I. INTERAGENCY AGREEMENT

1. This agreement is made and entered into by and between the Office of Medicaid Policy and Planning, having a mailing address of 402 West Washington Street, W382, Indianapolis, Indiana 46204, hereinafter referred to as OMPP, and the Division of Mental Health, having a mailing address of 402 West Washington Street, W353, Indianapolis, Indiana 46024, hereinafter referred to as DMH, and the Division of Aging and Rehabilitative Services, having a mailing address of 402 West Washington Street, W451, Indianapolis, Indiana 46024, hereinafter referred to as DARS.

2. WHEREAS, OMPP is the single state agency responsible for the administration of the Indiana Medicaid Program under the provisions of IC 12-15-1-1 and Title XIX of the Social Security Act; and

3. WHEREAS, DMH operates certain state inpatient psychiatric institutions and certain state institutional intermediate care facilities for the mentally retarded (ICF's/MR); and

4. WHEREAS, DARS operates certain state institutional intermediate care facilities for the mentally retarded; and

5. WHEREAS, IC 12-15-5 provides for Medicaid payment for services to patients who have been found eligible for Medicaid under IC 12-15-5 for inpatient services provided by inpatient psychiatric institutions for patients under age twenty-one (21) [those in treatment immediately preceding their twenty-first (21st) birthday may continue in treatment until age twenty-two (22)], and for patients who are age sixty-five (65) or over; and for patients residing in Medicaid certified institutions for the intermediate care for the mentally retarded, and

6. WHEREAS, Title XIX of the Social Security Act and the related federal regulations place precise and strict requirements on the payment for psychiatric hospital inpatient care for eligible Medicaid recipients in order for the State of Indiana to claim its proper and appropriate share of Federal Financial Participation (FFP) under its Medicaid Plan; and

7. WHEREAS, 42 CFR 431.620 requires that an interagency agreement be executed which will maximize cooperation between the parties to this agreement to carry out the objectives of the respective programs which they administer;

8. NOW, THEREFORE, the parties hereby agree to the following terms and conditions and the parties further agree to actively promote the cooperative relationships this agreement is intended to create. This agreement shall insure that the parties hereto have a functional relationship effectuated through an interagency agreement which:

    a) provides for maximum utilization of care and services available under the programs; and

    b) utilizes these programs to develop more effective use of Medicaid resources, and to develop joint planning to determine alternative methods of care.

II. DUTIES OF OMPP

1. OMPP shall reimburse each provider for which there is a current active Medicaid provider agreement in accordance with applicable state and federal reimbursement criteria.

2. With respect to referrals from DMH, OMPP assures that referrals of individuals with psychiatric impairments from providers or from DMH are processed, that applicants found to be eligible will be enrolled, and continued Medicaid eligibility determined.

3. With respect to referrals from DARS, OMPP assures that referrals of individuals with developmental delays are processed, that applicants found to be eligible will be enrolled, and continued Medicaid eligibility determined.

4. OMPP will cooperate with the staff of any provider and DMH or DARS in assisting Medicaid enrolled patients or the patients' families in obtaining community-based services and resources needed by the patient in order to facilitate his earliest possible release from inpatient psychiatric care or institutional ICF/MR care.

5. OMPP agrees to provide to DMH and DARS the following upon request:

    1) access to the Medicaid State Plan;

    2) a list of enrolled providers and suppliers of care and services, when necessary for interagency coordination in administration of the program.

6. It shall be the responsibility of OMPP to communicate with County Offices of the Division of Family and Children (aka County Departments of Public Welfare) regarding this agreement.

