



STATE OF MICHIGAN

DEPARTMENT OF COMMUNITY HEALTH  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

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DIRECTOR

May 2010

Dear Prepaid Inpatient Health Plan, Community Mental Health Services Program, and Medicaid Health Plans:

The Medical Services Administration Mental Health Advisory Committee convened and chartered an Ad Hoc Workgroup intended to address several issues with regard to the interface of community partners treating individuals with mental health, especially those with co-occurring disorders. One of the key issues the workgroup addressed is responsibility for authorization and payment of specific services.

In February, MDCH issued L-letter 10-02 with attachments that explained responsibility for authorization and payment of specific services. Page two of the attachment to this L-letter contained an error regarding responsibility for authorization and payment when individuals with a serious mental illness are in an acute care hospital setting. Attached is the corrected responsibility and payment grid.

The grid is not intended to replace Medicaid policy but to provide further assistance for providers and payers on situations that cross Medicaid policy areas. This grid is also available on the DCH website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Provider Specific >> Physicians/Practitioners/Medical Clinics.

If you have questions regarding this policy clarification, please contact:

Medicaid Health Plan: Cheryl Bupp  
e-mail: [buppc@michigan.gov](mailto:buppc@michigan.gov)  
Telephone: (517-241-7933)

Prepaid Inpatient Health Plan, Community Mental Health Services Program, and Coordinating Agencies:  
Mark Kielhorn  
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Thank you for your continued participation in the Michigan Medicaid program and your commitment to providing quality care to Michigan's most vulnerable citizens.

Sincerely,

Stephen Fitton, Director  
Medical Services Administration

Michael J. Head, Director  
Mental Health and Substance Abuse Administration

Attachment

## MEDICAID Mental Health Substance Abuse Authorization and Payment Responsibility Grid

### Introduction:

The attached grid is designed to be utilized as a general guideline to assist Medicaid Health Plans, Prepaid Inpatient Health Plans, Community Mental Health Service Programs, and Substance Abuse Coordinating Agencies in determining the responsible entity for authorization and payment. These are general guidelines and all entities should follow Medicaid policy as delineated in the Medicaid Provider Manual and in the agency's contract with the State.

### Acronyms:

- BHM - Behavioral Health Manager
- CA - Coordinating Agency (substance abuse)
- CMHSP - Community Mental Health Services Program
- DD - Developmental Disability
- MHP - Medicaid Health Plan
- PIHP - Prepaid Inpatient Health Plan (mental health and substance abuse); in Wayne County this includes the responsible Managed Care Provider Networks (MCPN)
- SMI - Serious Mental Illness
- SUD - Substance Use Disorder

### Notes:

- Diagnosis may be **one** of the factors considered in determining responsible entity but **is not** the only factor.
- Individuals with chronic mental illness who are stable may be appropriately treated within the 20-visit MHP outpatient mental health benefit.
- Post-psychiatric hospitalization crisis intervention is the responsibility of the PIHP.
- Specialty supports and services provided to individuals with a Developmental Disability outlined in the Medicaid Provider Manual are the responsibility of the PIHP; mental health, physical health and substance abuse services for these individuals are handled by the appropriate agency as designated below.
- When the grid below indicates that authorization and payment is the responsibility of the "CMHSP/PIHP" or "PIHP/Substance Abuse Coordinating Agency (CA)", please refer to the Access Information Tool coming soon to the MDCH web site for details on specific contact information on the agency responsible for payment and authorization.

### Definitions:

Mental Health Assessment (MHA): Examination by a qualified mental health professional, typically in an in-patient acute care setting, to determine if a Pre-Admission Review or other mental health services are needed.

Pre-Admission Review (PAR): MDCH requires pre-admission review for all individuals who may need inpatient mental health admission. A qualified mental health care professional screens the individual to determine if inpatient mental health care is appropriate/ necessary. The pre-admission review may be conducted telephonically or face-to face by the CMHSP/PIHP.

