

**MADERA COUNTY
BEHAVIORAL HEALTH SERVICES**

POLICY NO.: MHP: 27:00

SUBJECT: PSYCHIATRIC HOSPITALIZATIONS

POLICY:

To provide quality, acceptable and effective mental health services to eligible residents of Madera County who have mental illness and emotional disturbances that require psychiatric hospitalizations.

PURPOSE:

To insure program effectiveness and fiscal viability.

PROCEDURE:

- I. Madera County Behavioral Health Services (BHS) is responsible for authorization and payment of medically necessary covered inpatient services for Madera County residents who are mental health clients, including Medi-Cal beneficiaries.
 - A. Covered services include:
 - 1. Acute psychiatric inpatient hospital services (including hospital-based ancillary services).
 - 2. Associated administrative days.
 - B. Excluded services include:
 - 1. Any acute psychiatric inpatient hospital services provided by an out-of-state inpatient facility.
 - 2. Services provided by a State hospital.
 - 3. Services provided to persons eligible for Medicare, prior to their benefits being exhausted.
 - 4. Fee-for-Service/Medi-Cal psychiatric inpatient hospital services provided to persons enrolled in prepaid health plans that are responsible for inpatient services.
 - 5. Inpatient hospital services received in a medical/surgical bed.
- II. Payment Authorization
 - A. The Point of Authorization for payment authorization is the BHS.
 - B. A provider shall submit a separate written request for payment authorization for psychiatric inpatient hospital services to BHS for each of the following:

Approved by BHS Director: Signature on File	Date: 10-30-09	Effective Date: 10-01-03	Revision Date: 2-17-04, 8-22-07, 10-20-09
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1. Prior to the planned admission of a beneficiary/client; and,
2. Within fourteen (14) calendar days after:
 - a. Ninety-nine (99) calendar days of continuous service to a beneficiary/client if the hospital stay exceeds that period of time;
 - b. Discharge;
 - c. When a beneficiary has requested Medical Assistance Pending Fair Hearing (Aid Paid Pending); and,
 - d. Administrative day services are requested for a beneficiary.

C. Information regarding payment authorization should be sent to:

Madera County Behavioral Health Services

P. O. Box 1288

Madera, CA 93639

(559) 675-7850

(559) 675-7758 FAX

D. Contract Hospital Emergency Admissions

1. The admitting psychiatric inpatient hospital shall notify the BHS by fax, telephone, or written notice within 24 hours of the time of admission of a Madera County Medi-Cal beneficiary/client, however, BHS will not deny treatment authorization requests (TARS) for psychiatric hospital inpatient services for the hospital's failure to notify the MHP of an admission. (Title 42, Code of Federal Regulations, Section 438.114(d)(ii)). The MHP does not require psychiatric facilities to obtain prior payment authorization for an emergency admission, whether voluntary or involuntary.
2. Payment authorization for admission and hospital stay is determined retrospectively (after beneficiary is discharged from the psychiatric inpatient hospital).
3. The psychiatric inpatient hospital shall submit an **18-3 TAR** (Attachment 1) or claim to the BHS requesting payment authorization for emergency admission and stay **no later than fourteen (14) calendar days following beneficiary's/client's discharge** or the provider shall submit a separate written request for payment authorization for psychiatric inpatient hospital services to BHS for each of the following:
 - a. Prior to the planned admission of a beneficiary/client; and,
 - b. Within fourteen (14) calendar days after:
 - i. Ninety-nine (99) calendar days of continuous service to a beneficiary/client if the hospital stay exceeds that period of time;

- ii. Discharge;
 - iii. When a beneficiary has requested Medical Assistance Pending Fair Hearing (Aid Paid Pending); and,
 - iv. Administrative day services are requested.
4. Additional documentation, including History and Physical, Physician's Notes and Nurse's Notes, is required.
 5. Late TARs (those received after fourteen (14) calendar days following beneficiary's/client's discharge) will be accepted in the following situations:
 - a. Natural disaster and circumstances beyond control of provider
 - b. Certification of eligibility delayed by Welfare
 - c. Beneficiary concealed Medi-Cal eligibility at admission. The TAR must be submitted within sixty (60) days following certified date of beneficiary identification.
 6. The TAR or claim and additional documentation shall be reviewed by a Madera County Mental Health Plan Clinician who is a licensed or waived/registered mental health professional. Incomplete or inaccurate TARs or claims will be returned to the hospital for correction.
 7. Payment for emergency hospitalizations shall be authorized if clinical record documents that:
 - a. The medical necessity criteria are met.
 - b. The criteria for an emergency psychiatric condition was met at the time of admission.
 8. BHS shall notify the admitting hospital of authorization of payment or denial of payment within fourteen (14) calendar days of receiving required documentation.
 9. Approved TAR for Medi-Cal beneficiaries.
 - a. BHS will submit a copy of the approved TAR to the hospital and the fiscal intermediary (EDS). BHS will keep original TAR.
 - b. When the hospital has received a copy of an approved TAR, it will submit a claim (UB92) to fiscal intermediary.
 - c. When all appropriate documentation has been received by the fiscal intermediary, payment will be made to the hospital.
 10. Denied TAR for Medi-Cal beneficiaries.
 - a. TARs denied by the Mental Health Plan clinician shall be reviewed by the Madera County Utilization Review Physician to determine if denial

