

**ASSIGNMENT OF ACUTE PSYCHIATRIC INPATIENT CLAIMS TO RSN'S
1/02 version**

**PHASES AND DECISION POINTS
ASSIGNMENT OF PSYCHIATRIC INPATIENT CLAIMS from COMMUNITY HOSPITALS
1/02 Update**

This packet represents the result of months of consensus building and decision-making by the Mental Health Division, Regional Support Networks and Medical Assistance Administration. The process has required attention to clinical and resource management practices, variations in regional procedures, current billing and claims processing procedures, and clarification of the reliability and validity of and congruence between multiple sources of information. A primary goal has been to integrate fiscal, information systems and program functions.

The packet describes the chronology of management of inpatient hospital admissions traced from the point of evaluation of a person's need for such care to the final attribution of cost for that admission. Key phases are:

- 1) RSN authorization/certification practice as detailed in the Cross RSN Authorization Practice Agreement developed by a subcommittee of RSN representatives (12/99)
- 2) Hospital Billing Process---dictated by WAC and Billing Instructions
- 3) MMIS Payment System—dictated by CMS, WAC and Billing Instructions
- 4) Mental Health Division intranet reporting (Begun in 3/98) and assignment by algorithm (corrected in 5/99)
- 5) Activity between RSNs if they dispute the claim assignment (RSN Inpatient Claims Reassignment Guidelines, 5/01 version, attached)
- 6) Final reconciliation by MHD inclusive of resolved disputed claims

Combined the phases form a comprehensive and interdependent sequence of decision points with the overall goal of 100% accuracy of claim assignment. It requires full adherence to each phase by RSNs and the MHD to be effective.

DEFINITIONS

Recipient County: The Community Service Office (or local CSO office) in the county where the person was eligible for Medicaid at the time of inpatient service.

CSOR: The CSO of residence where the recipient currently lives and is Medicaid eligible at the time the paid claim is extracted to the Consultec report sent to the MHD by MAA. The CSOR may differ from the Recipient County if the person has moved to another county since the time of that inpatient service, thus transferring their eligibility to another CSO.

Primary RSN: The RSN of residence at the time the consumer was hospitalized. The RSN of residence is determined by the Recipient County. The primary RSN has full responsibility for the recipient (fiscal, resource management, outpatient service provision) regardless of which RSN authorized the inpatient admission. Exception: When eligibility is newly determined or changed solely as a direct result of inpatient hospitalization outside of the consumer's known county of residence, that inpatient admission shall be presumed to be the responsibility of the RSN where the consumer actually lived prior to the hospitalization.

Secondary RSN: RSN that authorized admission for a recipient from another RSN.

Statewide CSO: Assigned CSO for some recipients, including foster children. For these recipients, both the recipient county and the CSOR are denoted as "Mental Health Division."