## MEDICAID Mental Health Substance Abuse Authorization and Payment Responsibility Grid

Type of Service Provided	Place of Service — Setting in Which Service is Provided					
	Mental Health Crisis Center - Access and Screening Center	Psychiatrist Social Worker/ Psychologist Outpatient Office	Inpatient Psychiatric Hospital Center	Inpatient Medical Acute Care Hospital	Medical Emergency Department	Outpatient Substance Abuse Office, Residential Substance Abuse Center or Sub-Acute Detox Center
<p>Mental Health Services to Individuals who have "Mild to Moderate" mental illness.</p> <p>NOTE: The authorization and payment responsibilities delineated in this row hold true regardless if the individual has concurrent DD or SUD.</p>	<p>Crisis intervention is the responsibility of the CMHSP/PIHP even if individual is currently categorized as "Mild to Moderate" mental illness.</p> <p>PIHP is responsible for treating the individual until the individual is stabilized and no longer meets the criteria for serious mental illness treatment as outlined in Medicaid Policy.</p>	<p>The MHP (or the plan's BHM) is responsible for a maximum of 20 mental health visits per calendar year; this service may or may not require authorization from MHP/BHM.</p> <p>Typically, if the annual maximum 20-visit benefit has been exhausted, the beneficiary must wait until next benefit renewal period in order to receive additional, routine outpatient mental health treatment. **</p>	<p>The CMHSP's / PIHP's designated screening unit determines the need for inpatient mental health services.</p> <p>The CMHSP /PIHP provides the authorization for mental health inpatient admission and is responsible for mental health inpatient admission costs including psychiatrists' fees.</p> <p>See row below for MEDICAL services.</p>	<p>Mental Health Assessment while the individual is in an inpatient medical acute care hospital is the responsibility of the MHP; the MHP may require prior authorization.</p> <p>If the Mental Health Assessment finds that screening for inpatient psychiatric hospital is indicated, CMHSP/PIHP should be contacted for Pre-Admission Review. Authorization and payment of PAR is the responsibility of the CMHSP/PIHP.</p>	<p>After medical screening and stabilization, if medical health professional believes that pre-screening for inpatient psychiatric hospital is indicated, ED should refer patient to CMHSP/PIHP for a PAR.</p> <p>PAR may be conducted telephonically or face-to face in the ED by the CMHSP/PIHP. Authorization and payment for PAR are the responsibility of the CMHSP/PIHP.</p> <p>Once the patient has been medically cleared, the medical health professional must contact the appropriate agencies prior to any further mental health services Contact the CMHSP/PIHP for PAR if need for inpatient psychiatric is suspected. If need for outpatient services is suspected, see "outpatient office" column.</p> <p>MHPs are NOT responsible for the PAR.</p> <p>See row below for MEDICAL services.</p>	<p>PIHP with subcontract to Substance Abuse Coordinating Agency (CA).</p> <p>MH and SA should be coordinated with the MHP—this is especially true if the individual has co-occurring disorders (mental health and substance abuse);</p> <p>See ATTACHMENT 2 for acute care hospital INPATIENT MEDICAL detoxification.</p>
	<p>** THIS IS NOT AN MDCH REQUIREMENT; however, some health plans and some PIHPs/CMHSPs have chosen to use the following method: ON A CASE-BY-CASE BASIS, through discussion between the MHP's and PIHP/CMHSP's, mental health consultants concur either: that additional treatment through the PIHP/CMHSP is medically necessary and can reasonably be expected to achieve the intended purpose of the additional treatment (i.e., improvement in the beneficiary's condition); or that additional treatment through the MHP may be provided to maintain the patient's mental health status until the next benefit year.</p>					

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<p>Mental Health Services to Individuals who have "serious" mental illness.</p> <p>NOTE: The authorization and payment responsibilities delineated in this row hold true regardless if the individual has concurrent DD or SUD.</p>	CMHSP/PIHP	CMHSP/PIHP	<p>The CMHSP/ CMHSP's designated screening unit determines the need for inpatient mental health services and provides the authorization for inpatient admission as well as the associated professional fees.</p> <p>See row below for MEDICAL services.</p>	<p>Mental Health Assessment while the individual is in an inpatient medical acute care hospital is the responsibility of the MHP; the MHP may require prior authorization.</p> <p>If the Mental Health Assessment finds that screening for inpatient psychiatric hospital is indicated, CMHSP/PIHP should be contacted for Pre-Admission Review. Authorization and payment of PAR is the responsibility of the CMHSP/PIHP.</p>	<p>After medical screening and stabilization, if medical health professional believes that screening for inpatient psychiatric hospital is indicated, ED should refer patient to CMHSP/PIHP for screening and authorization.</p> <p>Pre-Screening (Pre-admission assessment) may be conducted telephonically or face-to face in the ED by the CMHSP/PIHP. Authorization and payment for pre-screening are the responsibility of the CMHSP/PIHP.</p> <p>See row below for MEDICAL services.</p>	<p>PIHP</p> <p>In cases of co-occurring disorders (mental health and substance abuse); services should be coordinated with the CMHSP and the CA.</p> <p>See row below for acute care hospital INPATIENT MEDICAL detoxification.</p>
Treatment for Substance Use Disorder	PIHP/Substance Abuse Coordinating Agency (CA)	PIHP/Substance Abuse Coordinating Agency (CA)	N/A	See Attachment 2 for information on Acute Inpatient Detoxification.	<p>If necessary, ED staff refer patient to PIHP/CA for follow up treatment.</p> <p>Health Plan is responsible for hospital and professional services in the ED prior to medical stabilization.</p> <p>If the patient is admitted for acute medical detoxification, then the ED costs are rolled into the inpatient DRG. See Attachment 2 for more information about acute medical detoxification.</p>	PIHP/Substance Abuse Coordinating Agency (CA)

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Medical services to individuals enrolled with an MHP—Professional and Facility Services.	N/A	N/A	MHP (may require authorization for non-emergent care)	MHP (may require authorization for non-emergent care)	MHP (may require authorization for post-stabilization treatment)	MHP (may require authorization for non-emergent care)
Diagnostic Tests (e.g., CT Scan, X-ray, Lab).	N/A	N/A	MHP (may require authorization for non-emergent care)	MHP (may require authorization for non-emergent care)	MHP (may require authorization for post-stabilization treatment)	MHP (may require authorization for non-emergent care)