# **Table of Contents**

# State/Territory Name: NE

# State Plan Amendment (SPA) #: 17-0004

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 601 East 12<sup>th</sup> Street, Suite 355 Kansas City, Missouri 64106



# Division of Medicaid and Children's Health Operations

September 18, 2017

Thomas "Rocky" Thompson, Acting Director Department of Health & Human Services Division of Medicaid and Long-Term Care 301 Centennial Mall South, 5<sup>th</sup> Floor PO Box 95026 Lincoln, NE 68509-5026

Dear Mr. Thompson:

On June 23, 2017, the Centers for Medicare & Medicaid Services (CMS) received Nebraska's State Plan Amendment (SPA) transmittal #17-0004. This SPA is removing references to specific accrediting bodies and changing them to read "accreditations by a nationally recognized accrediting organization".

SPA #17-0004 was approved September 15, 2017, with an effective date of July 1, 2017, as requested by the state. Enclosed is a copy of the CMS-179 summary form, as well as the approved pages for incorporation into the Nebraska State Plan.

If you have any questions regarding this amendment, please contact Karen Hatcher or Barbara Cotterman at (816) 426-5925.

Sincerely,

Sign

9/18/2017

James G. Scott Associate Regional Administrator for Medicaid and Children's Health Operations

Enclosure

cc: Nancy Keller Rosalind Sipe DHHS NE

DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH CARE FINANCING ADMINISTRATION			
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: NE 17-0004	2. STATE Nebraska	
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April-1, 2017 July 1, 2017 *		
5. TYPE OF PLAN MATERIAL (Check One):			
NEW STATE PLAN     AMENDMENT TO BE C	CONSIDERED AS NEW PLAN	AMENDMENT	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME		a amendment)	
6. FEDERAL STATUTE/REGULATION CITATION: CFR 440.130(d)	7. FEDERAL BUDGET IMPACT:           a. FFY 2017         \$0.00           b. FFY 2018         \$0.00		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION		
Attachment 3.1-A Item 1, Page 1 Attachment 3.1-A Item 2a, Page 5 Attachment 3.1-A Item 9, Page 1 Attachement 3.10A Item 13d, Pages 1-4 and 5a Attachemetn 4.19-B, Item 16, Page 1	OR ATTACHMENT ( <i>If Applicable</i> ): Attachment 3.1-A Item 1, Page 1 Attachment 3.1-A Item 2a, Page 5 Attachment 3.1-A Item 9, Page 1 Attachement 3.10A Item 13d, Pages 1-4 and 5a Attachemetn 4.19-B, Item 16, Page 1		
10. SUBJECT OF AMENDMENT: Accreditation changes			
11. GOVERNOR'S REVIEW <i>(Check One)</i> : GOVERNOR'S OFFICE REPORTED NO COMMENT COMMENTS OF GOVERNOR'S OFFICE ENCLOSED NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	OTHER, AS SPECIFIED: Governor has waived review		
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	00411040000000000000000000000000000000	
<ul> <li>13. TYPED NAME: Thomas "Rocky" Thompson</li> <li>14. TITLE: Interim Director, Division of Medicaid and Long-Term Care</li> <li>15. DATE SUBMITTED: June 23, 2017</li> </ul>	Nancy Keller Division of Medicaid & Long-Term Care Nebraska Department of Health & Human Services 301 Centennial Mall South Lincoln, NE 68509		
FOR REGIONAL OF	FICE USE ONLY		
17. DATE RECEIVED:	18. DATE APPROVED:		
June 23, 2017	September 15, 2017		
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OF	FICIAL:	
July 1, 2017			
21. TYPED NAME:	22. TITLE: Associate Regional Administrator		
James G. Scott	for Medicaid and Children's Health Operations		
23. REMARKS:			

\* Pen and ink changes, per State email dated 09.05.17.

### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS - INPATIENT HOSPITAL SERVICES

Reimbursement for inpatient hospital care of patients whose primary care needs are psychiatric in nature are limited to a distinct part of a medical/surgical hospital that -

- 1. Is maintained for the care and treatment of patients with primary psychiatric disorders;
- 2. Is licensed or formally approved as a hospital by the Nebraska Department of Health and Human Services, or if the hospital is located in another state, the officially designated authority for standard-setting in that state;
- 3. Is accredited by a nationally recognized accrediting organization or has deemed status as a Medicare/Medicaid provider by the Division of Public Health;
- 4. Meets the requirements for participation in Medicare for psychiatric hospitals; and
- 5. Has in effect a utilization review plan applicable to all Medicaid clients.

