MCO Communication Bulletin #J257

Date: July 6, 2017

To: LME-MCOs

From: Mabel McGlothlen, Team Leader for System Performance and Project Management,
DMH/DD/SAS
Deb Goda, Behavioral Health Unit Manager, DMA

Subject: State- Funded Inpatient Behavioral Health Services

The implementation date for the revised State-Funded Inpatient Behavioral Health Services definition is **July 1, 2017**. This policy will replace the current Inpatient Hospital service definition found in the State-Funded Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS) (9/1/16) package <https://www.ncdhhs.gov/divisions/mhddsas/servicedefinitions>. The Division of Medical Assistance (DMA) behavioral health Clinical Coverage Policy 8B: Inpatient Behavioral Health Services was utilized to develop this revised policy. The intent is to have more consistency between the Medicaid clinical coverage policy and the state-funded service definition.

The primary revisions are as follows:

- Requires the inpatient services to be under the supervision of a board-certified psychiatrist instead of a physician or psychiatrist;
- Physician and other professional time is included in the daily rate and cannot be billed separately;
- Medicaid and NC Health Choice requirements were removed including EPSDT special provisions, out of state admission criteria, and other related non-state funded criteria;
- Attachment A: Claims-Related Information was converted for specific coverage and reimbursement for state funds.

The state-funded service definition is located at <https://www.ncdhhs.gov/divisions/mhddsas/servicedefinitions>.

The DMHDDSAS is establishing a statewide rate of \$740/day for YP820 Inpatient, as the revised definition is inclusive of all costs including professional services. The Three-Way Contract Inpatient rates remain at \$750/day for YP821 and \$900 for YP822. The clinical requirements for YP820 and YP821 are the essentially the same, which is the reason for the similar rate. YP820, however, does not include the requirement for the hospital to provide seven days of medication at discharge, so the daily rate was reduced to reflect this difference, based on the average cost of medications reported by several current Three Way contract hospitals.

The rate established by the DMHDDSAS is the **maximum** that will be paid without an exception requested by the LME and approved by the DMHDDSAS. LME are, as always, able to negotiate and pay a lower rate, without submitting a request to the DMHDDSAS. Current LME and Provider specific rates in NCTracks will be end-dated 6/30/2017. Claims for YP820 with payments at or below \$740/unit will be processed at the amount charged on the claim. LMEs who wish to reestablish hospital-specific rates for SFY18 should submit the DMHDDSAS NCTracks Rate Request Form to DMHRateRequests@dhhs.nc.gov using the standard process. LMEs will be responsible for ensuring that hospital professional charges, such as 99221-3 and 99231-9 are not billed on the days the individual is covered under YP820, YP821, and YP822.

Any questions regarding the service definition can be addressed to Starleen Scott Robbins in the Addictions and Operations Management Section at Starleen.Scott-Robbins@dhhs.nc.gov or 919-715-2415.

Previous bulletins can be accessed at <http://www.ncdhhs.gov/divisions/mhddsas/joint-communication-bulletins>.

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