**(1)
RSN
AUTHORIZATION/
CERTIFICATION**



See Next 4 Pages for Cross RSN Authorization Practices Agreement

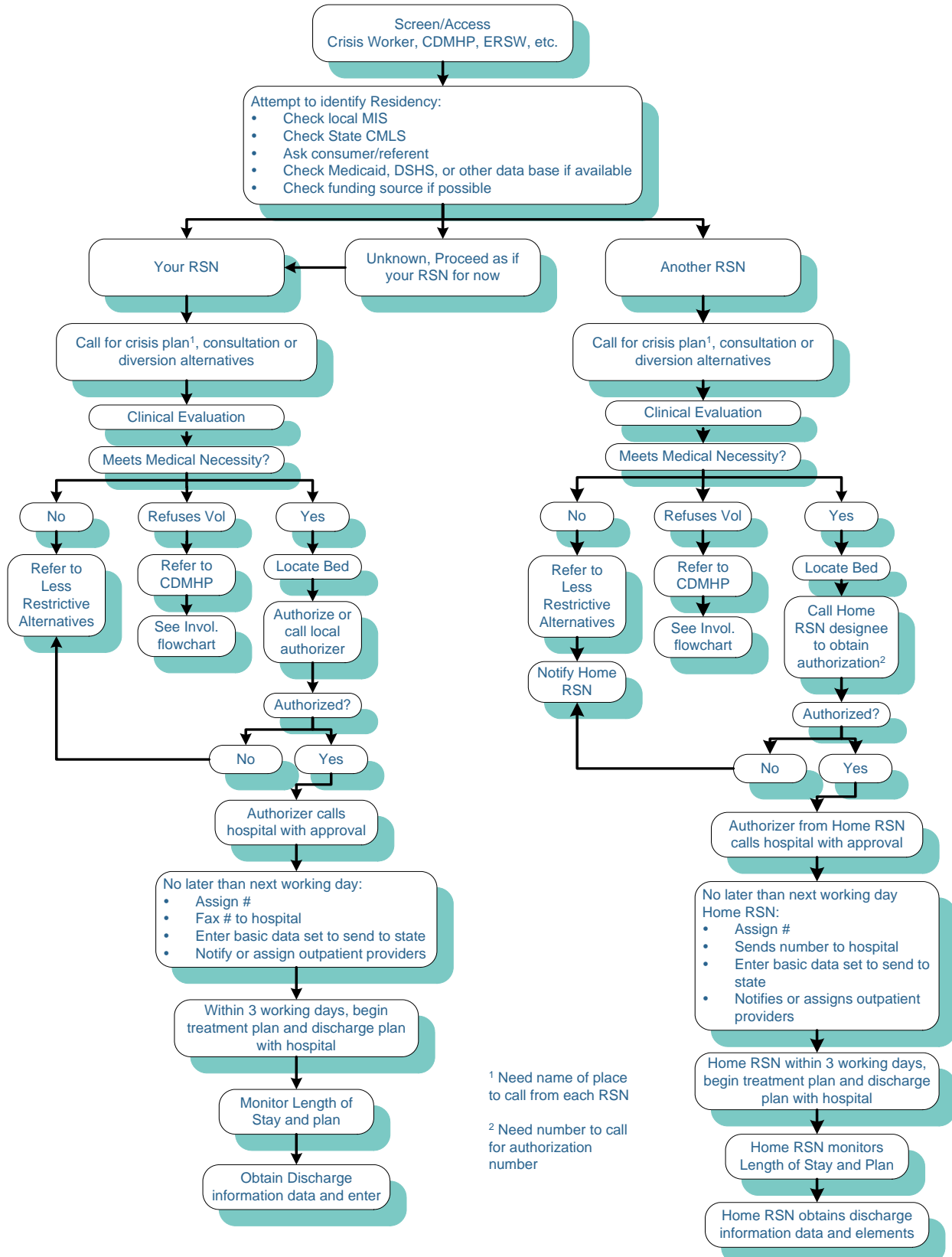
CROSS RSN AUTHORIZATION PRACTICES

WHAT needs to happen	WHO might do it	ISSUES
I. Initial Screening/assessment ♦ Attempt to identify residency ♦ Check local MIS system, state CMLS, Medicaid Eligibility System (often in hospital admitting offices), DSHS Client Registry or other data base ♦ Ask the consumer ♦ Check funding source, if possible	Crisis worker, CDMHP, ER	Acknowledge that not everyone will have computer access 24 hours.
II. Call identified home RSN contact (e.g. listed # in CMLS) for information, crisis plan, consultation, diversion alternative suggestions	Crisis worker, CDMHP, ER	Not everyone is available 24 hours a day; however there must be <i>someone</i> available in each RSN at all hours. Crisis Plans are to be accessible 24 hrs a day; we need to know <i>where</i> in each RSN to call to access them.
III. Evaluation of consumer and sound clinical decision to hospitalize based on medical necessity and/or ITA criteria; locate hospital bed	♦ Voluntary -- Crisis worker, CDMHP, ER ♦ Involuntary – CDMHP	We must trust/accept that clinicians are doing their best and accept their decisions.
IV. Call home RSN for <i>voluntary</i> authorization (for involuntary, it is not necessary to call during non-business hours; however notification must take place during next business hours)	Crisis worker, CDMHP, ER	Must be available 24 hours

