

published in the August 30, 1993 emergency rule and the following requirement for the provision of these services except for emergency admissions which must be stabilized and transferred to an appropriate facility.

I. General Requirements

A. Basis for Recognition as Distinct Part Psychiatric Units. In order to receive Medicaid reimbursement for inpatient psychiatric services, a distinct part psychiatric unit (including an alcohol/drug rehabilitation unit) must meet the following requirements for Medicare and Medicaid certification:

1. be part of an institution that has in effect an agreement under part 489 - of the Code of Federal Regulations Chapter IV - Provider Agreements under Medicare;

2. have written admission criteria that are applied uniformly to Medicare/Medicaid and non-Medicare/Medicaid patients;

3. have admission and discharge records that are separately identified from those of the hospital in which it is located and readily available;

4. have policies specifying that necessary clinical information is transferred to the unit when a patient of the hospital is transferred to the unit;

5. meet applicable state licensure laws;

6. have utilization review standards applicable for the type of care offered in the unit;

7. have beds physically separate from (that is, not commingled with) the hospital's other beds;

8. be serviced by the same fiscal intermediary as the hospital;

9. be treated as a separate cost center for cost finding and apportionment purposes;

10. use an accounting system that properly allocates costs;

11. maintain adequate statistical data to support the basis of the allocation;

12. report its cost in the hospital's cost report covering the same fiscal period and using the same method of apportionment as the hospital;

13. as of the first day of the first cost reporting period for which all other exclusion requirements are met, the unit is fully equipped and staffed and is capable of providing hospital inpatient psychiatric or rehabilitation care regardless of whether there are any inpatients in the unit on that date. (Note: A facility must be providing services to at least one patient the day that the initial survey is conducted.)

B. Changes in the Size of Distinct Part Psychiatric Units. For purposes of Medicaid reimbursement, the number of beds and square footage of each distinct part psychiatric unit will remain the same throughout each cost reporting period, and any changes in the number of beds or square footage considered to be a part of a distinct part psychiatric unit may be made only at the start of a cost reporting period. Verification of these changes will be completed during the Medicaid agency's on-site survey, at least 90 days prior and no less than 60 days prior to the end of the hospital's current cost reporting period with other information necessary for determining recognition as a distinct part psychiatric unit.

C. Changes in the Status of Hospital Units. The status of

RULE

Department of Health and Hospitals Office of the Secretary Bureau of Health Services Financing

Inpatient Psychiatric Services-Distinct Part Psychiatric Units

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, has adopted a rule in the Medical Assistance Program in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq. This rule is promulgated to comply with Subpart B - Hospital Services Subject to and Excluded from the Prospective Payment Systems for Inpatient Operating Costs and Inpatient Capital - Related Costs of Title 42 Code of Federal Regulations Chapter IV (10-1-92 Edition) and Section 1861(F) of the Social Security Act (42 U.S.C. Section 1395x(F)).

Rule

Inpatient psychiatric services (including substance abuse treatment) provided by acute care general hospitals must be provided in distinct part units which meet the criteria

each hospital unit is determined at the beginning of each cost reporting period and is effective for the entire cost reporting period. Any changes in status of a unit are made only at the start of a cost reporting period.

II. Additional Requirements

A. Admit only patients whose admission to the unit is required for active treatment, of an intensity that can be provided appropriately only in an inpatient hospital setting, of a psychiatric principal diagnosis that is listed in the Third Edition of the American Psychiatric Association's Diagnostic and Statistical Manual, or in Chapter Five ("Mental Disorders") of the International Classification of Diseases, Ninth Revision, Clinical Modification.

B. Furnish psychological, social work, and psychiatric nursing services, and occupational and recreational therapy through the utilization of qualified personnel.

C. Maintain medical records that permit determination of the degree and intensity of the treatment provided to individuals in the unit, and that meet the following requirements.

1. Development of Assessment/Diagnostic Data.

Medical records must stress the psychiatric components of the record, including history of findings and treatment provided for the psychiatric condition for which the inpatient is treated in the unit.

a) The identification data must include the inpatient's legal status.

b) A provisional or admitting diagnosis must be made on every inpatient at the time of admission, and must include the diagnoses of intercurrent diseases as well as the psychiatric diagnoses.

c) The reasons for admission must be clearly documented as stated by the inpatient or others significantly involved, or both.

d) The social service records, including reports of interviews with inpatients, family members, and others must provide an assessment of home plans and family attitudes, and community resource contacts as well as a social history.

e) When indicated, a complete neurological examination must be recorded at the time of the admission physical examination.

2. Psychiatric Evaluation. Each inpatient must receive a psychiatric evaluation that must:

a) be completed within 60 hours of admission;

b) include a medical history;

c) contain a record of mental status;

d) note the onset of illness and the circumstances leading to admission;

e) describe attitudes and behavior;

f) estimate intellectual functioning, memory functioning, and orientation; and

g) include an inventory of the inpatient's assets in descriptive, not interpretative fashion.