is appropriate.

- b. BHS will submit a copy of the denied TAR to the hospital and the fiscal intermediary.
 - c. The admitting hospital may appeal adverse decisions to the Madera County Psychiatric Hospital Contractor Coordinator.(See Provider Appeal Process).
 - d. BHS will keep original TAR.
11. Approved claims
- a. BHS will process claim and pay hospital. Madera County will keep original claim.

E. Planned Admissions

- 1. Pre-authorization is required for planned admissions to a psychiatric inpatient facility.
- 2. Pre-authorization shall be obtained prior to admission through submission of a Treatment Authorization Request (TAR) for Medi-cal beneficiaries to the BHS. Pre-authorization for other clients shall be requested through submission of written justification.
- 3. The TAR or other written request will be reviewed by the Madera County MHP Clinician. If the medical necessity criteria for acute psychiatric inpatient hospital services are met, the MHP Clinician shall approve the TAR or written request, giving authorization for payment of the first day. Authorization for payment for the remaining hospital stay shall be determined retrospectively.
- 4. All adverse decisions will be reviewed by the Madera County Utilization Review Physician to determine if denial is appropriate.
- 5. The Madera County Managed Care Coordinator (or designee) shall notify the provider of the decision in writing no later than fourteen (14) calendar days of the post mark (or fax) date BHS received the TAR or written request.
- 6. If the TAR is denied prior to hospitalization, BHS will mail a Notification of Action to the beneficiary within ten (10) calendar days of denial.
- 7. The hospital requesting authorization may appeal an adverse decision through the Provider Appeal Process (See Provider Appeal Process).

F. Administrative Days

Requests for authorization for payment for acute administrative day services shall be approved when all of the following conditions are met:

- 1. During the hospital stay, a beneficiary previously has met medical

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necessity criteria for acute psychiatric inpatient hospital reimbursement criteria.

2. There is no available and appropriate placement option at a non-acute facility in a reasonable geographic area and the hospital has documented contacts with a minimum of five (5) non-acute appropriate facilities per week.
3. The requirement of five (5) contacts per week may be waived if there are less than five (5) non-acute, appropriate facilities available as placement options for the beneficiary. In no case shall there be less than one contact per week.
4. The lack of placement options at non-acute, appropriate facilities and the contacts made at appropriate facilities shall be documented to include but not be limited to:
 - a. Status of the placement option.
 - b. Date of contact.
 - c. Signature of the person making the contact.
5. Review of Admissions.
 - a. All payment authorizations and denials will be summarized by the Madera County Quality Management Coordinator and presented to the Madera County Interagency Quality Improvement Committee (IQIC) monthly.

G. Non-Contract Hospitals

1. Emergency Admissions.
 - a. In addition to meeting the above requirements for emergency admissions to contract hospitals, the hospital staff must document in the medical record that beneficiary could not safely be transferred to an acute psychiatric inpatient hospital which contracts with Madera County for treatment of Medi-Cal beneficiaries.
 - b. Documentation will include communication with Madera County BHS crisis staff regarding availability of services in Madera County contract hospitals.
2. Planned Admissions.
 - a. In addition to meeting the above requirements for planned admissions to contract hospitals, TARs or a written request submitted for planned admissions to non-contract acute psychiatric inpatient hospitals will be reviewed by the MHP.
 - b. Clinician (and/or Utilization Review Physician) to determine if service can be provided through a Madera County contract acute psychiatric

inpatient hospital.