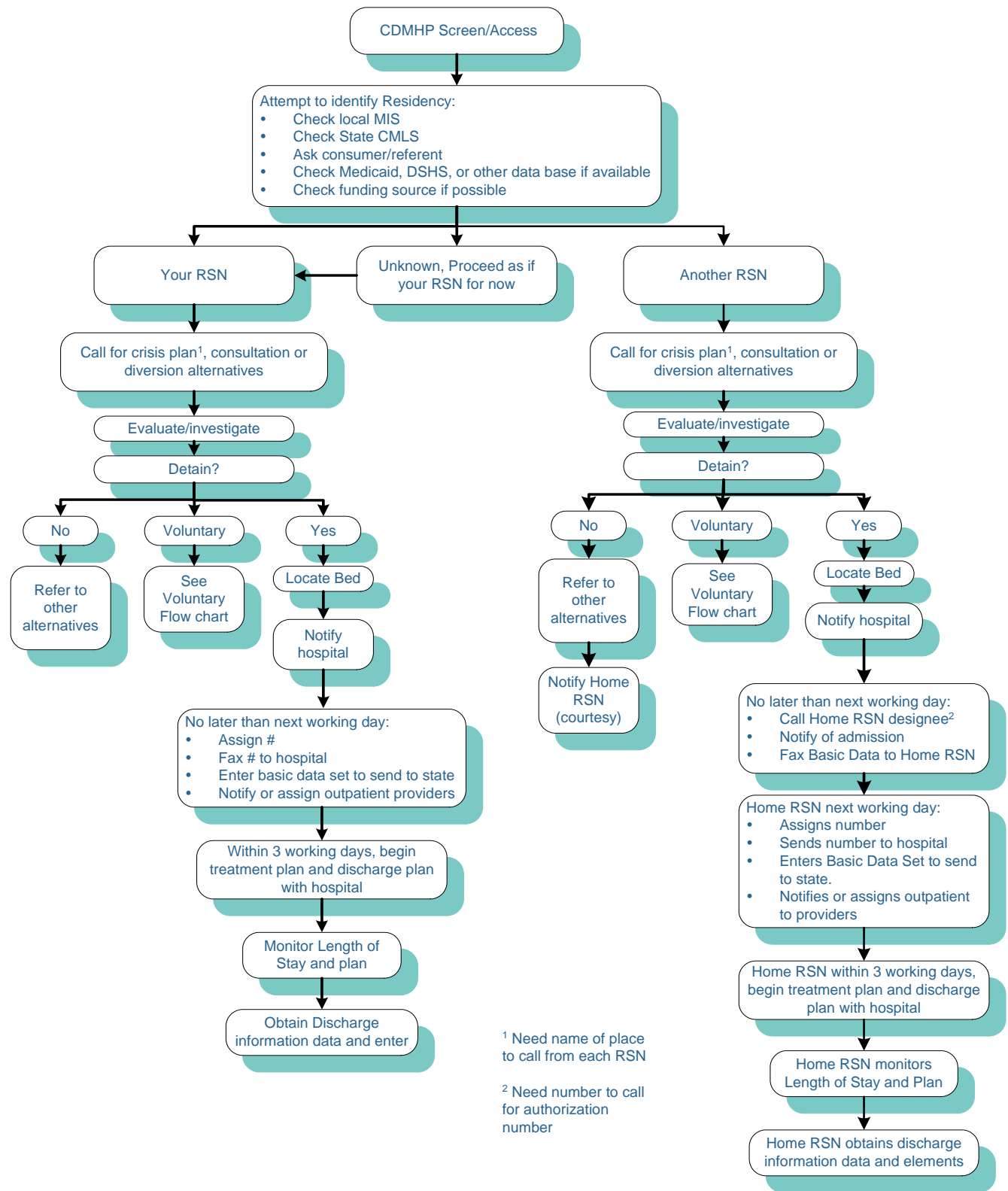
CROSS RSN AUTHORIZATION PRACTICES

WHAT needs to happen	WHO might do it	ISSUES
V. Authorization Decision is made ♦ Voluntary – yes or no ♦ Involuntary – yes	RSN designee ♦ Vol --MCO, CDMHP, RSN/provider staff ♦ Invol –CDMHP	For voluntaries, particularly if the hospital is its own gatekeeper, it may be necessary and appropriate to question the caller about criteria. If involuntary, accept the CDMHP decision.
VI. Authorizer calls hospital with approval	RSN designee	May or may not give # at that moment (usually not). Tell hospital that home RSN will FAX number.
VII. Information Faxed to home RSN by next work day (basic data set) ♦ Administrative procedures a) assign #(*) b) FAX to hospital c) data entry ♦ Care Management a) Notify outpatient provider, if known b) Begin treatment and discharge planning with hospital; assign provider or liaison staff c) Monitor LOS and plan	CDMHP or assessor sends basic data to home RSN ♦ support/clerical staff perform administrative procedures ♦ Managed Care Organization, provider staff, RSN staff perform clinical care management	Notification to the home RSN should be made for both voluntary and involuntary no later than the next working day after residency has been determined. (*) For King County, send information to UBH for both voluntary and involuntary
VIII. Discharge data sent to home RSN and data entered	Clerical staff enter data and discharge diagnosis	
IX. Dispute Resolution over Residency if necessary	RSN designees	In the event that the two RSNs cannot agree on Residency, they will follow the RSN Inpatient Claims Reassignment Guidelines (5/00) or accept the assignment based upon the algorithm.

Cross County/RSN - **Voluntary** Authorization Flow



Cross County/RSN - **Involuntary** Authorization Flow



¹ Need name of place to call from each RSN

² Need number to call for authorization number

**(2)
HOSPITAL
BILLING
PROCESS**



- Hospital obtains certification form and authorization number or ITA papers and authorization number from one RSN, either Primary or Secondary RSN
- Hospital bills Medical Assistance Administration with supporting documentation and authorization number. Hospital must bill within 365 days. Hospitals may submit interim bills, depending upon their billing cycles.
