

**Distribution:** Community Mental Health Services Programs 04-01

**Issued:** March 29, 2004

**Subject:** Clarification to Chapter III for Prepaid Inpatient Health Plans  
(Mental Health-Substance Abuse)

**Effective:** Upon Receipt

**Programs Affected:** Medicaid

This bulletin provides clarifications to the PIHP/CMHSP Chapter III, released with CMHSP 03-06 bulletin, in response to questions received after the new chapter was released.

**Note:** The PIHP/CMHSP Chapter III was renamed Mental Health-Substance Abuse Chapter in the new electronic Medicaid Provider Manual recently distributed to providers on compact disc (CD). Some of the sections in the electronic version of the chapter have been renumbered to correct errors in the paper copy. This bulletin supplements the electronic version of the manual and, where appropriate, identifies where a section is numbered differently in the electronic manual.

### **Section 1.5 Beneficiary Eligibility (1.6 in the electronic manual)**

The second paragraph after the table in this subsection should read:

"Medicaid beneficiaries who are not enrolled in a MHP, and whose needs do not render them eligible for specialty services and supports, receive their outpatient mental health services through the fee-for-service (FFS) Medicaid Program if experiencing or demonstrating mild or moderate psychiatric symptoms or signs of sufficient intensity to cause subjective distress or mildly disordered behavior, with minor or temporary functional limitations or impairments (self-care/daily living skills, social/interpersonal relations, educational/vocational role performance, etc.) and minimal clinical (self/other harm risk) instability.

Refer to the Practitioner Chapter of the Manual for coverages and limitations of the FFS mental health benefit."

### **Section 1.6 Definition of Terms (1.7 in the electronic manual)**

Under the definition of Qualified Mental Retardation Professional (QMRP), the correct citation from the Code of Federal Regulations is "42CFR483.430."

### **Section 2.3 Location of Service**

The first sentence of the last paragraph in this subsection should read:

"Medicaid does not cover services provided to children with serious emotional disturbance in Child Caring Institutions (CCIs). Medicaid does cover services provided to children with developmental disabilities in a CCI that exclusively serves children with developmental disabilities, and has an enforced policy of prohibiting staff use of seclusion and restraint."

### **Section 2.4 Staff Provider Qualifications**

Last bullet, remove parenthetical phrase: (i.e., not a fugitive from justice, a convicted felon, or an illegal alien).

### **Section 3.2 Assessments**

Under the "All Other Assessments and Testing" portion of the table, the word "mental" should be added immediately preceding "healthcare professional."

### **Section 3.14 Medication Administration**

A second paragraph should be added that reads:

"For injections administered through the CMHSP clinic, refer to Section 4.13 of the Practitioner Chapter of the Medicaid Provider Manual."

### **Section 3.17 Occupational Therapy**

Under the "evaluation" portion of the table, the phrase "physician-prescribed" should be added at the beginning of the sentence so it reads "Physician-prescribed activities provided by an occupational therapist..."

### **Section 3.19 Physical Therapy**

Under the "evaluation" portion of the table, the phrase "physician-prescribed" should be added at the beginning of the sentence so it reads "Physician-prescribed activities provided by an a physical therapist..."

The third paragraph under the "therapy" portion of the table should be deleted and replaced with:

"Services must be prescribed by a physician and may be provided on an individual or group basis by a physical therapist or a physical therapy assistant currently licensed by the State of Michigan, or a physical therapy aide who is receiving on-the-job training. The physical therapist must supervise and monitor the assistant's performance with continuous assessment of the beneficiary's progress. On-site supervision of an assistant is not required. An aide performing a physical therapy service must be directly supervised by a physical therapist that is on-site. All documentation by a physical therapy assistant or aide must be reviewed and signed by the appropriately credentialed supervising physical therapist."

#### **Section 4 - Assertive Community Treatment Program (ACT)**

The last sentence of the first paragraph in this section should read:

"All team staff must have a basic knowledge of ACT programs and principles acquired through ACT specific training."

#### **Section 6.2.A Child Crisis Residential Services**

Replace last sentence (Child-caring institutions providing this service must have an attestation of adherence to federal standards on the use of seclusion and restraint) with "Child Crisis Residential Services may not be provided to children with serious emotional disturbance in a Child Caring Institution (CCI)."

#### **Section 7.1 Program Approval**

Sentence in Location of Service box should read:

"Services are provided in the family home or community settings."