3. Treatment Plan

a) Each inpatient must have an individual comprehensive treatment plan that must be based on an inventory of the inpatient's strengths and disabilities. The written plan must include a substantiated diagnosis; short-term and long-term goals; the specific treatment modalities utilized;

the responsibilities of each member of the treatment team; and adequate documentation to justify the diagnosis and the treatment and rehabilitation activities carried out; and

b) The treatment received by the inpatient must be documented in such a way as to assure that all active therapeutic efforts are included.

4. Recording Progress. Progress notes must be recorded by the doctor of medicine or osteopathy responsible for the care of the inpatient, a nurse, social worker and, when appropriate, others significantly involved in active treatment modalities. The frequency of progress notes is determined by the condition of the inpatient but must be recorded at least weekly for the first two months and at least once a month thereafter and must contain recommendations for revisions in the treatment plan as indicated as well as precise assessment of the inpatient's progress in accordance with the original or revised treatment plan.

5. Discharge Planning and Discharge Summary. The record of each patient who has been discharged must have a discharge summary that includes a recapitulation of the inpatient's hospitalization in the unit including admission and discharge dates, and recommendations from appropriate services concerning follow-up or after care as well as a brief summary of the patient's condition on discharge.

D. Meet special staff requirements in that the unit must have adequate numbers of qualified professional and supportive staff to evaluate inpatients, formulate written, individualized, comprehensive treatment plans, provide active treatment measures and engage in discharge planning, as follows:

1. Personnel. The unit must employ or undertake to provide adequate numbers of qualified professional, technical, and consultative personnel to:

a) evaluate inpatients;

b) formulate written, individualized, comprehensive treatment plans;

c) provide active treatment measures; and

d) engage in discharge planning.

2. Qualifications of professional, technical and consultative personnel are given below.

Director of inpatient psychiatric services - Medical Staff: Inpatient psychiatric services must be under the supervision of a clinical director, service chief, or equivalent who is qualified to provide the leadership required for an intensive treatment program. The number and qualifications of doctors of medicine and osteopathy must be adequate to provide essential psychiatric services.

a) The clinical director, service chief, or equivalent must meet the training and experience requirements for examination by the American Board of Psychiatry and Neurology or the American Osteopathic Board of Neurology and Psychiatry.

b) The director must monitor and evaluate the quality and appropriateness of services and treatment provided by the medical staff.

3. Nursing Services. The unit must have a qualified director of psychiatric nursing services. In addition to the director of nursing, there must be adequate numbers of registered nurses, licensed practical nurses, and mental health

workers to provide nursing care necessary under each inpatient's active treatment program and to maintain progress notes on each inpatient.

a) The director of psychiatric nursing services must be a registered nurse who has a master's degree in psychiatric or mental health nursing, or its equivalent, from a school of nursing accredited by the National League for Nursing, or be qualified by education and experience in the care of the mentally ill. The director of nursing must demonstrate competence to participate in interdisciplinary formulation of individual treatment plans; to give skilled nursing care and therapy; and to direct, monitor, and evaluate the nursing care furnished.

b) The staffing pattern must ensure the availability of a registered nurse 24 hours each day. There must be adequate numbers of registered nurses, licensed practical nurses, and mental health workers to provide the nursing care necessary under each inpatient's active treatment program.

4. Psychological Services. The unit must provide or have available psychological services to meet the needs of the inpatients. The services must be furnished in accordance with acceptable standards of practice, service objectives, and established policies and procedures.

5. Social Services. There must be a director of social services who monitors and evaluates the quality and appropriateness of social services furnished. The services must be furnished in accordance with accepted standards of practice and established policies and procedures. Social service staff responsibilities must include, but are not limited to, participating in discharge planning, arranging for follow-up care, and developing mechanisms for exchange of appropriate information with sources outside the hospital.

6. Therapeutic Activities. The unit must provide a therapeutic activities program.

a) The program must be appropriate to the needs and interests of inpatients and be directed toward restoring and maintaining optimal levels of physical and psychosocial functioning.

b) The number of qualified therapists, support personnel, and consultants must be adequate to provide comprehensive therapeutic activities consistent with each inpatient's active treatment program.

All distinct part psychiatric unit criteria must be verified by the state Medicaid agency. Existing hospitals with psychiatric inpatient services not in compliance with these distinct part unit requirements by the start of the next cost reporting period, will no longer receive Medicaid payments for psychiatric inpatient services. Existing facilities will continue to be recognized for the Medicaid payment of inpatient psychiatric services until the beginning of the next cost reporting period. This rule is effective for cost reporting periods beginning after October 1, 1993. Payment for emergency admissions to hospitals without a distinct part unit for psychiatric care must be approved by the Medicaid director or his designee prior to payment. Payment will be at the psychiatric per diem rate.

An institution that is primarily engaged in providing psychiatric services for the treatment of mentally ill persons

cannot be certified as a distinct part unit but must be certified as a psychiatric hospital. This is in accordance with Section 1861(f) of the Social Security Act.

Rose V. Forrest
Secretary