# Inpatient Subacute Hospital Services for Individuals Age 21 and Above

This service is covered under 42 CFR 440.10 Subpart A. In addition to the acute inpatient hospital services for clients age 21 and above, Medicaid considers reimbursement for subacute inpatient hospital psychiatric services when the primary care needs are psychiatric in nature and services are limited to a distinct part of a medical/surgical hospital that is –

- 1. Maintained for the care and treatment of patients with a primary psychiatric disorder;
- 2. Licensed or formally approved as a hospital by the Nebraska Department of Health and Human Services, Division of Public Health or if the hospital is located in another state, the officially designated authority for standard-setting in that state;
- 3. Is accredited by a nationally recognized accrediting organization or has deemed status as a Medicare/Medicaid provider by the Division of Public Health;
- 4. Meets the requirements for participation in Medicare for psychiatric hospitals;
- 5. Has in effect a utilization review plan applicable to all Medicaid clients.
- 6. Has medical records that are sufficient to determine the degree and intensity of the treatment furnished to a client;
- 7. Meets staffing requirements effective to carry out an active treatment program;
- 8. Encourages the involvement of family members in assessment treatment planning, treatment delivery and discharge, unless prohibited through legal action or the client or because of federal confidentiality laws;

Approved September 15, 2017 Effective July 1, 2017

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nebraska

# LIMITATIONS - OUTPATIENT HOSPITAL

# PSYCHIATRIC PARTIAL HOSPITALIZATION SERVICES

Psychiatric Partial Hospitalization services are diagnostic, therapeutic, treatment and rehabilitation services provided in an outpatient hospital setting under the direction of a licensed physician, preferably a psychiatrist, enrolled with Nebraska Medicaid.

Services are provided in a facility licensed as a hospital by Health and Human Services, Division of Public Health or if the service is provided in another state, the state agency assigned this responsibility. The facility must have achieved and maintained accreditation by a nationally recognized accrediting organization or have deemed status as a Medicare/Medicaid provider by the Division of Public Health. The provider must be enrolled as a hospital with Nebraska Medicaid. Services are provided at a level of intensity that meets the client's mental health/substance abuse treatment needs but less than a 24-hour period. Services are available a minimum of three hours per day and may be provided a full day of 6 or more treatment hours. Services must be available a minimum of 5 days per week but may be available 7 days per week.

TN No. <u>NE 17-0004</u> Supersedes TN No. <u>NE 10-15</u>

ATTACHMENT 3.1-A Item 9, Page 1 Applies to both Categorically and Medically Needy

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

#### State Nebraska

# LIMITATIONS – CLINIC SERVICES

Community mental health centers must be licensed and approved by a nationally recognized accrediting organization.

Services provided by community mental health centers are limited to medically necessary acute psychiatric services.

Day treatment services are limited to a half-day or full-day rate, established on the basis of each facility's cost report which is reviewed annually.

Prior authorization is not required for medically necessary outpatient psychotherapy services.

Testing and evaluations must be performed by a licensed psychologist or under the supervision of a licensed psychologist.

TN No. <u>NE 17-0004</u> Supersedes TN No. <u>MS 06-01</u>

ATTACHMENT 3.1-A Item 13d, Page 1 Applies to both Categorically and Medically Needy

### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

<u>Community-Based Comprehensive Psychiatric Rehabilitation and Support Services Program</u> The following rehabilitative psychiatric services are covered for adult clients who have been diagnosed with severe and persistent major mental illness:

- 1. Community Support;
- 2. Day Rehabilitation; and
- 3. Psychiatric Residential Rehabilitation.

The services must be medically necessary. These services are designed to rehabilitate individuals who are experiencing severe and persistent mental illness in the community and thereby avoid more restrictive levels of care such as psychiatric inpatient hospitalization or nursing facility.

Clients must be assessed by a Nebraska Licensed Mental Health Practitioner who can diagnose major mental illness prior to referral, prior authorization and prior to admission to these services. Based on the assessment, the Licensed Mental Health Practitioner of the program will supervise the development of a treatment, recovery and rehabilitation plan that identifies rehabilitative and mental health/substance abuse services needed by the client.

Licensed Mental Health Practitioners in the program must meet the requirements of a Nebraska Licensed Mental Health Practitioner as identified by DHHS Division of Public Health, Licensure Unit. A Licensed Mental Health Practitioner must have a master's degree or greater with the primary coursework pertaining to therapeutic mental health; must have completed a practicum or internship with a minimum of 300 hours of direct client contact under supervision; completed 3,000 hours of supervised experience in mental health practice; passed the mental health practice examination; and have attained the age of majority.

