



Medicaid Coverage and Payment for Services to Individuals
in
“Institutions for Mental Diseases
(IMDs)”

All Tribes' Call
June 9, 2015

Payment Exclusion



Paragraph (B) following paragraph section 1905(a)(29) of the Social Security Act:

- Medical assistance does not include “any such payments with respect to care or services for any individual who has not attained 65 years of age and who is a patient in an institution for mental diseases.”



IMD Definition

- The term “institution for mental diseases” means 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.
 - 42 CFR 435.1010



Institution of More Than 16 Beds

- Because IMDs are defined as institutions with more than 16 beds, the IMD exclusion applies only to institutions with at least 17 beds.



Primarily Engaged In...

- A facility is primarily for the care and treatment of individuals with mental diseases when:
 - Licensed or accredited as a psychiatric facility
 - Under the jurisdiction of the State's mental health authority
 - Specializes in psychiatric/psychological care
 - Need for institutionalization of more than 50% of patients results from mental diseases
 - Has more than 16 beds



Mental Diseases

Includes:

- Diseases listed as mental disorders in the most recent edition of the International Classification of Diseases and
- The Diagnostic and Statistical Manual of Mental Disorders (DSM)

Does not include:

- Intellectual disabilities, “senility, and organic brain syndrome.”

[See State Medicaid Manual, section 4390]

Includes:

- Alcohol and other chemical dependency syndromes as mental disorders.



Exceptions to the IMD Exclusion

- Inpatient psychiatric services for individuals under age 21
 - Section 1905(a)(16) as defined in subsection (h)
- Inpatient hospital or nursing facility services for individuals 65 or over in an IMD
 - Section 1905(a)(14)



Payment is Available for...



Inpatient Psychiatric Services for Individuals under Age 21

- (A) inpatient services which are provided in an institution (or distinct part thereof) which is a psychiatric hospital... or another inpatient setting ... [section 1905(h)(1)(A)]



Inpatient Psychiatric Services for Individuals under Age 21

- (B) inpatient services which involve (i) active treatment...and (ii) a team, consisting of physicians and other personnel qualified to make determinations with respect to mental health conditions and treatment, has determined are necessary on an inpatient basis... [section 1905(h)(1)(B)]



Inpatient Settings

- Psychiatric hospital
- Inpatient psychiatric program in a hospital, or
- Another inpatient setting that the Secretary has specified in regulations [section 1905(h)(1)(A)]



Provided in another inpatient setting

- Psychiatric Residential Treatment Facility (PRTF)
 - A facility other than a hospital
 - Provides psychiatric services
 - To individuals under 21
 - In an inpatient setting

[42 CFR 483.352]



Who may receive PRTF services?

- Participants must need inpatient services
- Under the direction of a physician
- Services provided must be reasonably expected to improve the resident's condition or prevent further regression
- States determine the psychiatric conditions which would fall under this benefit

[42 CFR 441.152]



Addressing Substance Use Disorders in the Community

- Covered by under section 1905(a) of the Social Security Act:
 - Screening & assessment
 - Medication-Assisted Treatment
 - Individual, group and family therapies
 - Peer supports
 - Preventive services
 - Outpatient hospital
 - Targeted Case Management services
- Covered through other Medicaid authorities:
 - Health Homes (section 2703)
 - Section 1915 (i) state plan home and community based services
 - Alternative Benefit Plans
 - Section 1915(b)
 - Section 1115 demonstrations



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