



§ 1115 Waiver Amendment

Background and Core Characteristics of the IMD Waiver

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Overview and background



- The §1115 waiver amendment expands Medicaid reimbursement for acute inpatient stays in institutions for mental disease (IMD) for individuals with serious mental illness (SMI)
- Part of broader FSSA efforts to ensure a comprehensive continuum of behavioral health services
- Intended to improve access to acute care for enrollees with SMI
- The waiver became effective on January 1, 2020

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What is an IMD?



“A hospital, nursing facility, or other institution of **more than 16 beds** that is **primarily engaged in providing diagnosis, treatment or care of persons with mental diseases, including medical attention, nursing care and related services**. Whether an institution is an institution for mental diseases is **determined by its overall character** as that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases, **whether or not it is licensed as such.**”*

*Federal definition - 42 CFR §435.1010

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Provider Requirements



A facility that meets the following criteria will be recognized as a qualifying IMD:

- Enrolled as a psychiatric hospital (provider type 01 and provider specialty 011) with more than 16 beds
- Licensed by the Division of Mental Health and Addiction (DMHA) as a private mental health institution (PMHI)*
- State psychiatric facilities (SPFs) are ineligible under the waiver

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Former and Current State



Former State

- Previously reimbursement for stays in an IMD for substance use disorder only
- Managed care entities (MCEs) able to reimburse for short-term stays for serious mental illness (SMI)
- FSSA reimbursing for IMD stays for presumptively eligible enrollees with 100% state funds
- Reimbursement not available for fee-for-service enrollees between the ages of 21-64

Current State

- Reimbursement for short-term acute inpatient stays in an IMD for all Medicaid enrollees between 21-64
- Short term stays:
 - Based on medical necessity
 - Not a “hard stop”
 - Required to meet 30-day statewide average length of stay
 - Cannot exceed 60 days
- Ensures comparable access to IMDs for enrollees regardless of managed care or fee-for-service enrollment



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Waiver Goals



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IMD Roles and Responsibilities



- Protocols to assess and provide referrals for housing insecurity as part of the social work assessment and discharge planning process
- Contact with each discharged beneficiary within 72 hours of discharge

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Resources



- [Report to Congress on Oversight of Institutions for Mental Disease](#), Medicaid and CHIP Payment and Access Commission (MACPAC), Dec. 2019
- [State Medicaid Director letter #18-011](#), RE: Opportunities to Design Innovative Service Delivery Systems for Adults with a Serious Mental Illness or Children with a Serious Emotional Disturbance
- [IHCP Bulletin BT201967](#), “IHCP enhances access to care for members with serious mental illness”
- [IHCP Bulletin BT202003](#), “IHCP gains federal approval to reimburse for acute SMI stays in IMDs”



Questions?