Non-licensed staff must prove competency in the treatment of individuals with a mental health diagnosis. Non-licensed staff must meet the requirements for education and experience as defined in each service.

Providers must have acquired accreditation by a nationally recognized accrediting organization. Individual Medicaid enrolled providers, not hired by or under contract with a group, may provide services pursuant to the scope and practice of their licensure.

The State assures that rehabilitative services are not provided in institutions for mental diseases (IMD).

The State assures that the following programs meet the requirements for rehabilitative services set forth in CFR 440.130(d): Community Support, Day Rehabilitation, and Psychiatric Residential Rehabilitation.

TN No. <u>NE 17-0004</u> Supersedes TN No. <u>NE 14-020</u>

Approved: September 15, 2017

Effective: July 1, 2017

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

# State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

# Community Support

Community Support is a rehabilitation recovery service delivered by a skilled, trained community support worker under the supervision of a licensed mental health practitioner to individuals suffering from Severe and Persistent Mental Illness (SPMI). The service is delivered by a provider, enrolled individually or with a group, that has achieved and maintained national accreditation by a nationally recognized accrediting organization.

Community-Support is designed to:

- 1. Provide/develop the necessary services and supports to enable clients to reside in the community;
- 2. Maximize the client's community participation, community and daily living skills, and quality of life;
- 3. Facilitate communication and coordination between mental health rehabilitation providers that serve the same client; and
- 4. Decrease the frequency and duration of hospitalization.

Community Support Services components:

- 1. A Treatment Recovery and Rehabilitation Plan developed within 30 days of admission and with updates of the plan every 90 days and reviewed and approved by a licensed mental health practitioner/clinical supervisor.
- 2. Individualized rehabilitation and recovery services provided by a community support worker according to the plan.
- 3. Supervision of the community support worker's services delivery by a licensed mental health practitioner.
- 4. Staff training supervised by the agency's licensed mental health practitioner at the time of initial employment and on an ongoing basis.

Community Support services:

- 1. Assist in coordination of a medical and mental health service.
- 2. Coordination of all communication with community based supports.
- 3. Monitor medication adherence and report any barriers.
- 4. Understand and support use of client's relapse prevention plan.
- 5. Assist in restoring problem solving skills and age appropriate independence

Approved: September 15, 2017

Effective: July 1, 2017

#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

- 6. Restoring medication and health management skills;
- 7. Restoring skills that are impacted by the individual's mental health diagnosis;
- 8. Restoring adult activities of daily living and instrumental adult activities of daily living in the client's home environment;

Staff ratio: One full-time community support worker to 20 clients. One licensed mental health practitioner to complete all of the essential responsibilities of a clinical supervisor, including review of each client's individualized treatment recovery and rehabilitation plan monthly.

Community support services are provided by non-licensed Community Support Workers. Community support workers must hold a Bachelor's degree or higher in psychology, sociology, or a related human services field or two years of coursework in the human services field and two years experience/training or two years recovery experience with demonstrated competencies and skills in treatment of individuals with mental health diagnosis.

# Day Rehabilitation

Day Rehabilitation is a program that provides a structured, organized therapeutic milieu for multiple hours per day. The agency providing the service must achieve and maintain national accreditation by a nationally recognized accrediting organization.

Day Rehabilitation is designed to:

- 1. Enhance and maintain the client's ability to function in community settings;
- 2. Decrease the frequency and duration of hospitalization.
- 3. Restore community living skills and daily living skills;
- 4. Assist client skills restoration of self-administration of medication, as well as recognition of signs of relapse and control of symptoms; and
- 5. Assist in restoration of skills negatively impacted by the individual's mental health diagnosis.

# Program Availability:

Services must be available for clients for a minimum of three hours but up to five hours per day, five days per week. Specific services may be offered on weekends and evenings according to client need. Service availability limitations may be exceeded based on medical necessity.

Approval Date September 15, 2017

Effective Date July 1, 2017

#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

Day Rehabilitation Program components:

- 1. Review of the diagnostic assessment completed by a community based mental health practitioner who can diagnose major mental illness. The Diagnostic Assessment is the clinical information used to refer the client into the program and is reviewed by the program's licensed mental health practitioner.
- -2.-A-licensed\_mental\_health\_practitioner\_(clinical\_supervisor)\_completes\_a\_comprehensive assessment within 30 days of admission.
- 3. The licensed mental health practitioner completes the treatment, recovery and rehabilitation plan in the first 30 days following admission which is reviewed and updated every 90 days.
- 4. Rehabilitation services are delivered in the therapeutic milieu at least 3 hours to 5 hours of services per day. Service availability includes weekend and evening activity as the client's rehabilitative needs are identified.

