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4:30 PM

Sharing as an FYI, any questions let us know. Thanks!

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From: **Bret Cloninger** <bret.cloninger@azahcccs.gov>

Date: Wed, Mar 20, 2019 at 4:27 PM

Subject: Behavioral Health Administrative Days Guidance

We've prepared the following guidance on behavioral health administrative days, please share it within your organization as appropriate:

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
DIVISION OF HEALTH CARE MANAGEMENT
Behavioral Health Administrative Days
03/20/19

The guidance is intended to provide further clarification regarding the use and billing of behavioral health (BH) administrative days. The use of the term "administrative day" in this document only refers to the newly established BH administrative day. This guidance does not apply to the traditional administrative day, in which a member is admitted as an inpatient to an acute care hospital, but does not meet the criteria for an acute inpatient stay.

As has been previously communicated, in addition to the traditional definition of administrative day, a new type of administrative day has been defined to address reimbursement of BH inpatient stays which would normally fall under the DRG payment methodology. The following information was previously communicated on 11/7/18:

- For a provider type 02 claim with a BH primary diagnosis and discharge dates on/after 10/1/18, AHCCCS will reimburse at a daily rate, rather than the DRG amount.
 - AHCCCS shall pay a diagnosis-based daily rate of \$816.39, to be loaded as a provider specific rate in PR050 without regard to revenue code.
 - The daily rate is an administrative day rate and should follow the process that applies to billing of administrative day claims.
 - AHCCCS is amending the associated Rule, the DRG Policy Document, and FFS Provider Manual accordingly.
- RBHAs shall continue to pay for provider type 02 claims with a BH primary diagnosis as they were paying effective 9/30/18
 - Per diem rates
 - Revenue code dependent
 - Do not follow this admin day/rate policy

Based on continued discussions with MCOs and providers, AHCCCS is providing further clarification and information to assist in implementation.

- Administrative days are reimbursed at the daily rate (of \$816.39) found on the Inpatient Behavioral Health Capped Fee-For-Service Schedule meeting the criteria of “Service Description- Psychiatric Hospital,” and as diagnosis per diem rates on the provider specific fee schedule PR050, regardless of revenue code.
 - Effective 10/1/19, AHCCCS will revise the service description from “Psychiatric Hospital” to “Psychiatric Stay” in order to avoid confusion with provider type 71 psychiatric hospitals.
- The daily rate is not intended to be differentiated by revenue code. From an AHCCCS systems perspective, the daily rate is driven by diagnosis code - we do not have the ability using this mechanism to pay different BH admin day rates that are also dependent on revenue codes. Therefore, AHCCCS is reimbursing at the single BH admin day rate for all revenue codes.
 - If an ACC MCO utilizes the AHCCCS rates they will reimburse BH stays at a single rate, regardless of revenue code, and RBHAs will continue to pay rates differentiated by revenue code.
 - An MCO and provider could choose to negotiate a contracted rate that differs from the AHCCCS fee schedule.
- The Differential Adjusted Payment (DAP) contractual requirement to increase the inpatient and outpatient rates the Contractor would otherwise pay by X% applies to the BH admin day rate.
 - Please ensure the DAP is being applied to reimbursement of BH admin days.
 - If claims for BH admin days have been reimbursed without the DAP, MCOs should reprocess those claims and not require resubmittal.
- Prior Authorization is required for BH admin days. Established processes and procedures for billing of administrative day claims should be followed.

Also, I wanted to introduce myself, I'm the new Reimbursement Administrator. As many of you know, my predecessor Victoria Burns retired in December. I look forward to working with all of you.

Best regards,

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