- Hospital claim is paid by Medicaid only after eligibility determination and any 3rd party payment is obtained. Claim adjustments can occur indefinitely. Hospital claims will be denied if they lack the required authorization, supporting documents, length of stay does not equal days authorized, etc.
- RSNs do not have fiscal responsibility for hospital claims for persons determined not to be eligible for Medicaid or state support, irrespective of RSN certification of that person's need for hospitalization.

**(3)
MMIS
PAYMENT
SYSTEM**



- MMIS pays hospital claims based upon eligibility, proof of RSN authorization/certification (authorization numbers and any supporting documents)
- MMIS does NOT cross match RSN authorization number with Recipient county or CSOR
- MMIS claim contains information regarding consumer's zip code, Recipient County, and CSOR
- Since MMIS processes and pays interim claims, the time between bills may potentially result in a change in the CSOR
- MMIS has an indefinite claims adjustment period, which may also result in a change in CSOR

**(4)
CONSULTEC
EXTRACT &
MHD
ALGORITHM**



- Consultec report is updated monthly on the MHD Intranet and contains a three year history. Billing lag factors affect the claim history available at any given time.
- The extract contains information about the Recipient County, zip code, SSN, CSOR and RSN authorization number
- Since May 1999, the MHD has employed the following algorithm (***based upon RSN consensus decision 2/99***) to assign claims to an RSN. The history file was adjusted in accord with the algorithm.
 1. Recipient county
 2. RSN authorization number
- For claims assigned to a statewide CSO, the MHD will assign the claim based upon the RSN authorization number .
- For claims assigned to a statewide CSO that do not have an RSN authorization number (Medicare crossover claims and ITA claims prior to 1/1/99), recipient zip code will be utilized to assign the claim.
- Medicare crossover claim costs (coduct payments) are the responsibility of the RSNs as of 7/1/01 per legislative action.
- A 3-year history of eligibility periods by consumer is also available on the MHD Intranet to assist in the determination of the RSN responsible for the hospital claim.