Day Rehabilitation services:

- 1. Restoring adult activities of daily living and instrumental adult activities of daily living.
- 2. Restoring skills that are impacted by the individual's mental health diagnosis; and
- 3. Restoring medication and health management skills.

Day rehabilitation services are provided by non-licensed direct care staff. Direct Care Staff must have a high school diploma at a minimum and have demonstrated skills and competencies in the treatment of individuals with mental health disorders. Direct care staff are directly supervised by individuals licensed as a Licensed Mental Health Practitioner.

#### **Residential Rehabilitation**

Residential Rehabilitation is a 24-hour program that allows a client suffering from severe and persistent mental illness to recover in a rehabilitative setting which includes 20 hours of on-site rehabilitation services and 25 hours off-site services. Service availability limitations may be exceeded based on medical necessity. The agency providing the service must have acquired and maintain national accreditation by a nationally recognized accrediting organization. Room and board are not included in the service.

Residential Rehabilitation Program components:

1. A community-based diagnostic assessment by a licensed practitioner who can diagnose major mental illness as a referral into the program. Prior authorization is required for admission.

TN No. <u>NE 17-0004</u> Supersedes TN No. <u>NE 14-020</u>

Approved: September 15, 2017 Effective: July 1, 2017

Revised Submission 09.05.17

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

A secure psychiatric residential rehabilitation provider must be licensed as a mental health center by Nebraska Department of Health and Human Services, Division of Public Health and enrolled as a psychiatric rehabilitation provider with Nebraska Medicaid. The provider must have acquired accreditation from a nationally recognized accrediting organization. The maximum capacity for this facility must not exceed 16 beds. A facility considered an Institution for Mental Disease (IMD), as defined by the Centers for Medicaid and Medicare, will not be enrolled as a provider. The provider of services must develop a treatment rehabilitation and recovery program that meets the individual rehabilitation and treatment needs of the client. The services are provided in a community-based setting in an organized therapeutic environment. The provider must have acquired accreditation from a nationally recognized accrediting organization and must maintain that accreditation.

Services consist of psychiatric assessment by a psychiatrist. Treatment planning by a multidisciplinary treatment team supervised by the psychiatrist, rehabilitation and treatment services delivered by licensed professionals and paraprofessionals within their scope of practice, training and competency.

Staff consist of a board certified, Nebraska enrolled psychiatrist who is a licensed physician, a program manager who is a licensed mental health therapist with administrative ability and licensed therapists to provide therapy and rehabilitation interventions. Direct care staff provide interventions consistent with the rehabilitative plan.

Secure psychiatric residential rehabilitation services are designed to assist severely psychiatrically impaired individuals live in a more community-based setting where they can achieve a level of success in the least restrictive level of care. These services also prevent individuals with severe psychiatric illnesses from being institutionalized if they can live in a secure community based environment. The goal of this service is to prevent or decrease the frequency and duration of psychiatric hospitalization. It is intended that the service would lessen and/or eliminate symptoms and prevent reoccurrence of acute episodes and exacerbation of illness. Goals include improving client ability to develop more self-care activities, manage psychiatric symptoms through adherence to medication administration, and develop social skills to adapt to a less secure community setting.

#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

#### INPATIENT PSYCHIATRIC FACILITIES FOR INDIVIDUALS AGE 21 OR YOUNGER

Nebraska Medicaid pays for inpatient psychiatric facility services for individuals age 21 or younger provided by hospitals at the rates established under the reimbursement plan for hospital services in Attachment 4.19-A.

Nebraska Medicaid pays for inpatient psychiatric facility services for individuals age 21 or younger provided by psychiatric residential treatment facilities and treatment group homes as follows:

Payment rates for these services are established on a unit (per day) basis. Rates are set annually. Rates are set prospectively for the annual rate period and are not adjusted during the rate period. Providers are required to submit annual cost reports on a uniform cost reporting form. In determining payment rates, the Department will consider those costs that are reasonable and necessary for the active treatment of the clients being served. Those costs include costs necessary for licensure and accreditation, meeting all staffing standards for participation, meeting all service standards for participation, meeting all requirements for active treatment, maintaining medical records, conducting utilization review, meeting inspection of care, and discharge planning.

