Provider Alert

FFS Medi-Cal Inpatient Hospital

July 6, 2022

A Publication of the Local Mental Health Plan (LMHP) of the County of Los Angeles Department of Mental Health

IN THIS ISSUE

ADMINISTRATIVE DAY SERVICES UPDATE: INCLUDES CONCURRENT REVIEW AND AUTHORIZATION OF ADMINISTRATIVE DAY SERVICES CLAIMS.

The purpose of this Provider Alert is to communicate the changes and provide updates on the requirements of claiming and authorizing Administrative Day Services in concurrent review process. This Provider Alert replaces Provider Alerts No: 2012-01, February 10, 2012 and No.2019-2, October 2019.

Implementation of the Changes

Effective July 1, 2022, ALL of the following requirements regarding changes and updates noted in this Provider Alert must be in place when submitting Treatment Authorization Request (TARs) for reimbursement for Administrative Day Services.

Pursuant to California Code of Regulations (CCR), Title 9, Chapter 11, Section 1810.202, "Administrative Day Services" means psychiatric inpatient hospital services provided to a client who has been admitted to the hospital for acute psychiatric inpatient services; and the client's stay at the hospital must be continued beyond the client's need for acute psychiatric inpatient hospital services due to a temporary lack of residential placement options at non-acute residential treatment facilities that meet the needs of the client.

On May 31, 2019, the State Department of Health Care Services (DHCS) issued *Information Notice (IN) No: 19-026*, *Authorization of Specialty Mental Health Services*. The IN includes policy changes the DHCS has made to ensure compliance with the Parity in Mental Health and Substance Use Disorder Services Final Rule (Parity Rule). The key goals of the Final Rule include improving quality of care and beneficiary experience, strengthening program integrity by improving accountability and transparency, and aligning key Medicaid and Children's Health Insurance Program (CHIP) managed care requirements with other health coverage programs. On April 15, 2022, DHCS issued another Behavioral Health Information Notice (BHIN) No. 22-017, Concurrent Review Standards for Psychiatric Inpatient Hospital and Psychiatric Health Facility Services, wherein authorization requirements of Administrative Day documentation were reiterated.

Note: LACDMH TAR Unit provides two (2) Administrative Day pathways to choose from. The first is the DHCS or State Protocol pathway. Guidelines for this pathway are described in this Alert. The second is through the ICD Waiver referral pathway. Guidelines for this pathway are described on the ICD Waiver Alert issued March 2021 with the update of July 2022. Please choose only one pathway. If beneficiary needs change pursuant to new information (example: if the ICD Waiver team cannot identify an appropriate referral facility and you need to revert to the State protocol pathway) please inform the TAR Unit of the discharge plan

change(s). The day after the change from ICD Waiver referral to the State Protocol is made, providers must follow the documentation guidelines found on this Alert.

The following are excerpts from the IN/BHIN regarding Administrative Days. In this Provider Alert, where Mental Health Plan (MHP) is mentioned, Los Angeles County Department of Mental Health (LACDMH) is the MHP.

Authorizing Administrative Days

A hospital may claim for Administrative Day Services when a beneficiary no longer meets Medical Necessity Criteria for acute psychiatric hospital services but has not yet been accepted for placement at a non-acute residential treatment facility in a reasonable geographic area. In order to conduct concurrent review and authorization for Administrative Day service claims, the (MHP) LACDMH shall review that the hospital documented having made at least one (1) contact to a non-acute residential treatment facility per day (except weekends and holidays), starting with the day the beneficiary is placed on Administrative Day status. Once five (5) contacts have been made and documented, any remaining days within the seven-consecutive-day period from the day the beneficiary is placed on Administrative Day status can be authorized. A hospital may make more than one contact on any given day within the seven consecutive-day period; however, the hospital will not receive authorization for the days in which a contact has not been made until and unless all five (5) required contacts are completed and documented. Once the five contacts requirement is met, any remaining days within the seven-day period can be authorized without a contact having been made and documented.

The MHP (LACDMH) may waive the requirements of five (5) contacts per week if there are fewer than five (5) appropriate, non-acute residential treatment facilities available as placement options for the beneficiary, pursuant to DHCS BHIN No. 22-017. The lack of appropriate, non-acute treatment facilities and the contacts made at appropriate facilities shall be documented to include the status of the placement, date of contact, and the signature of the person making the contact.

Examples of appropriate placement status options include, but may not be limited to, the following:

- *The beneficiary's information packet is under review;*
- *An interview with the beneficiary has been scheduled for [date];*
- *No bed available at the non-acute treatment facility;*
- *The beneficiary has been put on a wait list;*
- *The beneficiary has been accepted and will be discharged to a facility on [date of discharge];*
- *The patient has been rejected from a facility due to [reason]; and/or,*
- *A conservator deems the facility to be inappropriate for placement.*

Guidelines and Recommendations

1. "Appropriate, non-acute residential treatment facilities" means facilities which offer Specialty Mental Health Services (SMHS) on premises to all beneficiaries. For the purpose of this Alert, SMHS consist of Individual, Group, Collateral therapies and Medication Support Services. Please note that a FFS Physician's services does not qualify because he/she only provides services to beneficiaries under his/her care. In addition, the services provided by the FFS Physician will be reimbursed by LACDMH.

- For children and adolescents, "non-acute residential treatment facility" usually consists of a designation by LACDMH of certain Rate Classification Levels (RCLs).