**(5)
RSN DISPUTE
OF CLAIM
ASSIGNMENT**



- Beginning December 1, 1999, each RSN shall analyze monthly the Consultec extract file published on the MHD Intranet against their known inpatient authorization activity. RSN analysis shall incorporate the above agreed upon algorithm and additional information sources.
- Following this monthly analysis, each RSN shall submit any disputed claims to the RSN it presumes to be the Primary RSN using the “Inpatient Claims Reassignment Memorandum” or the web-based form located on the MHD Intranet site.. The two RSNs shall come to an agreement about the appropriate RSN assignment. **To be included in MHD’s Intranet information, all disputes must be resolved no later than the 24th of any given month.**
- **Any billings which may result due to re-assignment of a disputed claims after the 18 month reconciliation process shall be the responsibility of the RSNs and will not be included in MHD’s Intranet information.**

**(6)
FINAL
ASSIGNMENT
OF CLAIM**



- Beginning 7/01/01 the MHD shall establish a dispute resolution process to address unresolved disputes between a hospital provider and an RSN(s) regarding payment authorization for all or a portion of a hospital stay. The MHD resolution process will be conducted in accord with published procedures. In the case of such disputed claims, the MHD retains the final authority to authorize payment for the hospital days in question. If the MHD finds in favor of the hospital, the cost for that claim shall be attributed to the RSN. All local and regional dispute resolution and appeal procedures must be followed prior to appeal to the MHD.
- All disputed claim negotiations between RSNs must be finalized and submitted to the MHD before the end of the 18-month reconciliation period for that claim month. (For example, any disputed claims for dates of service in June 1999 must be resolved before December 2000). After the 18-month mark the claim will maintain the original RSN assignment (based upon the above algorithm or other agreed upon information sources) unless the above submission has occurred.
- Re-assigned claims (**prior to the 18-month reconcilliaton period**) shall be reflected in the reconciliation payment made at the contractually required interval (18 months out). This will be reflected on the RSN's utilization information as a "Removed X" or "Medical X" status.

RSN INPATIENT CLAIMS REASSIGNMENT GUIDELINES

RSN Claims Reassignment Guidelines

- ❖ Guidelines #1 - #8 should be consulted when a claim assigned according to the MHD algorithm (Recipient county/ CSO at the time of admit or authorization number) is challenged or unresolved among RSNs. *The following guidelines are not applicable in those cases where inter RSN agreements establish inpatient claims responsibility.*
 - ❖ The RSN providing the inpatient admission authorization number should be the same RSN accepting the claim according to the guidelines below if the Cross-RSN Authorization Practices protocol (previously adopted) had been followed.
 - ❖ Claims not challenged within 18 months from the first date of service shall be assigned by the MHD algorithm. An additional 30 days will be allowed to challenge claims not included in the MMIS file until the 18 month from the first date of service. Claim reassignment to another RSN can be initiated by completing the “Inpatient Claims Reassignment Memorandum” (see page 4). An RSN’s failure to respond to the Final Inpatient Claims Reassignment Memorandum Notice will indicate that the RSN accepts assignment of the claim.
- 1. RSN Provider of Services:** RSN accepts claim if an agency within the RSN has been the primary provider of outpatient services to the consumer prior to hospitalization

Examples: RSN Border Case: Consumer lives in Othello (North Central RSN) and has CSO-Othello but receives outpatient services in Pasco (Greater Columbia). Greater Columbia would accept claim.

