

Psychiatric Residential Treatment Facilities

This IPRO report compares Psychiatric Residential Treatment Facilities (PRTFs) in Iowa with those in six other states: Indiana, Kentucky, Mississippi, Nebraska, Oklahoma, and Oregon. These six states were selected because they share many social, demographic, and economic characteristics with Iowa.

PRTFs are federally recognized facilities that provide psychiatric and medical services to individuals under the age of 21. PRTFs go by different names in different states. Here in Iowa PRTFs are called Psychiatric Medical Institutions for Children (PMICs).

The Centers for Medicare and Medicaid Services (CMS), a U.S. federal agency that administers Medicare, Medicaid, and the State Children's Health Insurance Program (SCHIP), allows participating states to use Medicaid funding to reimburse PRTFs for many of the services they provide. PRTF is the name CMS uses for facilities it recognizes as eligible for Medicaid reimbursement.

PRTFs must comply with many federal regulations, but states are given substantial flexibility in determining policy in many areas, including: the daily rate, licensing, admissions certification, and step-down services. A brief description of each of these four areas is provided below.

Daily Rate – CMS allows states to use Medicaid funding to reimburse PRTFs for the services they provide. This reimbursement is called the daily rate. States differ somewhat in the services they cover through reimbursement.

Licensing – States may go beyond federal licensing standards and establish additional requirements for PRTFs.

Admissions Certification – For Medicaid purposes, patients entering a PRTF must be certified by the state as meeting specific criteria for admission, as well as additional criteria for continued stay.

Step-Down Services – Some states provide outpatient programs that minimize the need for admission to PRTFs and help transition PRTF patients into other types of care.

State Comparisons

Below are state-by-state comparisons in these four areas:

Daily Rate

Iowa: The daily rate is \$165.53. It is determined annually by legislature. The rate covers all room, board, and services with the exception of medical expenses such as prescriptions, physician fees, and hospitalization. Iowa's rate is the lowest in the country.¹

Indiana: The daily rate is \$322. It is determined by Indiana's Family and Social Services Office and the Office of Medicaid Policy and Planning (OMPP). Medicaid reimbursements exclude pharmaceutical supplies and physician services.

Kentucky: The daily rate is \$230.00. It covers total facility costs for PRTF services, excluding the cost of drugs. The rate is set by the state based on cost report and adjusted upward each biennium by 2.22 percent, or usual and customary charge if less.²

Mississippi: Daily rates range from \$425 to \$564. The rate is calculated by examining the annual cost reports and appropriate audits that PRTFs are required to provide the state. Mississippi's Division of Medicaid (DOM) is responsible for determining whether a PRTF meets the Medicaid requirements for reimbursement and what services are included and excluded.

Nebraska: The daily rate ranges from \$235.98 to \$295.28. There is an automatic 2% annual increase in rates. The daily rates decrease by \$10 increments based on length of stay. The length of stay categories are: 1-90 days, 91-180 days, 181-216 days. These rates are all inclusive. Medication is excluded from this rate.³

Oklahoma: Daily rates vary depending on type of treatment. Community Based Transitional facilities (16 beds or less) have a fixed rate of \$190.97. Community Based Extended facilities have a fixed rate of \$330.27. Standard (Freestanding) facilities have a fixed rate of \$347.87. Hospital Based facilities have a fixed rate of \$356.64. Certain specialty facilities have a fixed rate of \$413.49.⁴

Oregon: Daily rates at entry-level PRTFs range from \$270 to \$300. The daily rates in the psychiatric residential treatments intensive 60-day evaluation program are \$300 to \$320. The daily rate at intense care programs can range up to \$535 for children under the age of 14 and \$640 for people 14 to 21.⁵

¹ National Association for Children's Behavioral Health (formerly NAPITCC, The National Association of Psychiatric Treatment Centers for Children)

² <http://www.lrc.ky.gov/kar/907/001/510.htm>

³ Margaret Van Dyke, Psychiatric Nurse Consultant in Mental Health & Substance Abuse at Nebraska Dept of Health and Human Services.

⁴ <http://www.ohca.state.ok.us/excel/perdiem.xls>

⁵ Bill Bouska, Manager, Child and Adolescent Mental Health Services. Addictions and Mental Health Division (AMH)

Licensing

Iowa: Specific licensing standards unique to PMICs (Iowa's PRTFs) have not been developed.

Indiana: OMPP and the Indiana State Department of Health use federal standards, methods and procedures designated by Department of Health and Human Services (DHHS).⁶

Kentucky: Regulations were developed collaboratively by the [Departments of Mental Health and Mental Retardation Services](#), community human service providers, and the Office of the Inspector General.⁷

Mississippi: A facility requesting licensing as a Medicaid-authorized PRTF must complete and submit an enrollment packet for approval by the Director of DOM.

Nebraska: Three different licenses are required for inpatient hospital care (one level below acute care)⁸: mental health system license, substance abuse license, and child care license.

Oklahoma: To enroll as a hospital-based or freestanding PRTF, the provider must be appropriately state licensed pursuant to Title 10 O.S. § 402 and approved by the OHCA to provide services to individuals under age 21. Out-of-state PRTFs must be appropriately licensed in the state in which they do business.⁹

Oregon: Specific state licensing standards for PRTFs have not been developed.¹⁰

Admissions Certification

Iowa: The Iowa Medical Enterprise (IME) certifies admission to PMICs. IME is the public/private partnership that oversees Medicaid in Iowa.