III. DUTIES OF DMH

1. It shall be the duty of DMH to refer for authorization for Medicaid reimbursement of services only those persons:

   a) who require inpatient psychiatric hospital services on a continuous twenty-four (24) hour a day basis by a provider who meets Medicaid certification requirements as a psychiatric facility to provide inpatient psychiatric services for Medicaid recipients under age twenty-one (21); or

   b) who require inpatient psychiatric hospital services on a continuous twenty-four (24) hour a day basis by a provider who meets Medicaid certification requirements as a psychiatric facility to provide inpatient psychiatric services for Medicaid recipients over age sixty-five (65); or

   c) who require services provided by a Medicaid-certified ICF/MR.

   If the recipients described in a) through c) above have been admitted to a provider facility, they must have been admitted in accordance with the laws of Indiana which control voluntary and involuntary admission to such facilities.

2. DMH agrees to maintain such records as are necessary to carry out Medicaid-related functions and responsibilities with regard to Medicaid provider certification and rate setting, Medicaid recipient eligibility, and services provided to eligible Medicaid recipients for which payment is claimed.

3. DMH further agrees to furnish any such records as mentioned above at any and all reasonable times to OMPP, the Medicaid Fiscal Agent, the State Department of Health in its role as State Survey Agency, and any other OMPP designees.

4. DMH agrees to abide by and to require the state-operated intermediate care facilities for the mentally retarded it operates to abide by all applicable state and federal statutes and regulations, state administrative directives, policies, and procedures of the Medicaid Program, including but not

limited to requirements for admission, on-going treatment, tracking medical care for patients under twenty-one (21) years of age, plan of discharge, utilization review committee functions, and independent medical review.

5. DMH agrees to maintain procedures for the immediate readmission to an inpatient facility, when necessary, of Medicaid patients who have been discharged, are on leave, or are otherwise not receiving inpatient psychiatric services or institutional ICF/MR services; provided, however, that it is understood that this agreement in no way obligates or authorizes DMH or any provider to readmit any person involuntarily, except in accordance with IC 12-26-4; IC 12-26-5; IC 12-26-6; or IC 12-26-7.

IV. DUTIES OF DARS

1. It shall be the duty of DARS to refer for authorization for Medicaid reimbursement of services only those persons:

   a) who require services provided by a Medicaid-certified ICF/MR.

   If the recipients described in a) above have been admitted to a provider facility, they must have been admitted to a provider facility in accordance with the laws of Indiana which control voluntary and involuntary admission to such facilities.

2. DARS agrees to maintain such records as are necessary to carry out Medicaid-related functions and responsibilities with regard to Medicaid provider certification and rate setting, Medicaid recipient eligibility, and services provided to eligible Medicaid recipients for which payment is claimed.

3. DARS further agrees to furnish any such records as mentioned above at any and all reasonable times to OMPP, the Medicaid Fiscal Agent, the State Department of Health in its role as State Survey Agency, and any other OMPP designees.

4. DARS agrees to abide by and to require the state-operated intermediate care facilities for the mentally retarded it operates to abide by all applicable state and federal statutes and regulations, state administrative directives, policies, and procedures of the Medicaid Program, including but not limited to requirements for admission, on-going treatment, tracking medical care for patients under twenty-one (21) years of age, plan of discharge, utilization review committee functions, and independent medical review.

5. DARS agrees to maintain procedures for the immediate readmission, when necessary, to an intermediate care facility for the mentally retarded of Medicaid patients who have been discharged, are on leave, or are otherwise not receiving ICF/MR services; provided, however, that it is understood that this agreement in no way obligates or authorized DARS or any provider to readmit any person involuntarily, except in accordance with IC 12-26-4; IC 12-26-5; IC 12-26-6; or IC 12-26-7.

6. It shall be the duty of DARS to provide an initial diagnosis and evaluation for each developmentally disabled Medicaid recipient who could be appropriately placed in an ICF/MR. DARS shall communicate the results of the diagnosis and evaluation to OMPP as expeditiously as possible in order to facilitate prompt, proper placement in an ICF/MR. DARS shall also make available upon request any records pertaining to the initial diagnosis and evaluation of any Medicaid recipient to OMPP or its designee.

