NEW YORK STATE | Office of Addiction Services and Supports

OASAS. Every Step of the Way.

KATHY HOCHUL
Governor

CHINAZO CUNNINGHAM, MD
Commissioner

NYS Approved 1115 Waiver - The IMD Transformation Program

What it means for OASAS Certified Part 820 Residential Treatment Programs

February 27, 2024

Presenters

Pat Lincourt LCSW–R:

Associate Commissioner

Division of Addiction Treatment and Recovery Services

Shazia Hussain, MPH:

Bureau Director Medicaid Program Policy & Evaluation

Division of Addiction Treatment and Recovery Services

Institutes for Mental Disease (IMD) Waiver Background

Original IMD Exclusion:

- When Medicaid was enacted in 1965, services provided in IMDs were excluded from receiving federal financial participation.

Intent:

- The original intent of the IMD exclusion was to encourage states to invest in community alternatives to institutional care.
- IMDs were defined as hospital, nursing facility, or other institutions with more than 16 beds, and Primarily engaged in providing diagnosis, treatment, or care of persons with behavioral health diagnosis, including substance use disorders
- Meaning programs like the OASAS Part 820 could not bill -Medicaid Fee-For-Service

1115 NYHER Waiver Amendment Request:

- NYS sought federal Medicaid matching funds for reimbursement to Institutions for Mental Diseases (IMDs) for short-term inpatient, residential, and other services provided to Medicaid enrolled adults aged 21 to 64 with behavioral health diagnoses, including serious mental illness and substance use disorder

NYS IMD Waiver Approval: January 9, 2024

- Effective January 9, 2024, CMS has removed the IMD restrictions under a newly approved Federal waiver. For full detail see the 1115 NYHER Waiver

- Meaning all OASAS Part 820 residential programs (stabilization, rehabilitation, reintegration) are permitted to bill Fee-for-Service (FFS) Medicaid for Medicaid-enrolled program residents that are not members of a Medicaid Managed Care (MMC) plan.

Implementation of FFS Part 820 (stabilization / rehabilitation / reintegration)

Medicaid System Updates

- OASAS with NYS DOH are loading the FFS rates for each effected Part 820.
- Providers will receive the DOH rate notification letter from the Medicaid billing system (eMedNY).
- Letters will be sent for all three elements of care, i.e. stabilization (rate code 1144), rehabilitation (rate code 1145) and reintegration (rate code 1146).
- Part 820 FFS Reimbursement Rates are listed at 820-residential-services-rate-codes_1.pdf (ny.gov).
- All related guidance documents on the OASAS residential webpage will be updated to reflect FFS billing.

Part 820 Medicaid and Medicaid Managed Care: when to bill FFS vs Managed Care Plans

Medicaid Part 820 Per Diem FFS Billing: FFS billing is limited.

- Programs may only bill the Medicaid FFS Part 820 per diem for service recipients who are not yet enrolled in a Medicaid managed care plan.

Medicaid Manage Care Plans Billing

- If the service recipient is enrolled in a Managed care plan the program must submit the Part 820 per diem to the enrollees Medicaid managed care plan.

Programs are reminded to review the Expedited Medicaid Managed Care Enrollment for Individuals Receiving Services from OASAS Certified Part 820 Residential Program

Medicaid Managed Care: Provider Responsibilities to Notify Plans

Enrollment Status at time of Admission	Program Notification Requirements
Individual enrolled in plan at time of admission	• Within 2 business days of admission, programs must inform clients plan or insurer the enrollee has been admitted to the Part 820 program and provide initial treatment plan. • https://oasas.ny.gov/implementation-and-utilization-review-guidance
Individual enrolled in plan after admission	• Effective the date of enrollment into the plan the program must inform the plan or insurer the enrollee has been admitted to and receiving treatment at the Part 820 program and provide the initial or most current treatment plan

Medicaid Managed Care: Plan Coverage Responsibilities

Managed Care Enrollment Status	Plan Responsibility for Part 820 Per Diem
Service recipient enrolled in plan prior to or on date of admission	Commensurate with date of admission. Plans may not apply prior authorization criteria.
Service recipient enrolled in plan after date of admission	Commensurate with effective date of plan enrollment.

OASAS. Every Step of the Way.

NEW YORK STATE

Office of Addiction Services and Supports