

Wyoming Administrative Rules

Health, Department of

Medicaid

Chapter 40: Psychiatric Residential Treatment Facilities

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CHAPTER 40

PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES

Section 1. Authority. This Chapter is promulgated by the Department of Health pursuant to the Wyoming Medical Assistance and Services Act at Wyoming Statutes § 42-4-101 et seq.

Section 2. Purpose and Applicability.

(a) This Chapter shall apply to and govern the furnishing of inpatient psychiatric services for individuals under age twenty-one (21) in psychiatric residential treatment facilities as defined by 42 CFR § 483.354.

(b) The Department may issue manuals and bulletins to providers and other affected parties to interpret the provisions of this Chapter. Such manuals and bulletins shall be consistent with and reflect the policies contained in this Chapter. The provisions contained in manuals and bulletins shall be subordinate to the provisions of this Chapter.

Section 3. Definitions. Except as otherwise specified in Chapter 1 of the Wyoming Medicaid Rules, Definitions, the terminology used in this Chapter is the standard terminology and has the standard meaning used in healthcare, Medicaid, and Medicare.

(a) "Certification of need for services." A certification pursuant to Section 8 that meets the requirements of 42 C.F.R. § 441.152 & 153, which requirements are incorporated by this reference.

(b) "Chapter" used herein refers to the specified Chapter in the Wyoming Department of Health, Medicaid Rules.

(c) "COA." The Council on Accreditation for Children and Family Services.

(d) "Court ordered placement." The placement of a client in a facility pursuant to an order entered by a court of competent jurisdiction, other than an involuntary commitment pursuant to Title 25 of the Wyoming Statutes.

(e) "Facility." A PRTF which has been certified by the Centers for Medicare and Medicaid Services (CMS) pursuant to 42 CFR 483.354 and also maintains compliance with the conditions of participation found at 42 CFR Subpart G.

(f) "Financial Report." A report of a facility's costs for a specified fiscal period prepared and submitted in the form and manner specified by the Department. Financial report includes any supplemental request by the Department for additional information relating the facility's costs.

(g) "Foster home." A home certified by the Wyoming Department of Family Services (DFS) as a foster home.

(h) "Group Home." An institution certified by DFS as a group home.

(i) "Individual written plan of care (plan of care)." A written treatment plan, prepared by an interdisciplinary team, that meets the requirements of 42 C.F.R. § 441.155, except that the plan must be completed within fourteen (14) calendar days of an individual's admission to the facility.

(j) "Usual and customary per diem charge." A provider's per diem charge for comparable services provided to non-Medicaid recipients other than persons eligible for payment on a reduced or sliding fee schedule.

Section 4. Provider participation.

(a) Except as otherwise specified in this Chapter, no facility that furnishes covered services to a recipient shall receive Medicaid funds unless the provider has signed a provider agreement, and is enrolled.

(b) Compliance with Chapter 3, Provider Participation. A facility that wishes to receive Medicaid reimbursement for covered services furnished to a recipient must meet the provider participation requirements of Chapter 3.

(c) Additional provisions.

(i) A PRTF must be certified. In-state PRTF's shall be certified by the Division of Healthcare Financing in conjunction with Healthcare Licensing and Surveys and CMS approval. Out-of-state PRTF's shall be certified by their own state's licensing and survey agency and CMS.

(ii) A PRTF shall be licensed. For in-state PRTF's, a PRTF shall be licensed by the State of Wyoming, Department of Family Services. For out-of-state PRTF's, a PRTF shall be licensed by that state's licensing authority.

(iii) A PRTF shall have one of the following accreditations: JCAHO, CARF, COA, or any other accrediting organization with comparable standards recognized by the State.

(iv) No facility shall become a provider or receive Medicaid funds for services furnished before the date on which an authorized individual signs an attestation letter which meets CMS requirements regarding restraint, seclusion, and death reporting policies, as set forth at 66 Federal Register 28110 through 28117 (May 22, 2001), to be codified at 42 C.F.R. Parts 441 and 483.

Section 5. Provider records. PRTF shall be subject to the record-keeping provisions of Chapter 3, Provider Participation.

Section 6. Verification of client data. A provider shall comply with the verification of client data requirements of Chapter 3, Provider Participation.

Section 7. Admission.

(a) Before admission to a facility, an interdisciplinary team shall complete a certification of need for services in accordance with 42 CFR § 441.154.