Indiana: The Indiana Health Coverage Program requires prior authorization for admission to a Psychiatric Residential Treatment Facility (PRTF). Before approval can be given for an admission to a PRTF, documentation to support the admission must be provided to the appropriate PA department based on the program assignment of the member.¹¹

Kentucky: The Department for Medicaid Services and the Medicaid Program under Health and Family Services reviews and evaluates the health status and care requirements of people in possible need of inpatient PRTF care. They use the same standards as established for inpatient

⁶ <http://www.in.gov/legislative/register/Vol27/08May/02F405030184.PDF>

⁷ <http://mhmr.ky.gov/mhsas/Prtf.asp?sub1>

⁸ Margaret Van Dyke.

⁹ <http://www.ohca.state.ok.us/xPolicySection.aspx?id=6103&number=317:30-5-95.&title=General%20provisions%20and%20eligible%20providers>

¹⁰ Bill Bouska.

¹¹ <http://www.indianamedicaid.com/ihcp/Manuals/Provider/chapter06.pdf>

psychiatric hospital care. The status of PRTF patients are reevaluated at thirty (30) day intervals.¹²

Mississippi: The State Department of Human Services (DHS) certifies admission to PRTFs. Admission requires justification supported by documentation that the potential patient satisfies a list of social, behavior and psychological criterion. For a potential patient to be eligible for continued stay, documentation must demonstrate there is an ongoing need for services. Emphasis is placed on evaluating the patients' treatment progress and discharge plans.¹³

Nebraska: Magellan Behavioral Health provides administrative services only for Medicaid. This group is responsible for admissions certifications and continued stay certifications for PRTFs in the state.¹⁴

Oklahoma: All inpatient psychiatric services for members under 21 years of age must be prior authorized by the OHCA or its designated agent. All inpatient acute and residential psychiatric services will be prior authorized for an approved length of stay. Additional information will be required for a SoonerCare compensable approval on enhanced treatment units or in special population programs.¹⁵

Oregon: The state has several public managed care health insurance agencies organized into geographic regions. They administer Medicaid and are responsible for admission certification. The group also reviews cases every thirty days after admission.¹⁶

Step-Down Services

Iowa: Outside of PMICs, some sparsely available traditional outpatient services, a few acute care beds and limited waiver services, there are no other services available for children with mental illness.

Indiana: Outpatient care is being developed that includes 24-hour support and crisis intervention in the community setting, training for families, respite care for families, and after-school support programs.¹⁷

Kentucky: Per staff at River Valley Behavioral Health PRTF in Owensboro, Kentucky – The goal of children discharged from PRTF is to return to their homes or to be placed in special needs foster care. This level of foster care provides specialized training for foster parents taking in children discharged from PRTFs. Children returning home have access to community-based services. Continued mental health services are separate and not included in any kind of wrap-around services.

¹² <http://www.lrc.ky.gov/kar/907/001/505.htm>

¹³ <http://www.in.gov/legislative/register/Vol27/08May/02F405030184.PDF>

¹⁴ Margaret Van Dyke.

¹⁵ <http://www.okdhs.org/library/policy/oac317/030/05/0095024.htm>

¹⁶ Bill Bouska.

¹⁷ <http://www.dom.state.ms.us/test/Ca-PrtfGrantApplication.aspx>

Mississippi: When the DHS determines a patient is responding successfully to treatment, he or she may qualify for less restrictive treatment methods. Like Indiana, Mississippi is currently developing 24-hour support and crisis intervention in the community setting, training for families, respite care for those families, and after-school support programs.

Nebraska: A variety of different programs are available for children before they might need PRTF services and to help them transition back into the community from PRTFs. These include: outpatient services, partial health treatment in foster care, and agency based foster care with outpatient care.¹⁸

Oregon: There are several programs designed to minimize the need for admission to PRTFs, as well as to help transition patients back into their communities. A family care coordination team and service care coordination team are assigned to every patient. These teams work with the patient to try to eliminate the need to be admitted to a PRTF. Even after a child is admitted to a PRTF, the team continues working with the child in order to keep the individual connected to the community.

A major factor that has helped decrease the number of PRTF patients in recent years is a new program that shifts responsibilities for patient funding to localities. The state has public managed care health insurance agencies organized by geographic areas. They administer Medicaid. When a PRTF is reimbursed, it goes through the managed care agency. The agencies give the care facilities incentive money to transition people out of PRTFs. The financial accountability for localities has resulted in efforts to minimize admissions to PRTFs, as well as efforts to transition individuals back to their homes after admissions.¹⁹

Oklahoma: Per staff at one hospital-based Oklahoma PRTF: Children discharged from this hospital-based PRTF have traditional mental health follow-up options or limited community-based outpatient services that might be arranged by hospital staff before discharge.

Inpatient psychiatric hospital rules were revised in 2007 to establish criteria for newly defined levels of Psychiatric Residential Treatment Facilities (PRTFs). These specialty facilities, which include a higher rate for specialty treatment programs, would allow SoonerCare members to receive treatment in-state as opposed to going out-of-state for these specialty treatments.²⁰

Conclusion

This IPRO report examines variations in how states regulate PRTFs. The federal designation of PRTF obviously allows a great deal of state flexibility as evidenced by the variety of services in the states of this survey. While Iowa has had PMIC since 1987, it lags far behind the other states in level of reimbursement, development of multiple levels, and creation of step-down services.

¹⁸ Margaret Van Dyke.

¹⁹ Bill Bouska.

²⁰ http://www.ohca.state.ok.us/calendarfiles/board_051007_rules.pdf