The Department does not guarantee that all costs will be reimbursed. The submitted cost reports are used only as a guide in the rate-setting process. Payment rates do not include the costs of providing educational services.

Payment for services provided by facilities accredited by a nationally recognized accrediting organization will not include payment for room and board.

Services provided by inpatient psychiatric facilities that are state-operated are reimbursed at a rate that includes all reasonable and necessary costs of operation, excluding educational services. State-operated centers will receive an interim payment rate, with an adjustment to actual costs following the cost reporting period.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of inpatient psychiatric facilities. The agency's fee schedule rate will be set as of July 1, 2017 and is effective for services provided on or after that date. All rates are published on the agency's website at

http://dhhs.ne.gov/medicaid/Pages/med\_practitioner\_fee\_schedule.aspx.

DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH CARE FINANCING ADMINISTRATION	FORM APPROVED OMB NO, 0938-0193		
TRANSMITTAL AND NOTICE OF APPROVAL OF	1, TRANSMITTAL NUMBER:	2. STATE	
STATE PLAN MATERIAL	NE 17-0004	Nebraska	
FOR: HEALTH CARE FINANCING ADMINISTRATION	HEALTH CARE FINANCING ADMINISTRATION       3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE		
HEALTH CARE FINANCING ADMINISTRATION	April-1, 2017 July 1, 2017 *		
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL (Check One):			
NEW STATE PLAN     AMENDMENT TO BE O	CONSIDERED AS NEW PLAN	AMENDMENT	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:		
CFR 440.130(d)	a. FFY 2017         \$0.00           b. FFY 2018         \$0.00		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):		
Attachment 3.1-A Item 1, Page 1	OK ATTACHMENT (IJ Applicable).		
Attachment 3,1-A Item 2a, Page 5	Attachment 3.1-A Item 1, Page 1		
Attachment 3.1-A Item 9, Page 1	Attachment 3.1-A Item 2a, Page 5		
Attachement 3.10A Item 13d, Pages 1-4 and 5a	Attachment 3.1-A Item 9, Page 1		
Attachemetn 4.19-B, Item 16, Page 1	Attachement 3,10A Item 13d, Pages 1-4 and 5a		
	Attachemetn 4.19-B, Item 16, Page 1		
10. SUBJECT OF AMENDMENT:			
Accreditation changes			
11. GOVERNOR'S REVIEW (Check One):			
GOVERNOR'S OFFICE REPORTED NO COMMENT	OTHER, AS SPECIFIED:		
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	Governor has waived review		
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
	x		
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:		
247~	Nanou Kallon		
13. TYPED NAME:	<ul> <li>Nancy Keller</li> <li>Division of Medicaid &amp; Long-Term Care</li> <li>Nebraska Department of Health &amp; Human Services</li> <li>301 Centennial Mall South</li> </ul>		
Thomas "Rocky" Thompson			
14. TITLE:			
Interim Director, Division of Medicaid and Long-Term Care	Lincoln, NE 68509		
15. DATE SUBMITTED:			
June 23, 2017 FOR REGIONAL OF	FICE USE ONLY		
17. DATE RECEIVED:	18. DATE APPROVED:		
June 23, 2017	September 15, 2017		
PLAN APPROVED – ON			
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OF	FICIAL:	
July 1, 2017	Digitally s Date: 201	igned by James G. Scott -S 7.09.18 10:56:24 -05'00'	
21. TYPED NAME;	22. TITLE: Associate Regional Administrator		
James G. Scott	for Medicaid and Children's Health Operations		
23. REMARKS:			

\* Pen and ink changes, per State email dated 09.05.17.

#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS - INPATIENT HOSPITAL SERVICES

Reimbursement for inpatient hospital care of patients whose primary care needs are psychiatric in nature are limited to a distinct part of a medical/surgical hospital that -

- 1. Is maintained for the care and treatment of patients with primary psychiatric disorders;
- 2. Is licensed or formally approved as a hospital by the Nebraska Department of Health and Human Services, or if the hospital is located in another state, the officially designated authority for standard-setting in that state;
- 3. Is accredited by a nationally recognized accrediting organization or has deemed status as a Medicare/Medicaid provider by the Division of Public Health;
- 4. Meets the requirements for participation in Medicare for psychiatric hospitals; and
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# Inpatient Subacute Hospital Services for Individuals Age 21 and Above

This service is covered under 42 CFR 440.10 Subpart A. In addition to the acute inpatient hospital services for clients age 21 and above, Medicaid considers reimbursement for subacute inpatient hospital psychiatric services when the primary care needs are psychiatric in nature and services are limited to a distinct part of a medical/surgical hospital that is –

