

District of Columbia Medicaid Hospital FAQ: Reimbursement for Short- Term Inpatient Psychiatric Services for Individuals Under 21 Years

Frequently Asked Questions

Version Date: April 5, 2016

Please note that details of the payment method shown in this document remain subject to change before the implementation date of **May 1, 2016**. This FAQ document is intended to provide interested parties information specific to the change. All responses in the FAQ are subject to CMS approval.

OVERVIEW QUESTIONS

1. What are “short-term” inpatient psychiatric services?

The Department of Health Care Finance (DHCF) will begin reimbursement for Short-Term Inpatient Hospital Services (short-term) provided in a psychiatric hospital for individuals under 21 years of age. Short-term inpatient services are defined by the District’s State Plan (SPA), Attachment 4.19-A Part VI, pages 45-48. Short-term inpatient services represent a lower level of care than acute psychiatric hospital services, but still occur within a psychiatric inpatient hospital setting.

2. What providers will be affected?

The SPA applies to short-term inpatient services delivered in private licensed psychiatric hospitals.

3. What are the requirements for short-term reimbursement?

- a. The hospital must meet the service criteria, as defined in the SPA;
- b. Short-term stay must be pre-approved; and
- c. The hospital must submit a separate claim for the service, with the correct coding requirements.

4. How are short-term inpatient services reimbursed?

Short-term inpatient services are paid using an interim hospital-specific per diem rate calculated as the weighted average of the rates paid by District Medicaid managed care organizations for the same service. Following audit of actual short-term costs claimed on the provider’s cost report, DHCF will establish a final hospital-specific per diem rate applicable to claims with admissions after April 30, 2016.

5. What are the service requirements?

Short-term inpatient care is a continuation of an inpatient acute care stay. Short-term inpatient care occurs in a private, in-District, psychiatric hospital, but at a lower level of intensity, after discharge from

the acute unit. This short-term inpatient care unit provides nursing services, psychopharmacology, therapy and counseling (individual, family and group), milieu therapy, clinical assessment and behavior and symptom management, and similar services required for the individual's care, in a controlled environment.

6. How does the hospital obtain pre-approval?

All short-term care must be pre-approved in advance. Pre-authorization is done through the District's Quality Improvement Organization (QIO), currently Qualis Health. The QIO will review the short-term inpatient request for medical appropriateness. If the stay meets the short-term inpatient care requirements, the QIO will provide a preauthorization number that is specific to the member, facility and duration of care. The QIO will provide concurrent reviews throughout the short-term inpatient stay, until discharge has occurred. The hospital must supply this preauthorization number when submitting the claim and ensure the dates of service match the approved span of care.

Short-term inpatient care is a duration of 45 days, however; additional days may be authorized by the QIO.

7. What are the specific billing requirements for short-term inpatient hospital care?

The hospital must submit a separate institutional claim for short-term inpatient services. Short-term inpatient services cannot be combined on the same claim as the acute inpatient care. The last day of the acute inpatient stay (discharge date) is not reimbursed as part of the acute care stay as this day is paid as the first day (admit date) of the short-term inpatient stay. The hospital must include the pre-authorization number on the short-stay claim and must include services billed using revenue code 0199.

8. Are there any other requirements or limitations for short-term inpatient care?

Services cannot be used as an alternative to ensure appropriate community or Psychiatric Residential Treatment Facilities (PRTF) placements. Short-term inpatient services provided in a psychiatric hospital are limited to members under the age of 21.

CONTACT INFORMATION

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