- c. The MHP Clinician and/or physician may consult with the admitting physician or psychologist, hospital staff, beneficiary/client and/or beneficiary's/client's family to determine if appropriate alternatives are available.
 - d. Coordinator/designee, a planned admission to a non-contract hospital may be allowed.
 - e. Payment authorization for continued stay services for planned admissions will be conducted retrospectively (after the beneficiary/client is discharged from the hospital). TARs/claims must be submitted to BHS within fourteen (14) calendar days after beneficiary\client's has been discharged from the hospital.
3. Review of Admissions and Stays.
- a. All payment authorizations and denials will be summarized by the Madera County MHP and presented to the Madera County Interagency Quality Improvement Committee (IQIC) monthly.

H. County Medical Services Program (CMSP).

- 1. The procedure for payment authorization for acute psychiatric inpatient hospital services and associated administrative days will be the same as Fee for Service/Medi-Cal, including submission of TAR and other documentation to the BHS.
- 2. BHS shall be responsible for authorizing payment for acute psychiatric inpatient hospital services and associated administrative days for CMSP beneficiaries but shall not be responsible for payment for these services.
- 3. BHS will submit a copy of the TAR to provider and fiscal intermediary (Anthem Blue Cross Life & Health). BHS will keep original.

I. Utilization Review.

- 1. Contract Hospitals Responsibility.
 - a. Contract hospitals shall submit documentation to the Madera County Mental Health Plan demonstrating compliance with federal requirements for utilization review (Title 42, CFR, Sub-part D). Documentation of utilization review activities and procedures shall include at least the following:
 - i. Utilization Review Committee
 - Composition of Committee
 - Frequency of Meetings
 - Function of Committee:

- Review admissions
 - Review lengths of stay
 - Identify quality of care issues
 - ii. Certification of Need for Care
 - iii. Evaluation and Medical Review
 - iv. Plans of Care
 - v. Utilization Review Plan
2. Madera County Responsibility.
- a. BHS will monitor potential over-and under-utilization of services.
 - b. Hospitalizations meeting the following utilization indicators will be reviewed monthly by the BHS Interagency QIC:
 - i. Length of stay one day or less.
 - ii. Length of stay 14 days or more.
 - iii. Three or more admissions within six months.
 - iv. Readmitted in 30 days or less.
 - v. Quality of care concerns.

J. Medical Necessity Criteria.

- 1. Reimbursement for psychiatric inpatient hospital services will be authorized when specific medical necessity criteria are met. These are not admission criteria, since admission to an inpatient service is always a clinical judgment.
- 2. To qualify for Medi-Cal reimbursement for psychiatric inpatient hospital services, a beneficiary/client must meet the State approved medical necessity criteria.
 - a. Emergency Admissions.
 - i. Hospitals admitting a Madera County Medi-Cal beneficiary/client with an emergency psychiatric condition shall:
 - Document the emergency psychiatric condition in the medical record.
 - Document the presence of medical necessity in the medical record.
 - ii. Madera County may move Madera County beneficiaries/clients from a non-contract facility once safety can be assured.

K. Problem Resolution.

1. Provider Complaint Process.

- a. A Psychiatric hospital may file a complaint regarding one or more of the following:
 - i. Lack of information from BHS staff.
 - ii. Disrespect or lack of cooperation from BHS staff.
 - iii. A dispute regarding interpretations of hospital action which are reasons for contract termination.
 - iv. Other reasons as determined by the provider.
- b. A provider may present a complaint to the Managed Care Coordinator by telephone, in person or in writing.
 - i. The Managed Care Coordinator will attempt to resolve the complaint. Suggested solutions will be provided to the complainant within two weeks from receipt of the complaint.
 - ii. If the provider is not satisfied with the response, the provider may file an appeal with the Psychiatric Hospital Contract Coordinator.

2. Provider Appeal Process.

Good provider relations are essential to the effective delivery of mental health services. Providers may address their complaints and appeals to the Madera County MHP for quick and easy resolution. Providers have the right to access the provider appeal process at any time before, during, or after the provider problem resolution process has begun when the complaint concerns a denied or modified request for MHP payment authorization or the processing or payment of a provider’s claim to the MHP.