#### **Section 7.2.C. Age Seven through Seventeen**

Following sentence at first bullet in Functional Impairment box: add "or" after CAFAS;

Second bullet, sentence should read:

"An elevated subscale score (20 or greater) on one element of the CAFAS Child/Adolescent Section, combined with an elevated subscale score (20 or greater) on at least **one** CAFAS element involving Caregiver/Caregiving Resources; or"

#### **Section 8.4 Medicare**

The first sentence of this subsection should read:

"For Medicare-covered services, the PIHP may only pay up to a Medicare-enrolled beneficiary's obligation to pay (i.e., co-insurance and deductibles)."

#### **Section 9.3 Qualified Staff (9.4 in the electronic manual)**

The word "mental" should be added immediately preceding "healthcare professionals" in the third sentence of the first paragraph.

#### **Section 13 - Targeted Case Management**

The second paragraph should read:

"Targeted case management services must be available for all children with serious emotional disturbance, adults with serious mental illness, persons with a developmental disability, and those with co-occurring substance use disorders who have multiple service needs, have a high level of vulnerability, require access to a continuum of mental health services from the PIHP, and/or are unable to independently access and sustain involvement with needed services."

### **Section 14.2 Client Eligibility**

Remove the word "client" in this subsection title.

### **Section 14.3 Covered Waiver Services**

Following the first sentence of the first paragraph, insert the sentence: "Refer to the Children's Waiver Community Living Support Services Appendix for criteria for determining number of hours." A copy of the Appendix is attached to this bulletin. The Appendix contains the information previously transmitted with MSA Bulletin Community Mental Health Services Programs 98-01.

Under the Environmental Accessibility Adaptations (EAA) portion of the table, the first paragraph should end with the additional sentence:

"A prescription or CMN is required and is valid for one year from the date of signature."

Under the Respite Care portion of the table, the third sentence of the second paragraph should read:

"When a child requires skilled nursing interventions for 24 hours, the maximum daily amount that one nurse can provide is 16 hours."

### **Manual Maintenance**

Retain this bulletin for future reference, or refer to the April 1, 2004 (or later) version of the Mental Health-Substance Abuse Chapter of the Medicaid Provider Manual. The Manual is available online at [www.michigan.gov/mdch](http://www.michigan.gov/mdch), click on Providers, Information for Medicaid Providers, Medicaid Provider Manual.

### **Questions**

Any questions regarding this bulletin should be directed to: Provider Inquiry, Department of Community Health, PO Box 30731, Lansing, MI 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and a phone number so you may be contacted if necessary. Providers may phone toll free: 1-800-292-2550.

### **Approval**



Paul Reinhart, Director  
Medical Services Administration



## CHILDREN'S WAIVER COMMUNITY LIVING SUPPORT SERVICES APPENDIX

### SECTION 1 - CHILDREN WITH CHALLENGING BEHAVIORS

#### 1.1 PURPOSE

This Section is to help the CMHSP determine whether the challenging behavioral needs of the child support hourly care and other support services, and to determine the appropriate range of hourly care that can be authorized under the Community Living Support (CLS) waiver service. The following categories do not, in and of themselves, establish eligibility for publicly funded hourly care.

The amount of CLS services (i.e. the number of hours) that can be authorized for a child is based on several factors, including the child's care needs which establish waiver eligibility, child's and family's circumstances, and other resources for daily care (e.g. private health insurance, trusts bequests, private pay). In addition to identifying the family situation and the specific behaviors as described in the category definitions, the following elements contribute to the overall assessment of need:

- Type of behaviors identified;
- Frequency, intensity, and duration of identified behaviors;
- How recently serious behaviors occurred;
- Actual specific effects of the behavior on persons in family and property;
- Level of family intervention required to prevent behavioral episodes;
- Extent to which family must alter normal routine to address behavioral needs of the child;
- Prognosis for change in the child's behavior;
- Whether or not child functions more effectively in any current setting than in other settings; and
- Age, size, and mobility of child.



# Medicaid Provider Manual



## 1.2 CATEGORIES OF CARE

### 1.2.A. CATEGORY IV

|                       |   |
|-----------------------|---|
| <b>Qualifications</b> | Demonstrates mild level behaviors that may interfere with the daily routine of the family.  |
| <b>Definitions</b>    | <b>Mild Behavior:</b> Infrequent or intermittent behaviors including pinching, hitting, slapping, kicking, head banging, and/or elopement without careful supervision when there is evidence of lack of judgment regarding danger, or an extremely high activity level requiring extensive supervision and redirection. |