V. MUTUAL DUTIES AND OBJECTIVES

1. For Medicaid recipients in psychiatric hospitals who are under age twenty-one (21) the requirements of 42 CFR 456.480-482 must be met. For Medicaid recipients in mental hospitals who are over age sixty-five (65), the requirements of 42 CFR 456.160 and 42 CFR 456.180 must be met, and for Medicaid recipients in ICF's/MR, the requirements of 42 CFR Part 483, and 42 CFR 456.360-381 must be met.

2. The parties agree that an effort should be made to place patients returning to community living in their natural homes or in individualized integrated settings.

3. Each Medicaid enrolled patient must receive active, ongoing treatment as evidenced by an established written and regularly updated individual plan of care. The plan of care must include information regarding the potential for patient discharge from an inpatient treatment.

4. For Medicaid recipients in psychiatric hospitals who are under age twenty-one (21), the individual plan of care shall set forth treatment objectives and describe an integrated program of appropriate therapies, activities, and experiences designed to meet those objectives. The plan shall be formulated in consultation with the recipient and parents, legal guardians, or others to whose care or custody the recipient may be released following discharge. The plan shall be based upon

diagnostic evaluation which includes an examination of the medical, psychological, social, behavioral, and developmental aspects of the recipient's situation. The plan shall include at an appropriate time a post-discharge treatment plan and plan for coordination of inpatient services for Medicaid patients under age twenty-one (21), with partial discharge plans and appropriate related services in the patient's community, to insure continuity of care when the patient is returned to his family, school, or community.

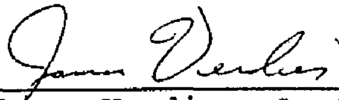
5. For Medicaid recipients in mental hospitals who are over age sixty-five (65), the individual plan of care shall include an initial review of the recipient's medical, psychiatric and social needs; periodic review of the recipient's medical, psychiatric and social needs; a determination, at least quarterly, of the recipient's need for continued institutional care and for alternative care arrangements; appropriate medical care in the institution, and appropriate social services.

6. Each Medicaid patient's plan of care shall be reviewed and updated every ninety (90) days for Medicaid recipients residing in ICF's/MR and recipients over age sixty-five (65) residing in institutions for mental diseases, and every thirty (30) days for recipients under age twenty-one (21) receiving services in a psychiatric hospital. Such review will be by an interdisciplinary team and shall consist of a determination that the services provided were and continue to be required on an inpatient basis, and for recommendations as to necessary adjustments in the plan as indicated by the patient's overall adjustment as an inpatient. This periodic update of the plan of care must be in writing and made a part of the patient's record.

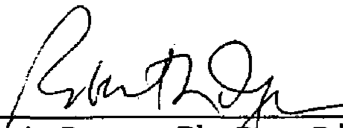
7. The psychiatric hospital's utilization review committee shall review the appropriateness of admissions and continued stay by applying criteria contained in the approved utilization review plan. Such criteria shall be developed or adapted from appropriate regional norms. In any case, the initial review date shall be not longer than thirty (30) days after admission. Subsequent reviews must occur at least every ninety (90) days thereafter for patients over age sixty-five (65), and at least every thirty (30) days for patients under age twenty-one (21). Assigned review dates shall be recorded in the patient's record. All utilization review activities shall be conducted according to applicable federal regulations. Evidence of the utilization review committee action on admissions and patient plans of care are to be made a matter of record and shall be available for review by OMPP or any designee of OMPP.

8. This agreement will be reviewed after the date of signing on any occasion requested by the parties to the agreement. Further, this agreement may be amended at any time upon written agreement of all of the parties to the agreement.

This agreement is entered into this 15th day of April, 1993.



James Verdier, Asst. Secretary
Office of Medicaid Policy
and Planning



Robert Dyer, Ph.D., Director
Division of Mental Health

Bobby Conner, Director
Division of Aging and
Rehabilitative Services