- 1. Maintained for the care and treatment of patients with a primary psychiatric disorder;
- 2. Licensed or formally approved as a hospital by the Nebraska Department of Health and Human Services, Division of Public Health or if the hospital is located in another state, the officially designated authority for standard-setting in that state;
- 3. Is accredited by a nationally recognized accrediting organization or has deemed status as a Medicare/Medicaid provider by the Division of Public Health;
- 4. Meets the requirements for participation in Medicare for psychiatric hospitals;
- 5. Has in effect a utilization review plan applicable to all Medicaid clients.
- 6. Has medical records that are sufficient to determine the degree and intensity of the treatment furnished to a client;
- 7. Meets staffing requirements effective to carry out an active treatment program;
- 8. Encourages the involvement of family members in assessment treatment planning, treatment delivery and discharge, unless prohibited through legal action or the client or because of federal confidentiality laws;

Transmittal # <u>NE 17-0004</u> Supersede Transmittal # <u>NE 08-02</u>

Approved September 15, 2017

Effective July 1, 2017

ATTACHMENT 3.1-A Item 2a, Page 5 Applies to both Categorically and Medically Needy

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

#### State: Nebraska

#### LIMITATIONS - OUTPATIENT HOSPITAL

#### PSYCHIATRIC PARTIAL HOSPITALIZATION SERVICES

Psychiatric Partial Hospitalization services are diagnostic, therapeutic, treatment and rehabilitation services provided in an outpatient hospital setting under the direction of a licensed physician, preferably a psychiatrist, enrolled with Nebraska Medicaid.

Services are provided in a facility licensed as a hospital by Health and Human Services, Division of Public Health or if the service is provided in another state, the state agency assigned this responsibility. The facility must have achieved and maintained accreditation by a nationally recognized accrediting organization or have deemed status as a Medicare/Medicaid provider by the Division of Public Health. The provider must be enrolled as a hospital with Nebraska Medicaid. Services are provided at a level of intensity that meets the client's mental health/substance abuse treatment needs but less than a 24-hour period. Services are available a minimum of three hours per day and may be provided a full day of 6 or more treatment hours. Services must be available a minimum of 5 days per week but may be available 7 days per week.

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Day treatment services are limited to a half-day or full-day rate, established on the basis of each facility's cost report which is reviewed annually.

Prior authorization is not required for medically necessary outpatient psychotherapy services.

Testing and evaluations must be performed by a licensed psychologist or under the supervision of a licensed psychologist.

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ATTACHMENT 3.1-A Item 13d, Page 1 Applies to both Categorically and Medically Needy

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<u>Community-Based Comprehensive Psychiatric Rehabilitation and Support Services Program</u> The following rehabilitative psychiatric services are covered for adult clients who have been diagnosed with severe and persistent major mental illness:

- 1. Community Support;
- 2. Day Rehabilitation; and
- 3. Psychiatric Residential Rehabilitation.

The services must be medically necessary. These services are designed to rehabilitate individuals who are experiencing severe and persistent mental illness in the community and thereby avoid more restrictive levels of care such as psychiatric inpatient hospitalization or nursing facility.

Clients must be assessed by a Nebraska Licensed Mental Health Practitioner who can diagnose major mental illness prior to referral, prior authorization and prior to admission to these services. Based on the assessment, the Licensed Mental Health Practitioner of the program will supervise the development of a treatment, recovery and rehabilitation plan that identifies rehabilitative and mental health/substance abuse services needed by the client.

Licensed Mental Health Practitioners in the program must meet the requirements of a Nebraska Licensed Mental Health Practitioner as identified by DHHS Division of Public Health, Licensure Unit. A Licensed Mental Health Practitioner must have a master's degree or greater with the primary coursework pertaining to therapeutic mental health; must have completed a practicum or internship with a minimum of 300 hours of direct client contact under supervision; completed 3,000 hours of supervised experience in mental health practice; passed the mental health practice examination; and have attained the age of majority.

Non-licensed staff must prove competency in the treatment of individuals with a mental health diagnosis. Non-licensed staff must meet the requirements for education and experience as defined in each service.

Providers must have acquired accreditation by a nationally recognized accrediting organization. Individual Medicaid enrolled providers, not hired by or under contract with a group, may provide services pursuant to the scope and practice of their licensure.

The State assures that rehabilitative services are not provided in institutions for mental diseases (IMD).