If consumer regularly accesses outpatient services from more than one RSN then the claim is accepted based on the MHD algorithm.

- 2. Relocation:** RSNX consumer has relocated to RSNY and is shortly thereafter hospitalized. Consumer’s CSO is still listed in RSNX at the time of hospitalization. The consumer has received no outpatient services from RSNY prior to hospitalization. (*Relocation refers to the consumer’s intent to permanently establish residency.*) **Apply 60-day residency rule.** *For Foster Kids apply Guideline #4.*

60-day residency rule: Claim is assigned to RSNX unless a) consumer has resided in RSNY for more than 60 days; b) consumer has enrolled in services at RSNY; c) consumer has not resided in RSNY for more than 60 days but there is available

documentation of client relocation. If a), b), or c) apply then claim is assigned to RSNY.

If the consumer had been receiving services from RSNY prior to hospitalization then guideline #1 is applicable without regard to the consumer's length of residency in RSNY.

- 3. Hospitalization is individual's first recorded contact with the Statewide RSN system:** Accept claim assignment based on the MHD algorithm. Inpatient claims incurred thereafter for the individual would be accepted by the RSN responsible for serving the individual.

Example: Individual never before having accessed the RSN system is hospitalized. At the time of hospitalization the individual resided in King RSN and has a King County CSO. The claim is accepted by King RSN based on the MHD algorithm. Subsequent inpatient claims are the responsibility of King RSN assuming the individual still resides in King RSN. However, if after discharge the individual chose to receive services at neighboring Pierce RSN then any subsequent claims would be the responsibility of Pierce RSN (see Guideline #1).

- 4. Hospitalization results in new or changed eligibility status for medical assistance:** RSN where hospital is located (and where eligibility is being established/changed solely because of CSO procedures) may dispute assignment of claim based on evidence that the individual was a resident of another RSN. Once disputed, the claim will be newly assigned to the RSN where that person resided prior to that hospitalization.

Example: Individual residing in Chelan/Douglas RSN who is not currently eligible for medical assistance and has not received services from the Chelan/Douglas RSN is hospitalized at Lourdes Counseling Center located in Greater Columbia RSN. Chelan/Douglas RSN has authorized the hospitalization. The hospital assists the individual in applying for medical assistance by following CSO procedures. The individual is determined to be eligible in Benton County as a result of those procedures. The MHD algorithm assigns the claim to Greater Columbia RSN. Greater Columbia disputes this assignment based on evidence of the individual's residence in Chelan/Douglas. The MHD reassigns the claim to Chelan/Douglas RSN based upon evidence of residency. If the individual establishes residency in Greater Columbia RSN subsequent to discharge from inpatient care, any future admissions would be assigned per guideline #2.

- 5. Children/Youth in foster or group care:** RSN accepts claim if an agency within the RSN has been the primary provider of outpatient services to the consumer prior to hospitalization (see Guideline #1).

Foster home: If the foster child has no history of RSN services then the claim is assigned to the RSN where the foster parents reside. The claim for a foster child hospitalized from a temporary crisis bed would be the responsibility of the RSN where the child resided prior to being placed in the temporary crisis bed.

Group care: In the case of children placed by DCFS in a group home, including out-of-state border facilities (such as Northwest Children's Home in Lewiston, Idaho), the RSN where the office of the child's DCFS caseworker is located shall accept the claim, regardless of the RSN that authorized hospital admission.

6. **Transient**: Hospital data and other information indicate the individual is a transient (no permanent place of residence). Accept claim assignment based on the MHD algorithm.
7. **Homeless**: Information indicates the individual is homeless. Claim is the responsibility of the RSN where the individual has established temporary living accommodations or utilizes public or private shelter.
8. **DSHS Funded Mental Health Programs**: The RSN responsible for referring the consumer to the DSHS funded facility/program is responsible for the claim for hospitalization occurring just prior to or during the CLIP stay. DSHS funded facilities/programs include: Western State Hospital, Eastern State Hospital, Child Study and Treatment Center, Pearl Street Center, Martin Center, McGraw Center, and Tamarack Center.

