#08-76-01

Bulletin

January 2, 2008

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

OF INTEREST TO

- County Directors
- Social Services Supervisors and Staff
- Human Services Boards
- State Operated Services
  - Regional Administrators
  - Site Directors
  - Billing Staff

ACTION/DUE DATE

Effective January 1, 2008

EXPIRATION DATE

January 2, 2010

2007 Legislative Changes to County Portion of Cost of Care at Regional Treatment Centers

TOPIC

Cost of care for adult mental health programs at State Operated Regional Treatment Center changes resulting from action taken during the 2007 Minnesota Legislative session.

PURPOSE

- ❖ review the changes made by the 2007 legislative session
- ❖ define criteria used to determine length of stay
- ❖ outline client appeal process

CONTACT

Shirley Jacobson
CFO – State Operated Services
(651) 431-3696

SIGNED

MICHAEL TESSNEER
Chief Executive Officer
State Operated Services
Minnesota Department of Human Services

I. Background

This bulletin is intended to communicate changes in billing practices for adult mental health inpatient services provided at the regional treatment centers located in Anoka and on the grounds of the former regional treatment center in Willmar as directed by the 2007 Legislature. During the 2007 Legislative Session, Minnesota Statutes, section 246.54, subdivision 1, was amended to read as follows:

Subdivision 1. **County portion for cost of care.** (a) Except for chemical dependency services provided under sections 254B.01 to 254B.09, the client's county shall pay to the state of Minnesota a portion of the cost of care provided in a regional treatment center or a state nursing facility to a client legally settled in that county. A county's payment shall be made from the county's own sources of revenue and payments shall equal a percentage of the cost of care, as determined by the commissioner, for each day, or the portion thereof, that the client spends at a regional treatment center or a state nursing facility according to the following schedule:

(1) zero percent for the first 30 days;
(2) 20 percent for days 31 to 60; and
(3) 50 percent for any days over 60.

(b) The increase in the county portion for cost of care under paragraph (a), clause (3), shall be imposed when the treatment facility has determined that it is clinically appropriate for the client to be discharged.

(c) If payments received by the state under sections 246.50 to 246.53 exceed 80 percent of the cost of care for days 31 to 60, or 50 percent for days over 60, the county shall be responsible for paying the state only the remaining amount. The county shall not be entitled to reimbursement from the client, the client's estate, or from the client's relatives, except as provided in section 246.53. **EFFECTIVE DATE.** This section is effective January 1, 2008.

This statute only modifies the method for billing for inpatient adult mental health services at the regional treatment centers located in Anoka and on the grounds of the former regional treatment center in Willmar. The statute does not change the current method for billing for services provided at the Community Behavioral Health Hospitals operated by State Operated Services (SOS). In addition, this statute does not change the current practice of billing counties for 100% of the cost of care for clients admitted to a facility under a hold order if there are no other payer sources.

II. Length of stay determination

In accordance with the law, the following methods will be used to determine length of stay beginning January 1, 2008:

- Clients admitted to the program prior to January 1, 2008: January 1st will be counted as day one for the county cost of care determination;
- Clients admitted on or after January 1, 2008: Date of admission to the program after release of any hold order will be counted as day one for the county cost of care determination;

- Discharge from the inpatient episode will end the length of stay calculation for the episode unless a client is re-admitted to the program within 72 hours. If the client is re-admitted

within 72 hours from the date of discharge (provisional or full), the length of stay will continue from the previous episode.

III. SOS – Hospital Level Medical Necessity Criteria – Determination Process

Minnesota Statutes, section 246.54, subdivision 1(b) requires the treatment facility determines that a client is clinically appropriate for discharge. The process for determining the clinical appropriateness of discharge is as follows:

Step 1- Utilization Management Reviewer identifies patient that no longer meets hospital level medical necessity criteria using LOCUS (Levels of Care Utilization System).
Step 2 – Utilization Management Reviewer reviews patient case with attending clinician for concurrence on "do not meet criteria" (DNMC).
Step 3 – Utilization Management Supervisor reviews case with the Utilization Management Reviewer to assure appropriate justification for DNMC and writes DNMC letter.
Step 4 – SOS Chief Medical Officer (CMO) reviews the case with the Utilization Management Supervisor and if SOS CMO is in agreement, signs the DNMC letter.
Step 5 – DNMC letter is sent to the client (or designee) and to the county case manager.

VI. Process for appealing medical necessity determination

Clients have the right to appeal this determination. Clients may file an appeal with the Appeals Unit of the Minnesota Department of Human Services. The address is below. Clients must submit their appeal within 30 days of when they receive notice. If the client can show good cause for failing to appeal within 30 days, the client might be able to appeal within 90 days. The human services judge decides if the client has good cause.

Representation: If the client requests an appeal, they may represent themselves or ask a lawyer, a friend or others to help them.

Appeals Unit
Minnesota Department of Human Services
PO Box 64941
St. Paul, MN 55164-0941
(651) 431-3600

Special Needs

This information is available in other forms to people with disabilities by contacting us at (651) 431-3676 (voice) or through the Minnesota Relay at 711 or (800) 627-3529. For the Speech-to-Speech Relay, call (877) 627-3848.