



# OKLAHOMA Mental Health & Substance Abuse

## FREQUENTLY ASKED QUESTIONS FOR RESIDENTIAL SUBSTANCE USE DISORDER PROVIDERS: IMD WAIVER

*Note: This document is intended to provide guidance based on the waiver request. Details regarding the implementation of the waiver are dependent upon federal approval and subject to change.*

### Overview of the IMD Waiver

#### **What is the IMD Waiver and why is it being implemented?**

Federal regulations continue to prohibit Medicaid reimbursement for services provided to individuals in most settings determined to be Institutions for Mental Disease (IMDs), a federal term used to describe certain residential and inpatient facilities that provide behavioral health services. These settings include freestanding psychiatric hospitals serving adults and residential substance use disorder (SUD) facilities serving individuals of all ages.

The Centers for Medicare and Medicaid Services (CMS) allow states to submit a waiver to remove this barrier to reimbursement. If approved by CMS, Oklahoma's IMD Waiver will allow Medicaid reimbursement in these types of settings for Medicaid eligible individuals. This change will result in savings of state dollars for these services while promoting equity of Medicaid service provision.

#### **When will the IMD Waiver be effective?**

The anticipated effective date of the waiver is October 1, 2020. However, this date is dependent upon CMS approval and may be later if approval is not granted in time.

#### **What types of SUD providers does the waiver impact?**

The waiver impacts all SUD providers with 17 beds or more who provide a residential level of care as defined by the American Society of Addiction Medicine (ASAM). These providers are referred to as "residential SUD providers" for purposes of the waiver and include the following types of providers that serve adolescents, adults, and/or parenting women:

- Halfway House Providers
- Residential and Intensive Residential Providers
- Medically Supervised Detox Providers

#### **Will the Medicaid expansion population be included in the waiver?**

Yes, once Medicaid expansion is implemented on July 1, 2021, services included in the waiver provided to newly eligible adults will be covered by Medicaid.



## Provider Requirements

### Will providers need to meet additional requirements?

To be granted a waiver, CMS requires certain elements from providers. For residential SUD providers, these include:

- National Accreditation – National accreditation will be a requirement for enrollment as a Medicaid provider. **Currently certified providers will have until January 1, 2022** to obtain national accreditation from the Commission on Accreditation of Rehabilitation Facilities (CARF), the Joint Commission, or the Council on Accreditation (COA). Providers not certified by ODMHSAS prior to October 1, 2020 must have national accreditation to enroll as a Medicaid provider.
- Medication Assisted Treatment (MAT) Facilitation – Residential SUD providers must provide access to MAT to individuals for whom MAT is appropriate. This access can be provided on-site or through an agreement with an off-site MAT provider.

Additionally, providers not currently certified will be required to pass a Certificate of Need assessment from ODMHSAS to enroll as a Medicaid provider. Providers certified prior to October 1, 2020 will be exempt from this requirement.

### Do providers need to meet certain length of stay requirements?

The state will be required to achieve a 30-day average length of stay across all included residential SUD providers as a condition of the waiver. This is not a provider-specific requirement but will require the provider network as a whole to achieve this target. There is no maximum length of stay limit for individual stays. ODMHSAS and the Oklahoma Health Care Authority will provide on-going monitoring of this requirement.

## Provider Enrollment and Contracting

### Will I need a new contract with the Oklahoma Health Care Authority?

Yes, because residential SUD providers are a new type of Medicaid provider, a separate contract with the Oklahoma Health Care Authority will be required to provide halfway house, residential SUD, and/or medically supervised withdrawal management services. This process will likely start in September, and ODMHSAS will provide additional information as it becomes available.



## Provider Reimbursement

### **Will the waiver change rates?**

For the most part, the per diem rates for included providers will not change. Providers serving pregnant and parenting women will see rate changes described in the next section. In addition to the current per diem rates, all providers will be eligible for bonus payments.

Value Based Bonus Payments – Providers will be eligible for 10% bonus payments if they meet certain benchmarks determined by ODMHSAS. Providers must meet all benchmarks for all measures to be eligible for bonus payments. If providers do not meet one or more of the benchmarks, they will not be eligible for the bonus payment but reimbursement will not be otherwise affected. That is, there will be no withhold or penalty that will reduce payment of established per diem rates.

### **Important Information for Providers Serving Pregnant and Parenting Women**

Providers serving pregnant and parenting women will be eligible for bonus payments described above, and per diem rates for the parent herself will be significantly increased. However, per diem payments for each dependent child will no longer be utilized. Instead, providers will be able to bill for treatment services for dependent children on a fee-for-service basis in accordance with the child's treatment plan. Certification as a residential provider will allow for services to be provided to the child in relation to the parent's substance use disorder. Other treatment requires separate certification.

ODMHSAS can provide technical assistance to interested providers regarding the delivery of services to dependent children, including those under the age of four.

### **Important Information for Providers with Less than 17 Beds**

Residential facilities with 16 beds or less are not considered to be an IMD and are not included providers under the IMD waiver. However, it is anticipated that such providers will also be eligible to enroll with and bill the Oklahoma Health Care Authority beginning October 1, 2020 (dependent upon CMS approval and subject to change). The requirements and reimbursement will be the same as those for providers included in the waiver.

### **Important Information for New Providers not Currently Certified by ODMHSAS**

Residential SUD facilities not certified by ODMHSAS by October 1, 2020 will need to obtain a Certificate of Need from ODMHSAS to enroll with the Oklahoma Health Care Authority and will not have a grace period to obtain national accreditation for Medicaid enrollment. The Certificate of Need process will be completed as part of the application process with ODMHSAS Provider Certification.