

APA-1

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-41-02

Rule Title: Conditions of Participation

_____ New; X Amend; _____ Repeal; _____ Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? _____ no

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? _____ yes

Is there another, less restrictive method of regulation available that could adequately protect the public? _____ no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? _____ no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? _____ no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? _____ yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? _____ no

Does the proposed rule have an economic impact? _____ no

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer: Stephanie Lindsay

Date: 2-19-20

ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Medicaid Agency

RULE NO. & TITLE: 560-X-41-.02 Conditions of Participation

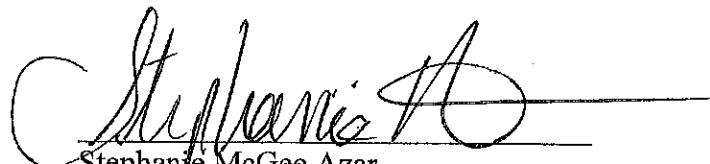
INTENDED ACTION: Amend 560-X-41-.02

SUBSTANCE OF PROPOSED ACTION: The above referenced rule is being amended to remove the monthly inpatient census report requirement for enrolled psychiatric hospitals.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than April 3, 2020.

CONTACT PERSON AT AGENCY: Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.


Stephanie McGee Azar
Commissioner

Rule No. 560-X-41-.02 Conditions of Participation

(1) ~~(1)~~ Hospitals:

a. — In order to participate in the Title XIX Medicaid program and to receive Medicaid payment for inpatient psychiatric services for individuals under age 21, a provider must meet the following conditions:

- a. _____
1. _____ (a) — Be certified for participation in the Medicare/Medicaid program;
 1. _____
2. _____ (b) — Be licensed as an Alabama psychiatric hospital in accordance with current rules contained in the Alabama Administrative Code Chapter 420-5-7. State hospitals which do not require licensing as per state law are exempt from this provision (Alabama Code, Section 22-50-1, et seq.);
 2. _____
3. _____ (c) — Be accredited by the Joint Commission on Accreditation of Healthcare Organizations;
 3. _____
4. _____ (d) — Have a distinct unit for children and adolescents;
 4. _____
5. _____ (e) — Have a separate treatment program for children and adolescents;
 5. _____
6. _____ (f) — Be in compliance with Title VI and VII of the Civil Rights Act of 1964 Section 504 of the Rehabilitation Act of 1973, and with the Age Discrimination Act of 1975.
 6. _____
7. _____ (g) — Execute an Alabama Medicaid Provider Agreement for participation in the Medicaid program;
 7. _____
8. _____ (h) — Submit a written description of an acceptable utilization review (UR) plan currently in effect; and
 8. _____
9. _____ (i) — Submit a budget of costs for medical inpatient services for its initial cost reporting period, if a new provider.
 9. _____

_____ (2) — Application by Alabama psychiatric hospitals for participation in the Medicaid program shall be made to the appropriate address indicated in the Provider Manual.

_____ (3) — ~~Submission of a monthly inpatient census report using the PSY-4 form is required of enrolled psychiatric hospitals.~~

_____ (a) — ~~The census report should list the names of all Medicaid children/adolescents who are admitted to and discharged from the hospital during the calendar~~

month. This report should also list the names of the children and adolescents who remain in the hospital during the calendar month.

~~(b)~~ This report must be received by Medicaid (all correspondence should be mailed to the appropriate address as indicated in the Provider Manual) on or before the tenth of each month for the preceding month.

~~(c)~~ Failure to send the required reports within the specified time period will

~~b.~~ result in the hospital's reimbursement checks being withheld until the report is received.

~~b.~~

(2) ~~(3)~~ **Residential Treatment Facilities (RTFs):**

~~—~~In order to participate in the

~~e.~~ Title XIX Medicaid program and to receive payment for residential psychiatric treatment services for individuals under age 21, RTFs must meet the following conditions:

a.

1. ~~—~~Be accredited by JCAHO, CARF, COA, or be certified as an Alabama

1. RTF in accordance with standards promulgated by the Alabama Department of Human Resources (DHR), the Department of Mental Health/Mental Retardation (DMH/MR) the Department of Youth Services (DYS), or the Department of Children's Affairs (DCA). Upon enrollment and each time the RTF is recertified a copy of the certification letter must be sent to Medicaid within forty-five business days.

~~—~~B.

~~(b)~~ Be in compliance with Title VI and VII of the Civil Rights Act of 1964,

1. ~~—~~Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975;

2.

2. ~~—~~(e) Execute a contract or placement agreement with DHR, DMH/MR, DYS, DCA, or Federally Recognized Indian tribes to provide residential psychiatric treatment services in the State of Alabama;

3.

~~(d)~~ Execute a provider agreement with Alabama Medicaid to participate in

3. ~~—~~the Medicaid program;

4.

