

**EXHIBIT 283**

**MODEL LETTER - NOTICE OF FAILURE TO MEET THRESHOLD  
AND SERVICE REQUIREMENTS**

**(Date)**

Community Mental Health Center Name  
Address  
City, State, ZIP Code

Dear \_\_\_\_\_:

RE: Provider Number (**Provider Number**)

This is to inform you of the Centers for Medicare & Medicaid Services' initial determination (see 42 CFR Part 498.3) that your facility does not meet the requirements to participate in the Medicare program as a community mental health center (CMHC) providing partial hospitalization services.

In order to be certified as a CMHC providing partial hospitalization services in the Medicare program, an entity must meet the statutory requirements for a CMHC. These requirements are found at §1861(ff) of the Social Security Act, which requires that a CMHC provide the services described in §1916(c)(4) (now found at §1913(c)(1) of the Public Health Service (PHS)) Act and meet applicable licensing or certification requirements for a CMHC in the State in which it is located.

The services listed in the PHS Act that an entity must provide in order to be approved as a CMHC are as follows: outpatient services, including specialized outpatient services for children, the elderly, individuals with a serious mental illness, and residents of service areas of the centers who have been discharged from inpatient treatment at a mental health facility; 24-hour-a-day emergency care services; day treatment or other partial hospitalization services; or psychosocial rehabilitation services; and screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission.

The statute requires that an applicant CMHC be providing the services listed in the PHSA at the time of certification, not at some future point in time. Accordingly, CMS looks for evidence that the applicant is already providing the core services as a pre-condition for certification. For example, CMS will look to see that the applicant:

- Is fully operational for a sufficient period of time that enables us to be reasonably assured of the facility's compliance with program requirements. We believe one business quarter would provide us with the information we need to assess compliance.

(Name)

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- Has served, as evidenced by complete, onsite medical record documentation from within three months of the date of the initial Medicare application for new applicants or date of sale for changes of ownership, a sufficient number of persons to enable us to reasonably assure that the facility is, in fact, complying with basic program requirements. We believe that to achieve this objective, a facility should have served at least 10 non-Medicare patients, including:
  - A minimum of three patients for which medical records demonstrate that the CMHC has:
    - The legal capacity under State law to provide screening services for admission to State mental health facilities;
    - The capability and clinical expertise to provide such screening services; and
    - Provided screening services for which the specific purpose (e.g., reason for referral) is to assess the patient's need for admission to a State mental health facility. Where there are State requirements for the completion of required forms, court documents, or any other required documentation in response to the screening request, these documents would be evidence of providing the service. Otherwise, evidence in the screening assessment must include a clinical decision regarding the appropriate level of care and follow-up placement.
  - A minimum of 3-day treatment or other partial hospitalization or psychosocial rehabilitation patients (this is a group treatment and three patients is the smallest number the CMHC could justify as a group); and
  - At least one patient from each of the four outpatient categories:
    - Children;
    - Elderly;
    - Chronically Mentally Ill; and
    - Residents of its mental health service area who have been discharged from inpatient treatment as a mental health facility.

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We based our decision on the fact that your CMS Medicare Enrollment Application, Form CMS-855 and an on-site visit completed on **(date)** by the **(name of site visit contractor)** revealed that your facility did not meet these Federal requirement(s) for CMHCs. The unmet requirement(s) **(was/were)**:

**(Provide the CMHC with an adequate explanation of CMS' findings of noncompliance for each of the unmet threshold and service requirements.)** For example:

The CMS has determined that all CMHCs seeking to participate in the Medicare program must meet minimum non-Medicare service requirements before enrollment into the Medicare program. As a result of the information you provided on the CMS Medicare Enrollment Form CMS-855 and/or at the time of the on-site visit to your facility, it was determined that your facility does not meet the requirements at §1913(c)(1) which we refer to as threshold and service requirements. You were then provided an opportunity to substantiate your ability to meet these requirements, but you failed to do so.

If you believe that this initial determination is not correct, you may request that it be reconsidered. The request must be submitted in writing to **(name and address)** within 60 days of the date you receive this notice in accordance with 42 CFR Part 498.22. The date of receipt will be presumed to be 5 days after the date on the notice unless there is a showing that it was, in fact, received earlier or later. The request should state the legal and factual reasons why you consider the decision to be incorrect and should include any documentation supporting these legal and factual conclusions.

If you have any questions, please feel free to contact **(name of staff)** at **(phone number)**.

Sincerely yours,

Associate Regional Administrator  
(or equivalent)