109 – INSTITUTION FOR MENTAL DISEASE 15 DAY LIMIT

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I. PURPOSE

This Policy applies to AHCCCS Complete Care (ACC), ALTCS/EPD, DES/DDD, and RBHA Contractors. This Policy establishes processes and Contractor requirements for compliance with managed care regulation 42 CFR 438.6(e), Payments to MCOs for enrollees that are a patient in an institution for mental disease.

II. DEFINITIONS

| DAY | A day means a calendar day unless otherwise specified. |
| INSTITUTION | An establishment that furnishes (in single or multiple facilities) food, shelter, and some treatment or services to four or more persons unrelated to the proprietor. |
| INSTITUTION FOR MENTAL DISEASE (IMD) | A hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental diseases (including substance use disorders), including medical attention, nursing care and related services. Whether an institution is an institution for mental diseases is determined by its overall character as that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases, whether or not it is licensed as such. An institution for Individuals with Intellectual Disabilities is not an institution for mental diseases. [42 CFR 435.1010] |
| IMD STAY | The total number of calendar days of an inpatient stay in an institution for mental disease beginning with the date of admission through discharge, but not including the date of discharge unless the member expires. |

III. POLICY

A. GENERAL

AHCCCS covers medically necessary IMD Stays for individuals under the age of 21 (except as noted in section D of this Policy) and for adults 65 years of age and older. For adult members age 21 and older but under the age of 65 (referred to in this Policy as ‘adult
member age 21-64') coverage is subject to the limitations and requirements outlined in this Policy. The provision of inpatient psychiatric or substance use disorder treatment in an IMD shall meet the requirements for in lieu of services or settings at 42 CFR 438.3(e)(2)(i) through (iii).

In accordance with 42 CFR 438.6(e), AHCCCS covers IMD Stays, for adult members age 21-64, so long as the IMD Stay is no longer than 15 cumulative days during a calendar month.

AHCCCS considers the following provider types to be IMDs subject to the limitations and requirements outlined in this Policy:

1. B1-Residential Treatment CTR-Secure (17+Beds).
2. B3-Residential Treatment Center-Non-Secure.
3. B6-Subacute Facility (17+Beds).
4. 71-Psychiatric Hospital.

B. CONTRACTOR REQUIREMENTS

1. Members remain enrolled and eligible for all medically necessary services during the entire IMD Stay whether or not the stay exceeds 15 cumulative days during a calendar month. The Contractor is responsible for payment of these services.

2. For any IMD stay which exceeds 15 days, neither the IMD Stay nor any other medically necessary services provided during the length of that IMD Stay may be paid with Title XIX funding including administrative funding for Title XIX services.

3. If two different Contractors are responsible for the provision of physical health and behavioral health services, the entity responsible for the provision of behavioral health services shall notify the entity responsible for the provision of physical health of an IMD Stay that does or is expected to exceed 15 days as soon as identified.

4. The Contractor responsible for behavioral health services shall complete and submit Attachment A to DHCM, Data Analysis and Research Unit within one business day of identification of an IMD Stay greater than 15 days.

5. Submission of Attachment A will result in a change to the member’s physical and behavioral health enrollment/assignment with the Contractor from a Capitated to a non-Capitated Contract Type back to the date of admission to the IMD or the date of AHCCCS eligibility, whichever is later.
6. The Contractor shall continue to submit encounters for all medically necessary services including the IMD Stay, regardless of the length of the IMD Stay, and regardless if the capitation payment is recouped by AHCCCS from the Contractor for that month, that is, the Contractor is not permitted to recoup payments to providers. AHCCCS will utilize encounters to audit Contractor compliance with this Policy. Encounters related to the IMD Stay will not be considered in reconciliation and reinsurance processes.

7. The Contractor shall maintain a network of providers adequate to provide members with adequate access to behavioral health services and to ensure the member is receiving care in the setting most appropriate for the member’s needs.

C. CAPITATION RECOUPEMENT

1. When an adult member’s IMD Stay is longer than 15 cumulative days during the calendar month, AHCCCS will recoup the Contractor’s entire monthly capitation payment for that member.

2. The change to a member’s enrollment/assignment to non-Capitated will trigger the recoupment.

3. If two different Contractors are responsible for physical health services and behavioral health services for the member, AHCCCS shall recoup the entire monthly capitation payment from both Contractors.

4. The capitation recoupment will occur whether or not the Contractor pays the IMD.

5. This recoupment applies whether or not the member is dual eligible or the member has third party insurance coverage.

6. The Contractor will be notified of the contract type change/recoupment via the 834 and 820 files from AHCCCS.

7. After funds have been recouped, AHCCCS will make a capitation payment to the Contractor(s) equal to a pro-rated amount of the monthly capitation payment for each day the member is not in an IMD during the calendar month.

D. MEMBERS TURNING 21 OR 65 YEARS OF AGE

1. The IMD restriction does not apply for a member who is admitted prior to age 21 and turns 21 during the IMD Stay, until the member turns 22 years of age during the IMD Stay. The Contractor is not required to report an IMD Stay greater than 15 days when the member is admitted prior to age 21 even if the member turns 21 during the same IMD Stay as long as the member is discharged prior to age 22.
2. For members who turn age 65 during an IMD Stay, all the days of the IMD Stay while the member is age 64 shall be counted against the 15 day limit and all the days of the IMD Stay when the member is 65 shall not be counted against the limit.

The Contractor is required to report an IMD Stay greater than 15 days when the member is admitted prior to age 65 even if the member turns 65 during the same IMD Stay. After funds have been recouped, AHCCCS will make a capitation payment to the Contractor(s) equal to a pro-rated amount of the monthly capitation payment for each day the member is age 65 or older during the IMD Stay.