



Bulletin

NUMBER

#16-76-01

DATE

July 20, 2016

OF INTEREST TO

County Directors
Social Services Supervisors
and Staff

ACTION/DUE DATE

Please read information
and prepare for
implementation

EXPIRATION DATE

July 20, 2018

County Portion of Cost of Care at State Operated Services Regional Treatment Centers

TOPIC

Cost of care for adult mental health programs at the Direct Care & Treatment - State Operated Services (SOS) Regional Treatment Centers and the Community Behavioral Health Hospitals. This bulletin replaces bulletin 15-76-02.

PURPOSE

This bulletin identifies changes made by the 2016 legislative session, reviews the changes made by the 2015 & 2013 legislative sessions, defines the criteria used to determine length of stay, defines criteria used to determine medical necessity, outlines client appeal process, and outlines action that will be taken by the Department of Human Services when payment by county is not received.

CONTACT

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SIGNED

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Deputy Commissioner, Direct Care & Treatment

TERMINOLOGY NOTICE

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.

I. Background

This bulletin is intended to provide information on the billing practices for the adult mental health inpatient services provided at Direct Care & Treatment State Operated Regional Treatment Centers and the Community Behavioral Health Hospitals as directed by Minnesota Statutes, section 246.54, subdivision 1a and 1b, and amended by the Laws of Minnesota 2016, Chapter 189, Article 17, Section 2 as follows:

Subdivision 1. Generally.

EXCEPT for chemical dependency services provided under Minnesota Statutes, sections 245B.01 to 254B.09, the client's county shall pay to the state of Minnesota a portion of the cost of care provided in a regional treatment center or state nursing facility to a client legally settled in that county. A county's payment shall be made from the county's own sources of revenue and payment shall equal a percentage of the cost of care, as determined by the commissioner, for each day, or the portion thereof, that the client spends at a regional treatment center or state nursing facility.

Subdivision 1a. Anoka-Metro Regional Treatment Center.

(a) A county's payment of the cost of care provided at Anoka-Metro Regional Treatment Center shall be according to the following schedule:

- 1) Zero percent for the first 30 days;
- 2) 20 percent for days 31 and over if the stay is determined to be clinically appropriate for the client;
- 3) 100 percent for each day during the stay, including the day of admission, when the facility determines that it is clinically appropriate for the client to be discharged.

(b) If payments received by the state under Minnesota Statutes, sections 246.50 to 246.53 exceeds 80 percent of the cost of care for days over 31 for clients who meet the criteria in paragraph (a), clause (2), the county shall be responsible for paying the state only the remaining amount. The county shall not be entitled to reimbursement from the client, the client's estate, or from the client's relatives, except as provided in Minnesota Statutes, section 246.53.

The percent change was made during the 2015 Legislative Session for individuals who meet paragraph (a), clause (3), which was effective for all patients in-house or admitted on or after July 1, 2015.

Subdivision 1b. Community Behavioral Health Hospitals.

A county's payment of the cost of care provided at state-operated community based behavioral health hospitals shall be according to the following schedule:

- (1) 100 percent of each day during the stay, including the day of admission, when the facility determines that it is clinically appropriate for the client to be discharged; and
- (2) The county shall not be entitled to reimbursement from the client, the client's estate, or from the client's relatives, except as provided in Minnesota Statutes, section 246.53.

This is a new county cost of care share that is effective for all patients in-house or admitted on or after July 1, 2016.

II. Length of stay determination

In accordance with the law, the following methods will be used to determine length of stay:

- DATE of admission to the program after release of any hold order will be counted as day one for the county cost of care determination
- DISCHARGE from the inpatient episode will end the length of stay calculation for the episode unless a client is re-admitted to the program within 72 hours. If the client is re-admitted within 72 hours from the discharge (provisional or full), the length of stay will continue from the previous episode

III. SOS – Hospital Level Medical Necessity Criteria – Determination Process

Minnesota Statutes, section 246.54, subdivision 1(b) requires the treatment facility to determine the clinical appropriateness of discharge as follows:

Step 1 – Utilization management reviewer identifies a client treatment episode that may no longer meet hospital level medical necessity criteria using LOCUS (Levels of Care Utilization System).

Step 2 – Utilization management reviewer reviews the client case with attending clinician to determine if clinical data supports hospital level medical necessity criteria, or “does not meet criteria” (DNMC).

Step 3 – Utilization management supervisor reviews case with the utilization management reviewer to assure appropriate justification for DNMC and writes DNMC letter.

Step 4 – SOS chief medical officer (CMO) reviews the case with the utilization management supervisor and if SOS CMO is in agreement, signs the DNMC letter.

Step 5 – DNMC letter is sent to the client (or designee) and to the county case manager.

IV. Process for appealing medical necessity determination

Clients have the right to appeal this determination. Clients may file an appeal with the Appeals Unit of the Minnesota Department Human Services. The address is below. Clients must submit their appeal within 30 days of when they receive notice. If the client can show good cause for failing to appeal within 30 days, the client might be able to appeal within 60 days. The human services judge decides if the client has good cause.

Representation: If the client requests an appeal, they may represent themselves or ask a lawyer, a friend or others to help them.

Appeals Units
Minnesota Department of Human Services
PO Box 64941
St. Paul, MN 55164-0941
(651) 431-3600

V. Action to be taken on county non-payment of county portion of cost of care

It is the responsibility of the county to make payment to the state within a reasonable period of time. Claims not paid in 90 day are considered to be outside of a reasonable period of time. When payment is not received within 90 days, the Commissioner of Human Services may assess financial penalties against the county in accordance with Minnesota Statutes, section 256.01, subdivision 2 as follows:

Subdivision 2. Specific powers.

Subject to the provisions of Minnesota Statutes, section [241.021, subdivision 2](#), the commissioner of human services shall carry out the specific duties in paragraphs (a) through (bb):

5) delay or deny payment of all or part of the state and federal share of benefits and administrative reimbursement according to the procedures set forth in Minnesota Statutes, section [256.017](#);

Process for non-paid claims.

Upon notification to the county from the Direct Care & Treatment patient accounting office of non-paid claims exceeding 90 days, credit balances will be established in the Departments Medicaid Management Information System (MMIS) for the full amount of the outstanding debt. Once established, future MMIS payments will be reduced, in whole or in part, until the value of the credit balance/outstanding debt is realized. The payment reductions will be reflected on each county's Remittance Advices (835's).

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling (651) 431-3676 (voice) or toll free at (800) 627-3529 or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.