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Approved: September 15, 2017

Effective: July 1, 2017

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

# State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

### Community Support

Community Support is a rehabilitation recovery service delivered by a skilled, trained community support worker under the supervision of a licensed mental health practitioner to individuals suffering from Severe and Persistent Mental Illness (SPMI). The service is delivered by a provider, enrolled individually or with a group, that has achieved and maintained national accreditation by a nationally recognized accrediting organization.

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- 1. Provide/develop the necessary services and supports to enable clients to reside in the community;
- 2. Maximize the client's community participation, community and daily living skills, and quality of life;
- 3. Facilitate communication and coordination between mental health rehabilitation providers that serve the same client; and
- 4. Decrease the frequency and duration of hospitalization.

Community Support Services components:

- 1. A Treatment Recovery and Rehabilitation Plan developed within 30 days of admission and with updates of the plan every 90 days and reviewed and approved by a licensed mental health practitioner/clinical supervisor.
- 2. Individualized rehabilitation and recovery services provided by a community support worker according to the plan.
- 3. Supervision of the community support worker's services delivery by a licensed mental health practitioner.
- 4. Staff training supervised by the agency's licensed mental health practitioner at the time of initial employment and on an ongoing basis.

Community Support services:

- 1. Assist in coordination of a medical and mental health service.
- 2. Coordination of all communication with community based supports.
- 3. Monitor medication adherence and report any barriers.
- 4. Understand and support use of client's relapse prevention plan.
- 5. Assist in restoring problem solving skills and age appropriate independence

TN No. <u>NE 17-0004</u> Supersedes TN No. <u>NE 14-020</u>

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#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

- 6. Restoring medication and health management skills;
- 7. Restoring skills that are impacted by the individual's mental health diagnosis;
- 8. Restoring adult activities of daily living and instrumental adult activities of daily living in the client's home environment;

Staff ratio: One full-time community support worker to 20 clients. One licensed mental health practitioner to complete all of the essential responsibilities of a clinical supervisor, including review of each client's individualized treatment recovery and rehabilitation plan monthly.

Community support services are provided by non-licensed Community Support Workers. Community support workers must hold a Bachelor's degree or higher in psychology, sociology, or a related human services field or two years of coursework in the human services field and two years experience/training or two years recovery experience with demonstrated competencies and skills in treatment of individuals with mental health diagnosis.

#### Day Rehabilitation

Day Rehabilitation is a program that provides a structured, organized therapeutic milieu for multiple hours per day. The agency providing the service must achieve and maintain national accreditation by a nationally recognized accrediting organization.

Day Rehabilitation is designed to:

- 1. Enhance and maintain the client's ability to function in community settings;
- 2. Decrease the frequency and duration of hospitalization.
- 3. Restore community living skills and daily living skills;
- 4. Assist client skills restoration of self-administration of medication, as well as recognition of signs of relapse and control of symptoms; and
- 5. Assist in restoration of skills negatively impacted by the individual's mental health diagnosis.

#### Program Availability:

Services must be available for clients for a minimum of three hours but up to five hours per day, five days per week. Specific services may be offered on weekends and evenings according to client need. Service availability limitations may be exceeded based on medical necessity.

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#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS – REHABILITATIVE SERVICES

Day Rehabilitation Program components:

- 1. Review of the diagnostic assessment completed by a community based mental health practitioner who can diagnose major mental illness. The Diagnostic Assessment is the clinical information used to refer the client into the program and is reviewed by the program's licensed mental health practitioner.
- 2. A-licensed\_mental\_health\_practitioner\_(clinical\_supervisor)\_completes\_a\_comprehensive assessment within 30 days of admission.
- 3. The licensed mental health practitioner completes the treatment, recovery and rehabilitation plan in the first 30 days following admission which is reviewed and updated every 90 days.
- 4. Rehabilitation services are delivered in the therapeutic milieu at least 3 hours to 5 hours of services per day. Service availability includes weekend and evening activity as the client's rehabilitative needs are identified.

Day Rehabilitation services:

- 1. Restoring adult activities of daily living and instrumental adult activities of daily living.
- 2. Restoring skills that are impacted by the individual's mental health diagnosis; and
- 3. Restoring medication and health management skills.

Day rehabilitation services are provided by non-licensed direct care staff. Direct Care Staff must have a high school diploma at a minimum and have demonstrated skills and competencies in the treatment of individuals with mental health disorders. Direct care staff are directly supervised by individuals licensed as a Licensed Mental Health Practitioner.