(b) Admission Certification. Admissions to PRTFs are subject to the prior authorization procedures outlined in Section 8 of this Chapter. The Department shall determine the medical necessity of admission to an PRTF using the following criteria:

(i) The client presents with a longstanding (at least six months) psychiatric diagnosis characterized by severely distressing, disruptive or immobilizing symptoms that are persistent and pervasive, and which cannot be reversed with treatment in an outpatient treatment setting, or is being stepped down in intensity from an acute psychiatric facility. The diagnosis shall meet the criteria for an Axis 1 as defined by the current edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM);

(ii) There are documented attempts to treat the client with the maximum intensity of services available at a less intensive level of care that cannot meet or has failed to meet the needs of the client within the past six (6) months. The client shall have failed to respond to outpatient interventions. Six (6) months of alternative, less restrictive levels of care shall have been tried and have failed, or are not psychiatrically indicated;

(iii) At least one of the patterns of behavior listed below must be present:

(A) Persistent, pervasive and frequently occurring oppositional/defiant behavior;

(B) Reckless or impulsive behavior, which represents a disregard for the well-being or safety of self/others;

(C) Aggressiveness or explosive behavior;

(D) Gestures with intent to injure self/others, which have not resulted in serious injury, without evidence that such gestures are immediately progressing to life threatening behavior;

(E) Self-induced vomiting, use of laxatives/diuretics, strict dieting, fasting and/or vigorous exercise;

(F) Extreme phobic/avoidant behavior;

(G) Extreme social isolation; or

(H) History of repeated life threatening injury to self/others, resulting in acute_care admissions within the past twelve (12) months. The client is not currently considered at risk to inflict life-threatening injury to self/others in the residential treatment setting.

(iv) Without intervention, there is clear evidence that the client will likely decompensate and present a risk of serious harm to self or others; or

(v) A psychiatric evaluation by a board certified child/adolescent psychiatrist. The child/adolescent psychiatrist must be licensed, board certified, and in good standing. The child/adolescent psychiatrist must be independent of the PRTF being considered for admission. If the child/adolescent psychiatrist works for the PRTF being considered for admission, a second opinion must be obtained from the agency contracted by the Division for such services. The evaluation must take place no more than thirty (30) days prior to PRTF Admission.

Section 8. Prior authorization.

(a) Prior authorization of PRTF services shall be governed by Chapter 3, Provider Participation.

(b) All inpatient psychiatric services for individuals under age twenty-one (21) furnished in a facility shall be prior authorized.

(c) The failure to obtain prior authorization shall result in the denial of Medicaid payment for the service.

(d) The facility shall submit a request for prior authorization in the manner specified by the Department before the submission of a claim for such services. The Department may request, and the facility shall provide additional information as necessary to review the plan of care.

(e) Reauthorization. The physician or the interdisciplinary team must review and reauthorize the client's plan of care every seven (7) to thirty (30) days. Reauthorized plans of care are subject to the prior authorization provisions of this Section.

(f) For the court ordered placement of a client in a PRTF:

(i) The court order authorizing placement shall be submitted as part of the prior authorization request by the PRTF provider; and

(ii) After a clinical review and determination that the PRTF placement no longer meets the medical necessity criteria outlined in Section 7, a transition period of up to thirty (30) days may be authorized permitting time for the necessary court hearings, MDT meetings and court orders to be updated. Upon expiration of an approved transitional period, no further reimbursement shall be authorized.

Section 9. Covered services.

(a) Inpatient psychiatric services for individuals furnished to a client under age twenty-one (21) in a PRTF are covered services.

(b) For the court ordered placement of a client in a PRTF, the following conditions shall be met:

(i) The court order authorizing placement shall be submitted as part of the prior authorization request by the PRTF provider; and

(ii) The court order authorizing placement shall be compliant with Wyoming Statute § 14-3-429, 14-6-229 and 14-6-429.

Section 10. Educational services. Education services shall be provided and reimbursed in accordance with Chapter 14 of the Wyoming Department of Education Rules, Education Program Approval of Public and Private Institutions Receiving State Funds For the Education Costs of Students Placed by a Court Order.

Section 11. Excluded services. The following services are not Medicaid reimbursable when provided in a PRTF:

(a) Services provided in an emergency;

(b) Services provided pursuant to a physician's standing orders;

(c) Acute psychiatric services; and

(d) For court ordered placements, services provided pursuant to a court order found to be non-compliant with the provisions set forth in Wyoming Statutes §§ 14-6-229(e), 14-6-229 or 14-6-429. Medicaid payment of services provided pursuant to a non-compliant court order shall be recovered pursuant to Section 20 of this Chapter.

Section 12. Out-of-state facilities. Covered services provided in a facility located outside of Wyoming shall be Medicaid reimbursable to the same extent as services provided in a facility inside Wyoming.

