



April 29, 2019

Announcement 1885

Attention Provider Type 63 (Residential Treatment Centers):

Policy Regarding Type/Length of Stays and Billing

Consistent with Medicaid Services Manual (MSM) Chapter 400 (Mental Health and Alcohol and Substance Abuse Services), it is the responsibility of the Residential Treatment Center (RTC) provider to ensure they are following the proper procedures for Outpatient Stays and Inpatient Stays lasting less than 24 hours. Additional Information can be found in the newly updated [Provider Type 63 Billing Guide](#).

For the following conditions:

- Outpatient Stays lasting less than 24 hours:
 - If a recipient receives outpatient services (ER/outpatient observation, etc.) only, regardless of whether place of service is a general hospital or psychiatric hospital, and returns to the Residential Treatment facility in less than 24 hours, then the provider would not consider it a discharge.
 - The newly, updated [RTC Absence Form \(FA-13A\)](#) will need to be submitted by the provider, via the [Provider Web Portal](#), with the recipient's status and time of departure from the facility clearly documented.
 - The provider will need to track the total amount of time the recipient is away from the facility.
 - Upon the recipient's return, a second [FA-13A form](#) will need to be submitted by the provider indicating the time of the recipient's return to the facility and if the recipient was under outpatient status the entire time.
- Outpatient Stays lasting greater than 24 hours:
 - If a recipient receives outpatient services only, regardless of whether place of service is a general hospital or psychiatric hospital, and the length of stay is greater than 24 hours, then the provider would consider this to be a discharge. Any recipient who is formally discharged from an RTC and is readmitted is considered a new admission, regardless of the length of time away from the facility. Prior authorization and a Certificate of Need (CON) signed by a physician are required for payment.
 - The newly updated [FA-13A form](#) will need to be submitted by the provider with the recipient's status and time of departure from the facility clearly documented as the provider will not initially be aware that the length of stay will extend past 24 hours.
 - The provider will need to track the total amount of time the recipient is away from the facility.
 - As the length of stay is over 24 hours, a [Prior Authorization Data Correction Form \(FA-29\)](#) will need to be submitted by the provider, via the [Provider Web Portal](#), with the recipient's status and corrected discharge date.
- Inpatient Stays lasting less than 24 hours:
 - If the recipient is admitted to a general hospital or psychiatric hospital becoming an inpatient and is discharged from said hospital within a 24-hour period, being sent back to the RTC, it would be considered a discharge from the RTC. Any recipient who is formally discharged from an RTC and is readmitted is considered a new admission, regardless of the length of time away from the facility. Prior authorization and a CON signed by a physician are required for payment.

- Once the provider becomes aware the recipient is being admitted as an Inpatient, an [FA-29 form](#) will need to be submitted, via the [Provider Web Portal](#), indicating a change in status.

Billing:

- Outpatient Stays lasting less than 24 hours:
 - The RTC should submit a claim for the entire month of service since there was no interruption in service.
- Outpatient Stays lasting greater than 24 hours:
 - The RTC should submit a claim for the time period prior to the recipient being discharged.
- Inpatient Stays:
 - The RTC should submit a claim for the time period prior to the recipient being discharged.
- Outpatient and Inpatient Stays:
 - Even though the date of discharge is included on the claim, providers are not reimbursed for the date of discharge.