2. The inpatient hospital staff must contact facilities that are appropriate for the specific beneficiary that they are attempting to refer. For example, if a beneficiary has a Dual Diagnosis, then facilities equipped to treat beneficiaries with Dual Diagnosis should be contacted. Conversely, beneficiaries without substance/alcohol-related diagnosis should not be referred to Dual Diagnosis Programs. Another example would be an elderly beneficiary with extensive medical issues being referred to a placement that does not accept elderly beneficiaries and the placement is not equipped to handle the beneficiary's medical issues.
3. If there are fewer than five (5) appropriate, non-acute residential treatment facilities available as placement options for the beneficiary, there must be a written justification in the medical record of the reason why less than the required five (5) contacts per week was made. This justification is called the "waiver". It shall be submitted on a weekly basis if the hospital is unable to contact 5 appropriate, non-acute residential treatment facilities per week.
4. When a patient who has been on Administrative Days is discharged home, or back to the facility from which he/she was admitted from, there must be documentation to determine whether this abrupt change in the discharge plan was foreseeable. If the hospital was, in good faith, searching for a placement to which it fully intended to discharge the patient, but unforeseeable events outside of the hospital's control operated to abort its discharge plan, then credit maybe given for those Administrative Days which meet IN/BHIN criteria.
5. If a hospital deals with corporate entities which control multiple, non-acute residential treatment facilities, the hospital is expected to contact not the corporate entity but all the appropriate facilities under contract with the corporation, if applicable.
6. If a beneficiary, while on administrative day status exhibits behaviors that justify an acute inpatient level of care, a modification of the level of care must be written by the licensed and credentialed physician. After the beneficiary's acute episode has been stabilized and administrative days are still needed, a new administrative day order must be written. The date the administrative day order is written will be day #1.

Facilities That Are Not Appropriate for Administrative Day Placements

Assisted Living Facilities, Guest Homes, Non-Augmented Board and Care Facilities, and Skilled Nursing Facilities without a Special Treatment Program (STP) do not qualify as these facilities do not provide organized SMHS available to all beneficiaries.

Requirements When Submitting Treatment Authorization Requests (TARs) for Administrative Day Services for Medi-Cal Reimbursement:

1. There must be at least one (1) approved acute day TAR.
2. There must be an MD order for an Administrative Day status (Day 1 Administrative Day starts on this date).
3. The inpatient hospital staff must make at least one contact to a non-acute residential treatment facility per day (except weekends and holidays), starting with the day the beneficiary is placed on Administrative Day status.
4. Once five (5) contacts have been made and documented, any remaining days within the seven (7) consecutive-day period from the day the beneficiary is placed on Administrative Day status can be authorized. A hospital may make more than one contact on any given day within the seven (7) consecutive-day period; however, the hospital will not receive authorization for the days in which a contact has not been made until and unless all five (5) required contacts are completed and

documented. Once the five (5) contact requirement is met, any remaining days within the seven (7)-day period can be authorized without a contact having been made and documented.

5. A written "waiver" if appropriate placement contacts are fewer than five (5).
6. LACDMH TAR Unit required documentation includes but not limited to:

    a. Date of placement contact;
    b. Facility staff name that was contacted (must make verbal contact);
    c. Name of facility/telephone number contacted;
    d. Status of referral (faxed packet, mailed packet, etc., are not acceptable); and
    e. Provider staff name and signature of the person making the contact.
    (All telephone contacts must make verbal contact; leaving voicemail, etc., are not acceptable).

Note: LACDMH TAR Unit added name(s) and facility staff name contacted to the documentation requirements in order to verify the appropriateness of the placement option.

Although not required, it is recommended to have an Administrative Day Contact Log so that the required elements of contact documentation are captured and met.

The TAR Unit wishes to emphasize the importance of clear and accurate documentation in the medical records as required. Lack of accurate documentation will create problems at all phases of Administrative Day requests and could potentially put the provider at risk of unanticipated denials.

Administrative Days for Regional Center Beneficiaries

- Medi-Cal Fee-For-Service hospitals – For a Regional Center beneficiary, there is a limit of four (4) Administrative Days per episode for clients of 6 of the 7 Regional Centers in Los Angeles County.
- Pursuant to a Memorandum of Understanding (MOU) between MHP and six (6) Regional Centers (Lanterman, Westside, South Central, San Gabriel, North Los Angeles, and East Los Angeles) located within Los Angeles County, the MHP will be financially responsible only for the acute psychiatric inpatient days approved and the first four (4) Administrative Days for each acute psychiatric inpatient episode. However, LACDMH is responsible for payment of administrative days for Harbor Regional Center beneficiaries.
- The respective Regional Center will be financially responsible for all subsequent Administrative Days for their beneficiaries. Upon admission of a Regional Center Medi-Cal beneficiary to acute inpatient psychiatric services, the hospital is required to contact the appropriate local Regional Center to begin placement efforts and to obtain a written pre-authorization for any prospective reimbursement for Administrative Days.
- The Regional Center pre-authorization applies only to payment for Administrative Days in excess of the first four (4) approved days covered by the MOU.
- The hospital will also submit a written reimbursement claim/bill for Administrative Days to the respective Regional Center starting with day five (5).

References:

CCR, Title 9, Chapter 11, Section 1810.202; 1820.220(j)(B)(5)(A)(B)
CFR, Title 42, Part 456 Subpart D,§456.235(b)
Title 9, Article 3.5 Community Residential Treatment System
State Department of Health Care Services, Information Notice (DHCS IN) No: 19-026, Authorization of Specialty Mental Health Services and DHCS Behavioral Health IN No. 22-017