



Members-Only Webinar
Medicaid Managed Care Final Rule: Modifies IMD
May 31, 2016



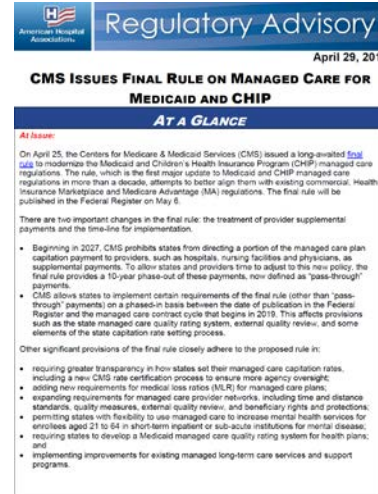
Overview

- **Medicaid Managed Care Rule**
- **Institution for Mental Diseases Exclusion (IMD) Provision**
- **Implementation Questions/Issues**



Medicaid Managed Care Final Rule

CMS Finalizes Long-Awaited Rule



- **Provides new requirements for:**
 - transparency in setting of managed care capitation rates
 - scrutiny of managed care plan payments to providers
 - beneficiary rights and protections
 - provider network adequacy standards (i.e. time and distance)
- **Imposes new requirements for MLRs for managed care plans**
- **Permits states to allow managed care enrollees aged 21 to 64 access to inpatient psychiatric hospitals for 15 days**
- **Provides for a 10 year transition, beginning in 2017, to phase out provider supplemental “pass-through” payments**

IMD Exclusion Provision

IMD and Managed Care

States will be allowed to make monthly capitation payments (Section 438.6(e)):

- to managed care plans for enrollees aged 21-64;
- for inpatient hospitals providing psychiatric or substance use disorder care or sub-acute facility providing psychiatric or substance use disorder crisis residential services for no more than 15 days during the monthly capitation period.



IMD Exclusion Provision

Further Requirements

Care must meet “in lieu of” service definition

- Medically appropriate and cost effective
- Enrollee cannot be required to use alternative service
- Services identified in contract and offered at plan’s discretion
- IMD utilization, not cost of IMD service factored into capitation rate



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IMD Exclusion Provision

Federal Medicaid Match

- FFP applies to 15 day stay within capitated month
- 15 day stay can straddle two months

Public and Private IMD

- Managed care IMD provision applies to public and private IMDs



IMD Exclusion Provision

CMS Resources

- **Medicaid.gov**

Featured

Medicaid and CHIP Managed Care Final Rule

On April 25, 2016, the Centers for Medicare & Medicaid Services (CMS) put on display at the Federal Register the [Medicaid and CHIP Managed Care Final Rule](#), which aligns key rules with those of other health insurance coverage programs, modernizes how states purchase managed care for beneficiaries, and strengthens the consumer experience and key consumer protections. [Summary fact sheets](#) are available. This final rule is the first major update to Medicaid and CHIP managed care regulations in more than a decade. See the related blog co-authored by the CMS Administrator and CMCS Director, [Medicaid Moving Forward](#).

[learn more](#)

- **Email Questions**

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IMD Exclusion Provision

Implementation

QUESTIONS?

ISSUES?

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