### 1.2.B. CATEGORY III

|                       |   |
|-----------------------|---|
| <b>Qualifications</b> | Demonstrates a daily pattern of medium level behaviors including self-injurious, physically aggressive or assaultive behaviors that have not resulted in hospitalization or emergency room treatment for injuries in the past year, or has engaged in occasional, significant property destruction that is not life-threatening.  |
| <b>Definitions</b>    | <p><b>Pattern of Behavior:</b> In addition to a single serious episode in the last year, significant daily behaviors are documented.</p> <p><b>Medium Behavior:</b> Includes behaviors defined in the Category II definition of "moderate behavior" when emergency room treatment or hospitalization have not been required for treatment of injuries resulting from the behavior. Examples include head banging resulting in bleeding and bruising without concussion or detached retina, hair pulling without removing hair from the scalp, smearing feces without PICA, and biting without drawing blood.</p> <p><b>Occasional Property Destruction:</b> Property destruction that occurs with a frequency not greater than one time per week.</p> |

### 1.2.C. CATEGORY II

|                       |  |
|-----------------------|--|
| <b>Qualifications</b> | Demonstrates a daily pattern of moderate self-injurious, physically aggressive or assaultive behavior when medical intervention, or emergency room treatment has been required for treatment of injuries in the past year without resulting hospitalization, or if the child has engaged in frequent, significant property destruction that is not life-threatening. |
|-----------------------|--|



# Medicaid Provider Manual

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| <b>Definitions</b> | <b>Moderate Behavior:</b> Includes behaviors that pose a significant risk of injury to self or others in the immediate environment. Examples include physical assault or self-abuse resulting in injuries requiring hospital emergency room treatment without hospital admission in the past year, biting that breaks the skin, hair pulling resulting in removal of clumps of hair from the scalp, multiple daily episodes of smearing feces with associated PICA, and head banging resulting in documented concussion or detached retina. |
|--------------------|---|

## 1.2.D CATEGORY I

|                       |   |
|-----------------------|---|
| <b>Qualifications</b> | Demonstrates a pattern of severe self-injurious, physically aggressive or assaultive behavior, or life-threatening property destruction that has occurred one or more times in the past year. Documented evidence of additional behavioral problems on a frequent basis each day supports a need for one-to-one intensive behavioral treatment. |
| <b>Definitions</b>    | <b>Severe Behavior:</b> Poses a very significant risk of serious injury or death to self, a family member, or others in the immediate environment. Examples include fire setting, physical assault or self-abuse resulting in injuries to self or others requiring inpatient hospital admission for treatment in the past year.                 |





# Medicaid Provider Manual

|  |   |
|--|---|
|  | <ul style="list-style-type: none"><li>▪ Catheterization fewer than five times per day;</li><li>▪ Routine chest physiotherapy four or more times per day;</li><li>▪ Ostomy care;</li><li>▪ Total feeding or formal feeding program requiring more than 45 minutes per meal with need for special trunk-head positioning;</li><li>▪ Concurrent diagnosis of severe hypertonicity, severe contractures, or severe scoliosis that requires therapeutic positioning every two hours; or</li><li>▪ Documented evidence that positioning causes apnea and cyanosis, and that positioning is limited to positions with the body in less than a 45 degree angle to horizontal plane.</li></ul> |
|--|---|

## 2.1.C. CATEGORY II AND CATEGORY I

Services for Category II and Category I children are covered under the Medicaid State Plan private duty nursing (PDN) benefit. Refer to the Private Duty Nursing Chapter of this manual for PDN coverage criteria.



## **SECTION 3 – COVERAGE DECISIONS**

### **3.1 DECISION RESPONSIBILITY**

The MDCH Children's Waiver Review Team will continue to review all plans of service and current assessments, and prior authorize waiver services, for those children who:

- Qualify for Category of Care I; or
- Any child who has been approved to receive additional CLS hours under the exception process.

The responsible CMHSP, following the Children's Waiver Decision Guide in the following subsection, will review and prior authorize waiver services for those Children's Waiver beneficiaries who are:

- Determined to qualify for Categories II, III, or IV.

### **3.2 DECISION GUIDE**

The determination of the amount of hourly care should result from a person-centered planning/family-centered practice process that considers both the child's and family's needs. The Children's Waiver Decision Guide Table below assists in identifying the range of hours provided for children based on their category of care and the family's resources to provide that care. It is expected that hourly care services will be provided within the range for which the child qualifies. Within the four Categories of Care are five sections that apply to the child's family status. In determining the total number of hours, it is acceptable to use the highest range within the appropriate section of the eligible category. The range of hours identified in the guide is an average daily amount that is provided seven days a week, based on a monthly total authorization.