Section 13. Medicaid allowable payment for covered services.

(a) The Department reimburses for covered services provided to clients under age twenty-one (21) using an all-inclusive per diem rate determined pursuant to this Section.

(b) The rates shall be established by the Department of Health based on reasonable, actual costs for services and treatment of residents in the PRTF. Rates are provider-specific, all-inclusive for room and board and the treatment services specified in the treatment plan.

(c) Reported PRTF costs and adjustments are used to develop the data set to calculate the room and board and licensed treatment rate components.

(i) Reported costs and days data from providers using Medicaid's PRTF cost report.

(ii) Reported costs are adjusted to standardize data for analysis and to remove non-allowable costs.

(iii) Administrative cost adjustments occur.

(iv) Adjustments to reported days occur.

(d) The costs of medical and ancillary services not provided by the PRTF, excluding those services in the treatment plan, shall not be included in the all-inclusive prospective per diem rate, and shall be billed as a separate service by the provider of those services and Medicaid shall pay for those covered services using the appropriate Medicaid fee schedule.

(e) The rate shall not exceed the facility's usual and customary rate.

(f) Newly enrolling PRTFs shall receive the in-state average rate for in-state providers and out-of-state PRTFs shall receive the out-of-state average rate until they qualify to submit a PRTF cost report. Upon submission of the cost report, PRTF per diem rates may be updated using the PRTF cost report pursuant to funding availability.

Section 14. Preparation and submission of financial reports.

(a) Each facility shall submit a complete financial report in accordance with the instructions of the Department.

(b) Submission of additional information. The Department may request, in writing, that a facility submit information to supplement its financial report. The facility shall submit the requested information within thirty (30) days after the date of the request.

Section 15. Submission and Payment of claims. The submission and payment of claims shall be pursuant to the provisions of Chapter 3, Provider Participation.

Section 16. Title IV-E clients.

(a) Title IV-E of the Social Security Act (42 U.S.C. §§ 671-679b) is a funding stream for foster care costs. It provides for federal reimbursement for a portion of the maintenance and administrative costs of foster care for children who meet specified federal eligibility requirements.

(b) Wyoming Medicaid clients on a Title IV-E adoption program and placed in a PRTF out of state shall transfer to the receiving state's Medicaid program. 45 CFR Part 1356 redefines the client's residency to that of the receiving state. Therefore, the receiving state's Medicaid program shall be notified of the placement by Wyoming Medicaid's Utilization Management vendor.

(c) If the receiving state refuses to accept the transfer of Medicaid coverage, the Wyoming Department of Health shall maintain primary clinical and placement oversight and coverage responsibility as determined medically necessary.

(d) Wyoming Medicaid's Utilization Management vendor shall engage in an agreement with the admitting facility to remain involved in the treatment and progress of the client in order to certify ongoing medical necessity of the placement.

Section 17. Third-party liability.

(a) Submission of claims. Claims for which third-party liability exists shall be submitted in accordance with Chapter 35, Medicaid Benefit Recovery.

(b) Medicaid payment. The Medicaid payment for a claim for which third party liability exists shall be the difference between the Medicaid allowable payment and the third party payment. In no case shall the Medicaid payment exceed the payment otherwise allowable pursuant to this Chapter.

Section 18. On-Site Compliance Review.

(a) All enrolled PRTFs shall be subject to the On-Site Compliance Review (OSCR) which monitors a PRTF's overall operations for compliance with state and federal conditions of participation as referenced in Section 4, as well as evaluate the quality of clinical programs and services.

(b) An OSCR may be conducted at any time, and may be conducted as a partial off-site (review of records) and partial on-site (facility tour and staff/resident interviews) compliance review. An interim review may be scheduled at any time at the discretion of the Department to address specific concerns.

(c) OSCR Ratings:

(i) Probation. A PRTF receiving this rating shall be subject to the following actions by the Department:

(A) A hold on new admissions;

(B) Youth transfers shall be considered;

(C) Guardian notifications of PRTF ratings shall be initiated for all Wyoming Medicaid clients receiving services from the PRTF; and

(D) Notification of facility rating shall be provided to the PRTF's licensing and survey authority and the PRTF's Board of Directors.

(ii) Suspension. A PRTF receiving this rating shall be subject to the following actions by the Department:

(A) A hold on new admissions;

(B) Youth transfers shall be initiated;

(C) Guardian notifications of rating shall be initiated for all Wyoming Medicaid clients receiving services from the PRTF;

(D) Notification of facility rating shall be provided to the PRTF's licensing and survey authority and the PRTF's Board of Directors;

(E) A PRTF receiving two (2) suspension ratings during its course of enrollment with Wyoming Medicaid shall be dis-enrolled as a Wyoming Medicaid provider. The suspension ratings do not need to be consecutive; and

(F) Petitions for re-enrollment shall be considered on a case by case basis, no sooner than twenty-four (24) months after dis-enrollment. Dis-enrollment may be considered by the Department after one (1) suspension rating depending on the severity and scope of the findings.