4. ~~(e)~~ Submit a written description of an acceptable UR plan currently in

4. ~~—~~effect;

5.

5. ~~(f)~~ Submit a written attestation of compliance with the requirements of 42 CFR, Part 483, Subpart G, regarding the reporting of

serious occurrences and the use of restraint and seclusion upon enrollment and yearly on or before July 21;

6. _____

7. _____ (g) — Be in compliance with staffing and medical record requirements necessary to carry out a program of active treatment for individuals under age 21;

b. _____ (45) — All correspondence regarding application and certification by Alabama RTFs for participation in the Medicaid program should be mailed to the appropriate address indicated in the Provider Manual.

Author: Solomon Williams, Associate Director, Institutional Services

Statutory Authority: State Plan, Attachment 3.1-A, pp. 7, 7.16; 42 CFR, Part 441, Subpart D; and Section 431.107.

History: Rule effective October 1, 1988. Amended September 13, 1989; August 21, 1991; and November 13, 1991. **Amended:** Filed June 19, 2000; effective September 11, 2000.

Amended: Filed September 21, 2001; effective December 14, 2001. **Amended:** Filed: March 21, 2005; effective June 16, 2005. **Amended:** Filed: October 22, 2007; effective January 16, 2008. **Amended:** Filed: February 19, 2020.

Rule No. 560-X-41-.02 Conditions of Participation

(1) Hospitals:

a. In order to participate in the Title XIX Medicaid program and to receive Medicaid payment for inpatient psychiatric services for individuals under age 21, a provider must meet the following conditions:

1. Be certified for participation in the Medicare/Medicaid program;
2. Be licensed as an Alabama psychiatric hospital in accordance with current rules contained in the Alabama Administrative Code Chapter 420-5-7. State hospitals which do not require licensing as per state law are exempt from this provision (Alabama Code, Section 22-50-1, et seq.);
3. Be accredited by the Joint Commission on Accreditation of Healthcare Organizations;
4. Have a distinct unit for children and adolescents;
5. Have a separate treatment program for children and adolescents;
6. Be in compliance with Title VI and VII of the Civil Rights Act of 1964 Section 504 of the Rehabilitation Act of 1973, and with the Age Discrimination Act of 1975.
7. Execute an Alabama Medicaid Provider Agreement for participation in the Medicaid program;
8. Submit a written description of an acceptable utilization review (UR) plan currently in effect; and
9. Submit a budget of costs for medical inpatient services for its initial cost reporting period, if a new provider.

b. Application by Alabama psychiatric hospitals for participation in the Medicaid program shall be made to the appropriate address indicated in the Provider Manual.

(2) Residential Treatment Facilities (RTFs):

a. In order to participate in the Title XIX Medicaid program and to receive payment for residential psychiatric treatment services for individuals under age 21, RTFs must meet the following conditions:

1. Be accredited by JCAHO, CARF, COA, or be certified as an Alabama RTF in accordance with standards promulgated by the Alabama Department of Human Resources (DHR), the Department of Mental Health/Mental Retardation (DMH/MR) the Department of Youth Services (DYS), or the Department of Children's Affairs (DCA). Upon enrollment and each time the RTF is recertified a copy of the certification letter must be sent to Medicaid within forty-five business days.
2. Be in compliance with Title VI and VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975;
3. Execute a contract or placement agreement with DHR, DMH/MR, DYS, DCA, or Federally Recognized Indian tribes to provide residential psychiatric treatment services in the State of Alabama;

4. Execute a provider agreement with Alabama Medicaid to participate in the Medicaid program;
5. Submit a written description of an acceptable UR plan currently in effect;
6. Submit a written attestation of compliance with the requirements of 42 CFR, Part 483, Subpart G, regarding the reporting of serious occurrences and the use of restraint and seclusion upon enrollment and yearly on or before July 21;
7. Be in compliance with staffing and medical record requirements necessary to carry out a program of active treatment for individuals under age 21;

b. All correspondence regarding application and certification by Alabama RTFs for participation in the Medicaid program should be mailed to the appropriate address indicated in the Provider Manual.

Author: Solomon Williams, Associate Director, Institutional Services

Statutory Authority: State Plan, Attachment 3.1-A, pp. 7, 7.16; 42 CFR, Part 441, Subpart D; and Section 431.107.

History: Rule effective October 1, 1988. Amended September 13, 1989; August 21, 1991; and November 13, 1991. **Amended:** Filed June 19, 2000; effective September 11, 2000.

Amended: Filed September 21, 2001; effective December 14, 2001. **Amended:** Filed: March 21, 2005; effective June 16, 2005. **Amended:** Filed: October 22, 2007; effective January 16, 2008. **Amended:** Filed: February 19, 2020.