



JENNIFER KENT
Director

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
Governor

DATE: June 12, 2015

ALL PLAN LETTER 15-015

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: PHYSICAL HEALTH CARE COVERED SERVICES PROVIDED FOR MEMBERS WHO ARE ADMITTED TO INPATIENT PSYCHIATRIC FACILITIES

PURPOSE:

The purpose of this All Plan Letter (APL) is to clarify Medi-Cal managed care health plan (MCP) requirements to cover services provided for members who are admitted to inpatient psychiatric facilities.

BACKGROUND:

MCP contracts require MCPs to cover medically necessary covered services after an MCP has been notified by a Specialty Mental Health (SMH) provider that a member has been admitted to a psychiatric inpatient hospital. Medically necessary covered services include, but are not limited to, the initial health history and physical examination required upon admission, and any consultations related to medically necessary covered services. Except in the limited circumstance outlined below, MCPs are not responsible for room and board charges for psychiatric inpatient hospital stays by members.

REQUIREMENT:

To clarify the requirement noted above, MCPs must provide medically necessary covered services after an MCP has been notified by an SMH provider that a member has been admitted to an inpatient psychiatric facility, including an Institution for Mental Diseases (IMD). Title 9, California Code of Regulations (CCR), Section 1810.222.1 defines an 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 disorders, including medical attention, nursing care, and related services. An inpatient psychiatric facility with more than 16 beds meets this definition of an IMD. An inpatient psychiatric facility with 16 beds or fewer would not meet this definition of an IMD.

All of the requirements listed above for inpatient psychiatric facilities, including IMDs, apply regardless of the age of the member. The Medi-Cal program provides reimbursement for medically necessary covered services that are not reimbursed as part of the IMD's per diem rate regardless of the age of the member. Generally, MCPs

are not responsible for IMD room and board charges, or other services that are reimbursed as part of the IMD's per diem rate. However, MCPs are responsible for medically necessary covered nursing facility services, including room and board charges, when the services are classified as IMD services and are provided to members who are less than age 22 or greater than age 64. MCPs are not required to pay for duplicate tests or procedures that are not medically necessary.

If you have any questions regarding this APL, please contact your Managed Care Operations Division contract manager.

Sincerely,

Original Signed by Sarah C. Brooks

Sarah Brooks, Chief
Managed Care Quality and Monitoring Division
Department of Health Care Services