(iii) Deferred. In cases of deferred status, the Department shall re-contact the PRTF within ten (10) days to:

(A) Request additional information or documentation, which shall then be provided by the PRTF within ten (10) days of receiving the request;

(B) Schedule a continuation of the OSCR, in which case additional team members may participate in further on-site review of the facility, or

(C) Submit a final status ruling. The ten (10) day request/submission response cycle shall continue until a final status determination is made.

(d) Corrective Action Plan (CAP). Any facility receiving a rating of Review, Probation or Suspension shall submit a Corrective Action Plan (CAP). The CAP shall be received by the Department no later than ten (10) working days following the PRTF's receipt of its status ruling. The CAP shall address separately each concern cited in the OSCR report.

Section 19. Audits.

(a) The Department, the Medicaid Fraud Control Unit (MFCU), or CMS may audit a provider's financial records or medical records at any time to determine whether the provider received excess payments or overpayments. An audit may be a desk review or a field audit.

(b) The Department, MFCU, or CMS may perform audits through employees, agents, or a third party. Audits shall be performed in accordance with generally accepted auditing standards.

(c) Disallowances. The Department shall recover excess payments or overpayments pursuant to Section 18 of this Chapter.

(d) Reporting audit results. If, at any time, during a financial audit or medical audit, the Department discovers evidence suggesting fraud or abuse by a provider, that evidence, in addition to the Department's final audit report regarding that provider, shall be referred to the MFCU.

Section 20. Recovery of overpayments. The Department may recover overpayments pursuant to Chapter 16 Medicaid Program Integrity.

Section 21. Reconsideration. A provider may request that the Department reconsider a decision to recover excess payment or overpayments. The request for reconsideration, the reconsideration, and any administrative hearing shall be pursuant to the reconsideration provisions of Chapter 3, Provider Participation.

Section 22. Disposition of recovered funds. The Department shall dispose of recovered funds pursuant to the provisions of Chapter 16, Program Integrity.

Section 23. Interpretation of Chapter.

(a) The order in which the provisions of this Chapter appear is not to be construed to mean that any one provision is more or less important than any other provision.

(b) The text of this Chapter shall control the titles of its various provisions.

Section 24. Superseding effect. This Chapter supersedes all prior rules or policy statements issued by the Department, including manuals and bulletins, which are inconsistent with this Chapter.

Section 25. Severability. If any portion of this Chapter is found to be invalid or unenforceable, the remainder shall continue in full force and effect.

Section 26. Incorporation by Reference.

(a) For any code, standard, rule, or regulation incorporated by reference in these rules:

(i) The Department of Health has determined that incorporation of the full text in these rules would be cumbersome or inefficient given the length or nature of the rules;

(ii) The incorporation by reference does not include any later amendments or editions of the incorporated matter beyond the applicable date identified in subsection (b) of this section; and

(iii) The incorporated code, standard, rule, or regulation is maintained at the Department of Health and is available for public inspection and copying at cost at the same location.

(b) Each rule incorporated by reference is further identified as follows:

(i) Referenced in Section 3 of this Chapter is Title XIX of the Social Security Act, 42 CFR, Ch. IV, Subch. C, Pt. 441, Subpart D, incorporated as of the effective date of this Chapter and found at <http://www.ecfr.gov>.

(ii) Referenced in Section 4 of this Chapter is Title XIX of the Social Security Act, 42 CFR, Ch. IV, Subch. C, Pt. 441, Subpart D, incorporated as of the effective date of this Chapter and found at <http://www.ecfr.gov>.

(iii) Referenced in Section 4 of this Chapter is Title XIX of the Social Security Act, 42 CFR, Ch. IV, Subch. G, Pt. 483, incorporated as of the effective date of this Chapter and found at <http://www.ecfr.gov>.

(iv) Referenced in Section 16 of this Chapter is Title IV-E of the Social Security Act, incorporated as of the effective date of this Chapter and found at https://www.ssa.gov/OP_Home/ssact/title04/0400.htm.

(v) Referenced in Section 16 of this Chapter is Title XLV of the Social Security Act, 45 CFR, Subtitle B, Ch. XIII, Subch. G, Pt. 1356, incorporated as of the effective date of this Chapter and found at <http://www.ecfr.gov>.