



Feb. 4, 2019

Hospital Payments for Behavioral Health Claims

Section V.D.4.f.

- i. The PHP shall negotiate inpatient and outpatient hospital rates with hospitals for behavioral health claims to be defined by the Department.

Definitions:

- i. Inpatient Behavioral Health Services provide hospital treatment in a hospital setting 24 hours a day. Supportive nursing and medical care are provided under the supervision of a psychiatrist or a physician. This service is designed to provide continuous treatment for beneficiaries with acute psychiatric or substance use problems. This is also applicable to Medicaid beneficiaries who are receiving psychiatric care in a general hospital, with a psychiatric Diagnosis Related Group (DRG), while waiting for an inpatient psychiatric bed.
- a) The beneficiary shall meet criteria for one or more of the following Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM5), or any subsequent editions of this reference material, diagnoses:
 - (1) Beneficiary is presently a danger to self (e.g., engages in self-injurious behavior, has a significant potential, or is acutely manic). This usually would be indicated by one of the following:
 - (a) Beneficiary has made a suicide attempt or serious gesture (e.g., overdose, hanging, jumping from or placing self in front of moving vehicle, self-inflicted gunshot wound), or is threatening same with likelihood of acting on the threat, and there is an absence of supervision or structure to prevent suicide of the beneficiary who has made an attempt, serious gesture or threat.
 - (b) Beneficiary manifests a significant depression, including current contemplation of suicide or suicidal ideation, and there is an absence of supervision or structure to prevent suicide.
 - (c) Beneficiary has a history of affective disorder: I. with mood which has fluctuated to the manic phase, or II. has destabilized due to stressors or non-compliance with treatment.
 - (d) Beneficiary is exhibiting self-injurious (cutting on self, burning self) or is threatening same with likelihood of acting on the threat; or
 - (2) Beneficiary engages in actively violent, aggressive or disruptive behavior or beneficiary exhibits homicidal ideation or other symptoms which indicate the beneficiary is a probable danger to others. This usually would be indicated by one of the following:
 - (a) Beneficiary whose evaluation and treatment cannot be carried out safely or effectively in other settings due to impulsivity, impaired judgment, severe oppositional behavior, running away, severely disruptive behaviors at home or school, self-defeating and self-endangering activities, antisocial activity, and other behaviors which may occur in the context of a dysfunctional family and may also include physical, psychological, or sexual abuse.
 - (b) Beneficiary exhibits serious aggressive, assaultive, or sadistic behavior that is harmful to others (e.g., assaults with or without weapons, provocations of fights, gross aggressive over-reactivity to minor irritants, harming animals or is threatening same with likelihood of acting on the threat. This behavior should be attributable to the beneficiary's specific DSM-5, or any subsequent editions of this reference material, diagnosis and can be treated only in a hospital setting; or
 - (3) Acute onset of psychosis or severe thought disorganization or clinical deterioration in condition of chronic psychosis rendering the beneficiary unmanageable and unable to cooperate in treatment. This usually would be indicated by one of the following: Beneficiary has recent onset or aggravated psychotic symptoms (e.g., disorganized or illogical thinking, hallucinations, bizarre behavior, paranoia, delusions, incongruous speech, severely impaired judgment) and is resisting treatment or is in need of assessment in a safe and therapeutic setting; or
 - (4) Presence of medication needs, or a medical process or condition, which is life threatening (e.g., toxic drug level) or which requires the acute care setting for its treatment. This usually would be indicated by one of the following:
 - (a) Proposed treatments require close medical observation and monitoring to include, but not limited to, close monitoring for adverse medication effects, capacity for rapid response to adverse effects, and

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use of medications in clients with concomitant serious medical problems. B. Beneficiary has a severe eating disorder or substance use disorder, which requires 24-hour-a-day medical observation, supervision, and intervention.

- (5) Need for medication therapy or complex diagnostic evaluation where the client's level of functioning precludes cooperation with the treatment regimen, including forced administration of medication. This usually would be indicated by one of the following:
 - (a) Beneficiary whose diagnosis and clinical picture is unclear and who requires 24-hour clinical observation and assessment by a multidisciplinary hospital psychiatric team to establish the diagnosis and treatment recommendations.
 - (b) Beneficiary is involved in the legal system (e.g., in a detention or training school facility) and manifests psychiatric symptoms (e.g., psychosis, depression, suicide attempts or gestures) and requires a comprehensive assessment in a hospital setting to clarify the diagnosis and treatment needs; and b. A provider team shall certify that the beneficiary meets each of the certification of need requirements listed at 42 CFR § 441.152.
- ii. A Beneficiary who is admitted to an outpatient hospital for observation status by a physician order does not qualify as an inpatient, even if when t he or she stays past midnight. For the purposes of this policy, a beneficiary in outpatient hospital observation status for more than 30 hours shall either be discharged by the attending physician or converted to inpatient status by written order of the physician to receive continued Medicaid or NCHC reimbursement beyond the 30 hours.
- iii. Services for beneficiaries who are admitted and discharged on the same day, and who are discharged to home or to a non–acute care facility, must be billed as outpatient hospital services. Outpatient hospital services provided by a hospital to a beneficiary within the 24 hours immediately preceding an inpatient admission to the same hospital, and that are related to the inpatient admission, must be reported with the inpatient billing.

Version

DATE	SECTION UPDATED	CHANGE