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**TO: Local Governmental Agencies (LGAs)
Targeted Case Management (TCM) Coordinators**

SUBJECT: TCM Encounters with Clients Who Reside in Institutions

This Policy and Procedure Letter (PPL) provides requirements for LGAs whose case managers claim for TCM encounters conducted with clients who reside in institutions (nursing facilities, intermediate care facilities, hospitals, psychiatric facilities, Institutions for Mental Disease [IMD]). These requirements include:

- Limitations on claiming for TCM services provided to clients who reside in an institution,
- Confirming whether a facility is an IMD,
- Documenting the client's date of discharge from an institution, and
- Documenting the client's actual location when they are not in their private residence.

When TCM clients reside in nursing facilities, hospitals, convalescent homes, or other facilities that are not their private residence, TCM case managers must make a good faith effort, as specified in their Performance Monitoring Plan, not to claim for services that have already been provided. The federal Centers for Medicare and Medicaid Services (CMS) has determined that case management services are provided to clients in Skilled Nursing Facilities (SNFs) by medical staff. Institutions claim for these services as part of their all-inclusive clinic services rate.

Pursuant to the Olmstead Decision (U.S. Supreme Court, June 1999), CMS has announced that TCM:

May be furnished as a service to institutionalized persons who are about to leave the institution, to facilitate the process of transition to community services and to enable the person to gain access to needed medical, social, educational and other services in the community. We are revising our guidelines to indicate that TCM may be furnished during the last 180 consecutive days of a Medicaid



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eligible person's institutional stay, if provided for the purpose of community transition (Olmstead Update 3, July 25, 2000).

TCM case managers face further limitations on claims for services provided to clients who reside in psychiatric facilities that are IMDs. Case managers must verify with staff in such facilities whether or not the facilities are IMDs. Title 42 of the Code of Federal Regulations (CFR), Section (§) 1009 defines IMD as:

...a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental diseases, including medical attention, nursing care and related services. Whether an institution is an institution for mental diseases is determined by its overall character as that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases, whether or not it is licensed as such. An institution for the mentally retarded is not an institution for mental diseases.

TCM case managers must ensure that they do not claim for case management services they provide to clients who reside in an IMD who are under age 65 or over age 21. 42 CFR §435.1008 states:

FFP [Federal Financial Participation] is not available in expenditures for services provided to...individuals under age 65 who are patients in an institution for mental diseases unless they are under age 22 and are receiving inpatient psychiatric services under Sec. 44.160 of this subchapter.

For IMD clients who are under age 65 and over age 21, 9 CCR §1840.374 states:

- (a) TCM services are not reimbursable on days when the following services are reimbursed, except for day of admission or for placement services as provided in subsection (b):
 - (1) Psychiatric Inpatient Hospital Services
 - (2) Psychiatric Health Facility Services
 - (3) Psychiatric Nursing Facility Services
- (b) TCM services solely for the purpose of coordinating placement of the beneficiary on discharge from the psychiatric inpatient hospital, psychiatric health facility or psychiatric nursing facility may be provided during the 30 calendar days immediately prior to the day of discharge, for a maximum of three nonconsecutive periods of 30 calendar days or less per continuous stay in the facility.

TCM services are not claimable for IMD patients except on the day of admission and within 30 days prior to the day of discharge. Because the day of discharge can only be confirmed after the client has been discharged, it is essential that the client's actual date of discharge be clearly identified in the client case records. When claiming for TCM

services, the case manager must make a good faith effort to determine the client's expected date of discharge and to claim only for those encounters that meet the criteria for clients who reside in institutions, as described above.

To avoid duplication of case management services, case records and encounter logs must indicate specifically in what type of residence the client is residing. The word "home" must be used to refer to a private residence. Otherwise, indicate Board and Care, Hospital, SNF, IMD, etc. To document non-duplication of services, TCM case records and encounter logs must include:

- The recipient's name, date of birth, and Medi-Cal number,
- The date of service,
- The names of the provider agency and the person providing the service,
- The type of TCM service provided,
- The location of the service (home, office, or type of institution), and
- The date of the recipient's admission and discharge from an institution, if any.

If you have any questions, please contact Ms. Elizabeth Touhey, Chief of the Local and Schools Services Unit, at (916) 657-0716 or by e-mail at etouhey@dhs.ca.gov.

Sincerely,

Original Signed by P. Morrison

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