**If the child is attending school an average of 25 hours per week, the Section VI maximum would apply unless the maximum exceeds the range qualified for in Sections I-V. In that case, the maximum range in Sections I-V would apply. The Section VI maximum would not be required during school breaks, such as Christmas, Easter, and summer vacations, or if the child is out of school due to illness for 5 or more consecutive days.**



| CHILDREN'S WAIVER DECISION GUIDE TABLE  |   |   |   |   |
|---|---|---|---|---|
| ADDITIONAL FAMILY RESOURCES   | DOCUMENTED CATEGORY OF NEED FOR HOURLY CARE AUTHORIZATION |   |   |   |
|   | CATEGORY IV   | CATEGORY III                              | CATEGORY II                               | CATEGORY I                                    |
| <b>Section I – Number of Caregivers</b><br>1. Two or more caregivers live in home; both work F/T<br>2. Two adult caregivers; one works F/T<br>3. Two adult caregivers; neither is employed<br>4. One adult caregiver lives in home and works F/T<br>5. One adult caregiver; does not work F/T | 4 - 8<br>2 - 8<br>2 - 4<br>4 - 8<br>2 - 6                 | 6 -10<br>2 - 8<br>2 - 6<br>4 -10<br>2 - 8 | 8 -12<br>4 -10<br>4 - 8<br>8 -12<br>8 -10 | 12 -16<br>10 -16<br>8 -12<br>12 -16<br>10 -14 |
| <b>Section II – Health Status of Caregivers</b><br>1. Significant health issues<br>2. Some health issues  | 6 - 8<br>4 - 6  | 6 -10<br>4 - 8                            | 10 -14<br>8 -12                           | 12 -16<br>10 -12                              |
| <b>Section III – Additional Dependent Children</b><br>1. Applicant has one or more siblings age 5 or older<br>2. Applicant has one or more siblings under age 5   | 2 - 4<br>4 - 6  | 2 - 6<br>4 - 8                            | 4 - 8<br>6 - 8                            | 8 -12<br>8 -12                                |
| <b>Section IV – Additional Children with Special Needs</b><br>1. Applicant has one or more siblings with nursing needs<br>2. Applicant has one or more siblings with non-nursing special needs  | 4 - 8<br>2 - 4  | 6 - 8<br>2 - 6                            | 4 - 8<br>N/A                              | 8 -12<br>N/A                                  |
| <b>Section V – Night Interventions</b><br>1. Requires 2 or fewer interventions at night or total time less than one hour<br>2. Requires 3 or more interventions requiring one hour or more to complete  | 2 - 4<br>4 - 8  | 2 - 6<br>6 - 8                            | 4 - 8<br>6 -10                            | 8 -12<br>8 -12                                |
| <b>Section VI – School</b><br>Child attends school an average of 25 hours per week  | 6 max   | 6 max                                     | 8 max                                     | 12 max  |





# Medicaid Provider Manual



Exceptions approved by MDCH can occur in one of the following ways:

- Temporary emergency basis only. Verbal approval can be given to the CMHSP, with written justification to be forwarded to MDCH within 10 days; or
- In a nonemergency situation, the CMHSP provides the MDCH with written documentation of the specific rationale to support the exception (i.e. physician's prescription). This would include a revised Plan of Care, highlighting the care needs to be provided with the additional staffing hours, and all current assessments. A response from MDCH will occur within 10 working days.
- When approval of an exception is not granted through either of the two processes listed above, the family, case manager, or MDCH may request a meeting in order to clarify and reconsider the basis for the exception.

MDCH has the option to request a home visit to meet the child when it is necessary for an effective decision.

### 3.4 APPEAL PROCESS

The child and family have the right, under the Michigan Mental Health Code, to appeal a negative coverage decision to the director of the CMHSP. The child and family may also request a recipient's rights investigation through their CMHSP.

The CMS approval of the Children's Waiver requires the availability of a fair hearing for any Medicaid-eligible child enrolled in the Children's Waiver Program when that child is subject to a negative action. A negative action results when a Medicaid-covered service or benefit is taken away, reduced, or denied to a Medicaid beneficiary. The Medicaid beneficiary must be notified of the negative action in writing. The negative action notice must indicate:

- The beneficiary's right to appeal through the MDCH administrative hearing process;
- The beneficiary has 90 days to submit an appeal; and
- Where to send the appeal.

The MDCH appeal process may occur simultaneously with a recipient's rights or CMHSP administrative appeal process. Individuals and their families are encouraged to resolve disputes regarding waiver services at the local CMHSP level.

The CMHSP is financially responsible for any services that may be approved as a result of the judgment from the administration appeal process.