- a. A psychiatric inpatient hospital may appeal a denied request for reimbursement of psychiatric inpatient hospital services to the Madera County Psychiatric Hospital Contract Coordinator. The written appeal must reach the Psychiatric Hospital Contract Coordinator within ninety (90) calendar days of the post mark (or fax) date of notification of the non-approval of payment.
- b. The Madera County Psychiatric Hospital Contract Coordinator shall have sixty (60) calendar days from the post mark (or fax) date of the receipt of the appeal to inform the hospital in writing of the decision and its basis.
 - i. If no basis is found for altering the decision or remedy is

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- not within the purview of the Psychiatric Hospital Contract Coordinator, the hospital shall be notified of its right to submit the appeal to the State Department of Mental Health.
- ii. If the Psychiatric Hospital Contract Coordinator does not respond within sixty (60) calendar days, the hospital has the right to appeal directly to the State Department of Mental Health.
 - iii. If the Psychiatric Hospital Contract Coordinator upholds the hospital's appeal, the Psychiatric Hospital Contract Coordinator shall have fourteen (14) calendar days from the date of receipt of the hospital's revised request for payment to approve the payment authorization document or to take corrective action.
 - iv. If the hospital chooses to appeal the Psychiatric Hospital Contract Coordinator's denial to the State Department of Mental Health, it shall do so within 30 calendar days from the date of the Psychiatric Hospital Contract Coordinator's written decision.
- c. The State Department of Mental Health shall have two calendar months from the receipt of the appeal to notify, in writing, the hospital and the Psychiatric Hospital Contract Coordinator of its decision and its basis.
- i. If the State Department of Mental Health does not respond within 60 calendar days from the post mark or fax date of receipt of the appeal, the hospital may consider the appeal to have been denied.
 - ii. If the State Department of Mental Health upholds the hospital's appeal, the Psychiatric Hospital Contract Coordinator has fourteen calendar days from the post mark or fax date of receipt of the hospital's revised request for payment to approve the payment authorization document or to take corrective action.
 - iii. A provider (psychiatric inpatient hospital) may file an appeal concerning the processing or payment of a claim directly to the fiscal intermediary. The fiscal intermediary shall respond in writing to the provider within 60 calendar days of the post mark or fax date of receipt of the appeal.
3. Client/Beneficiary Problem Resolution Process.
- a. During hospitalization in a contract psychiatric inpatient facility,

Madera County residents shall be given a Consumer Rights and Problem Resolution Guide explaining their rights and the process for resolving conflicts or problems. (Attachment 2).

- b. See Inpatient Grievance Procedures (Attachment 3).

L. Contracts with Hospitals for Acute Psychiatric Inpatient Services.

1. Madera County Contracts.

Contracts have been established with the following hospitals:

- a. Community Behavioral Health Center – Fresno
- b. Marie Green - Merced
- c. St. Helena Hospital Center for Behavioral Health – Vallejo

2. Hospital Selection Process.

In selecting the three contract hospitals, the Psychiatric Hospital Contract Coordinator considered the following factors:

- a. Willingness to serve beneficiaries with severe mental illness and serious emotional disturbances
- b. Licensure and Medi-Cal certification.
- c. History of providing professional, high quality care to beneficiaries.
- d. Geographical location.
- e. Competitive daily rate.
- f. Ability to provide culturally competent and age-appropriate services.
- g. Willingness to comply with requirements established in State regulations and Madera County Policies and Procedures.
- h. Willingness to work collaboratively with beneficiaries, their families, and BHS staff.

3. Hospital Selection Criteria.

In selecting contract hospitals, Madera County Behavioral Health Services has required that each provider shall:

- a. Agree to comply with all applicable Federal Medicaid laws, regulations and guidelines and all applicable State statutes and regulations.
- b. Provide psychiatric inpatient hospital services, within scope of licensure, to all beneficiaries who are referred by Madera County Behavioral Health Services, unless compelling clinical circumstances exist that contraindicate admission, or a different arrangement has been negotiated.
- c. Refer beneficiaries/clients for other services when necessary.

- d. Agree not to refuse an admission solely on the basis of age, sex, race, physical or mental handicap, or national origin.
- M. The process to improve cultural competency and age-appropriate services for beneficiaries/clients includes the following elements:
 - 1. The process to improve cultural competency and age-appropriate services for beneficiaries/clients includes:
 - a. Provide training to staff regarding age and cultural awareness.
 - b. Provide bilingual services for Spanish-speaking patients. (Family members will not be used as interpreters.)
 - c. Recruit and hire bilingual/bicultural (Spanish) clinicians and support staff.
- N. Confidentiality
 - 1. Hospitals will maintain the confidentiality of patients and adhere to the confidentiality of beneficiary/client records as specified in Welfare and Institutions Code Section 5328 et seq. And Title 45 Code of Federal Regulations Section 205.50.