Resources For Assisting In Evaluating Inpatient Claims Responsibility:

- ✓ Local MIS Service Records
- ✓ TXIX Historical Eligibility Download File From MHD Intranet
- ✓ Detailed MMIS Information Download From MHD Intranet
- ✓ UB92
- ✓ Selected MHD Intranet Database Files Noted Below

Mental Health Division's Intranet Database	Account: NAME
Access	
Main Menu	

Make your selection by clicking on the radio button next to the option.

Option	Description
μ Change Password	Allows the customer to change the password to this account. The system will automatically request you to change the password every 30 days.
μ Administration	You have been granted permission to be a "Local" administrator for your organization.
λ Case Manager Locator System	Allows access to case management locator records for a consumer served by the RSN. <i>Provides view of consumer demographic and case manager information. Displays case manager information on file for each RSN where the client has accessed services within the last 12 months.</i>
λ Community Hospital Bills	Allows access to all mental health community hospital bills. <i>Provides access to detailed community hospital psychiatric claims data by client for each admission regardless of which RSN was assigned the claim. An RSN can accept a claim from another RSN by checking the "reassign claim" radio button; talk to MHD about enabling this feature.</i>
λ Data Extract	Allows access to data files that can be down loaded from the MHD-Intranet.
μ Department of Corrections	Allows access to Dept. of Corrections' information. <i>Detailed information on inmates entering the state correctional facility and information on all inmates released from a correctional facility needing mental health services. Information includes diagnosis, release date, county where released, facility released from, most serious crime, date medical packet sent to RSN.</i>
λ Eligibility and TPL	Allows access to medical eligibility and Third Party Liability information. <i>Provides an individual's Medicaid eligibility history by CSO. Information includes program, medical code, and eligibility date range. History of Third Party Insurance coverage is also included.</i>
λ Master Patient Index-RSN View	Allows account access to RSN consumer information. <i>Provides consumer demographic information, a listing of your RSN agencies providing services to the client as well as other RSN agencies where the client has been served. Provides case manager contact information for all RSNs where the client has been served. A monthly RSN case status history is provided; the case status history is only specific to your RSN case status records.</i>
μ Reports	Allows account access to preformatted reports.
μ State Hospital-RSN View	Allows account to view State Hospital records assigned by the Hospital to a given RSN. History of detailed State hospital information for clients assigned to RSN.

RSN Name

RSN Address, Phone #, etc.

CONFIDENTIAL
INPATIENT CLAIMS REASSIGNMENT MEMORANDUM

DATE: [] 1st NOTICE
[] FINAL NOTICE

TO:

FROM:

AUTHORIZATION NUMBER:

RE: Consumer Name _____ DOB _____ SS# _____
Address _____
Hospital Name _____ Dates of Service _____

We believe that this claim has been erroneously assigned to (Your RSN Name) due to the following:

- Consumer receiving services within your RSN prior to hospitalization.
- Consumer resides within your RSN and is not enrolled in outpatient services at our RSN.
- Consumer relocated to your RSN; prior to consumer hospitalization your RSN was provided with documented notification of the consumer's intent to relocate.
- Consumer was placed in a DSHS facility/program by your RSN and was subsequently hospitalized directly from the facility/program.
- Other: _____

Please check your information and reply to us by returning a copy of this memorandum by (date—15 days from now). Note: Failure to respond to final notice will indicate that your RSN accepts the assignment of this consumer.

(Your RSN Name) _____ RSN

- Accepts the assignment of this consumer for this hospitalization and has reassigned the claim via the MHD Intranet Site.**
- Disputes the assignment of this consumer for this hospitalization**

REASON: _____

Signature: _____

CC: (RSN Administrator, if different from addressee)