# **Residential Rehabilitation**

Residential Rehabilitation is a 24-hour program that allows a client suffering from severe and persistent mental illness to recover in a rehabilitative setting which includes 20 hours of on-site rehabilitation services and 25 hours off-site services. Service availability limitations may be exceeded based on medical necessity. The agency providing the service must have acquired and maintain national accreditation by a nationally recognized accrediting organization. Room and board are not included in the service.

Residential Rehabilitation Program components:

1. A community-based diagnostic assessment by a licensed practitioner who can diagnose major mental illness as a referral into the program. Prior authorization is required for admission.

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ATTACHMENT 3.1-A Item 13d, Page 5a Applies to both Categorically and Medically Need

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> LIMITATIONS -- REHABILITATIVE SERVICES

A secure psychiatric residential rehabilitation provider must be licensed as a mental health center by Nebraska Department of Health and Human Services, Division of Public Health and enrolled as a psychiatric rehabilitation provider with Nebraska Medicaid. The provider must have acquired accreditation from a nationally recognized accrediting organization. The maximum capacity for this facility must not exceed 16 beds. A facility considered an Institution for Mental Disease (IMD), as defined by the Centers for Medicaid and Medicare, will not be enrolled as a provider. The provider of services must develop a treatment rehabilitation and recovery program that meets the individual rehabilitation and treatment needs of the client. The services are provided in a community-based setting in an organized therapeutic environment. The provider must have acquired accreditation from a nationally recognized accrediting organization and must maintain that accreditation.

Services consist of psychiatric assessment by a psychiatrist. Treatment planning by a multidisciplinary treatment team supervised by the psychiatrist, rehabilitation and treatment services delivered by licensed professionals and paraprofessionals within their scope of practice, training and competency.

Staff consist of a board certified, Nebraska enrolled psychiatrist who is a licensed physician, a program manager who is a licensed mental health therapist with administrative ability and licensed therapists to provide therapy and rehabilitation interventions. Direct care staff provide interventions consistent with the rehabilitative plan.

Secure psychiatric residential rehabilitation services are designed to assist severely psychiatrically impaired individuals live in a more community-based setting where they can achieve a level of success in the least restrictive level of care. These services also prevent individuals with severe psychiatric illnesses from being institutionalized if they can live in a secure community based environment. The goal of this service is to prevent or decrease the frequency and duration of psychiatric hospitalization. It is intended that the service would lessen and/or eliminate symptoms and prevent reoccurrence of acute episodes and exacerbation of illness. Goals include improving client ability to develop more self-care activities, manage psychiatric symptoms through adherence to medication administration, and develop social skills to adapt to a less secure community setting.

TN No. <u>NE 17-0004</u> Supersedes TN No. <u>NE 16-0009</u>

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ATTACHMENT 4.19-B Item 16, Page 1 of 2

#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Nebraska</u> METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

#### INPATIENT PSYCHIATRIC FACILITIES FOR INDIVIDUALS AGE 21 OR YOUNGER

Nebraska Medicaid pays for inpatient psychiatric facility services for individuals age 21 or younger provided by hospitals at the rates established under the reimbursement plan for hospital services in Attachment 4.19-A.

Nebraska Medicaid pays for inpatient psychiatric facility services for individuals age 21 or younger provided by psychiatric residential treatment facilities and treatment group homes as follows:

Payment rates for these services are established on a unit (per day) basis. Rates are set annually. Rates are set prospectively for the annual rate period and are not adjusted during the rate period. Providers are required to submit annual cost reports on a uniform cost reporting form. In determining payment rates, the Department will consider those costs that are reasonable and necessary for the active treatment of the clients being served. Those costs include costs necessary for licensure and accreditation, meeting all staffing standards for participation, meeting all service standards for participation, meeting all requirements for active treatment, maintaining medical records, conducting utilization review, meeting inspection of care, and discharge planning.

The Department does not guarantee that all costs will be reimbursed. The submitted cost reports are used only as a guide in the rate-setting process. Payment rates do not include the costs of providing educational services.

Payment for services provided by facilities accredited by a nationally recognized accrediting organization will not include payment for room and board.

Services provided by inpatient psychiatric facilities that are state-operated are reimbursed at a rate that includes all reasonable and necessary costs of operation, excluding educational services. State-operated centers will receive an interim payment rate, with an adjustment to actual costs following the cost reporting period.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of inpatient psychiatric facilities. The agency's fee schedule rate will be set as of July 1, 2017 and is effective for services provided on or after that date. All rates are published on the agency's website at

http://dhhs.ne.gov/medicaid/Pages/med\_practitioner\_fee\_schedule.aspx.

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