

**Child and Family Services Policy Manual: Substitute Care for Children
Placement of Youth in
Acute Psychiatric Hospitalization or a Residential Treatment Facility**

Purpose	This section establishes general guidelines for Child Protection Specialists (CPS) and Supervisors for the placement of youth in Residential Treatment Facilities and Acute Psychiatric Hospitals, both in-state or out-of-state. The guidelines address level of care issues, authorization for funding, and payment through CAPS.
Placement Selection Considerations Treatment Team Involvement	<p>The decision to place a youth in a residential treatment facility (PRTF) or acute psychiatric hospitalization typically requires a collaborative effort between the Child Protection Specialist and mental health professionals involved with the care of the youth. Ideally, the treatment team, including the Child Protection Specialist, the psychiatrist, therapist, mental health case manager, care givers, and other pertinent professionals involved in the youth's care, should determine the level of care and treatment required for the youth to be successful.</p> <p style="text-align: center;">NOTE: If a youth with Medicaid appears to require residential treatment or acute hospitalization and is not currently receiving mental health case management services, the Child Protection Specialist should enroll the youth to receive mental health case management services immediately.</p>
Match the Youth's Treatment Needs to the Facility Services	The treatment needs of the youth should be identified (i.e. therapy for sexual reactivity, the need for a highly behavioral program vs. a cognitive program, etc.). If the level of treatment recommended by the team is residential or inpatient, the team should select a treatment facility based on the ability of the facility to meet the treatment needs of the youth.
Location of Placement	Treatment services are to be provided to the youth as close as possible to their home community, the youth's supportive family members, or the youth's permanent placement as determined by the best interest of the youth. When the appropriate treatment services are not close by, arrangements should be made to maintain contact between the youth and the Child Protection Specialist, family members, and other significant people in the youth's life.
Limitations on Placements	A youth alleged to be, or adjudicated as, a youth in need of care may not be placed in jail, a youth assessment center, youth detention facility, detention center, or other facility intended or

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used for the confinement of adults or youth accused or convicted of criminal offenses.

ICPC

All out of state placements are required to comply with the Interstate Compact on the Placement of Children (ICPC). Please refer to Policy 402-7.

Payment for Services

The Department does not contract with residential treatment facilities or acute psychiatric hospitals. Child and Family Services and/or Montana Medicaid enter into a placement agreement with these facilities for payment of services. The agreements are only for the provision of services; clothing is not included in any of the agreements.

IV-E Funding

If the youth in placement is IV-E eligible, IV-E funding should be utilized for foster care payments made for room and board in a treatment program ONLY IF

- the facility has a “regular” license; and
- the facility meets the Federal Guidelines for a facility which may receive IV-E funding.

The Department may not use IV-E funding for placements in a facility with a “provisional” license.

**MEDICAID
Eligibility and
Admission
Requirements**

For youth who are Medicaid eligible or who are eligible for payment of mental health services under the Department’s Healthy Montana Kids Plan or HMK (formerly called the Children’s Health Insurance Plan or CHIP) or the Children’s Mental Health Services Plan or CMHSP. Magellan Medicaid Administration authorizes reimbursement in accordance with clinical standards.

**Magellan Medicaid
Administration**

In the therapeutic service systems, Magellan Medicaid Administration of Montana is the utilization review entity responsible for authorizing Medicaid reimbursement in accordance with clinical standards for treatment services which are provided by the in-house professional and direct care staff of the programs. Magellan Medicaid Administration provides certification for treatment services, and periodically reviews each youth’s case individually to determine the level of care needed to address the youth’s current mental health needs.

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The Certificate of Need (CON)	<p>Authorization for acute hospitalization or residential treatment services requires a Certificate of Need (CON) for the level of therapeutic care signed by a licensed clinician, and a physician. The CON, in most cases, is provided to Magellan Medicaid Administration by the mental health case manager.</p> <p>During the time a youth is certified by Magellan Medicaid Administration for a particular placement, Medicaid will pay the Medicaid daily rate for the placement. Additional funding for treatment at the placement must be approved through Medicaid, and may not be paid by the CFSD. General Fund may be utilized by CFSD for clothing for youth in this level of care.</p>
Additional Requirement for Out-of-State Treatment	<p>In addition to the CON, placement in residential treatment or acute psychiatric hospitalization out of state requires that the applications for placement have been denied by all in-state residential treatment facilities and one regional PRTF waiver program. Currently, the in-state residential treatment facilities are Shodair Hospital (Helena), Acadia (Butte), and Yellowstone Boys and Girls Ranch (Billings). The Waiver sites are Billings, Great Falls, Helena, Missoula and Kalispell.</p>
SSI Determination	<p>When a youth is authorized for Residential Treatment and the youth has not been previously determined to be eligible for SSI benefits, the Child Protection Specialist should immediately contact the Social Security Unit to begin SSI eligibility determination.</p> <p>Medicaid reimbursable physical health care and other services, including transportation, are available to Medicaid eligible youth. Authorization for these services is the responsibility of the individual Medicaid provider. Out of state facilities may be requested to arrange for appropriate physical health care or other services by Montana Medicaid providers, if available.</p>
Appealing a Magellan Medicaid Administration Decertification	<p>If a youth who is in a placement approved by Magellan Medicaid Administration is decertified for this level of care, the decision may be appealed for further review by a physician with Magellan Medicaid Administration. Instances when an appeal may be appropriate are when the youth has not completed the treatment as outlined by the facility, the youth is unable to safely be placed at a lower level of care, the treatment professionals</p>

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involved with the youth believe the youth should remain at that level of care, or if the decertification was issued due to a lack of information provided by the facility or hospital.

The Child Protection Specialist should ensure that the facility has appealed the Magellan Medicaid Administration decertification prior to payment of the facility or hospital out of General Fund.

Third Party Liability Under federal law, Medicaid is always the payor of last resort to all other insurance programs. Third party resources, including Medicare, must make payment or denial before Medicaid can consider the claim for payment. The exception to this law is Indian Health Services which need not be billed before Medicaid.

Non-Medicaid When a youth is not Medicaid eligible or does not meet the Medicaid clinical standards for placement as determined by Magellan Medicaid Administration, placement may be made utilizing the General Fund. Placements using General Fund should be approved by the RA and limited to the required treatment as determined by the Child Protection Specialist, supervisor and the youth's treatment team.

Limitations Instances when this may be appropriate are for treatment which is not covered by Medicaid services, or to provide services required to maintain the youth at the current level of care for safety or continuity purposes after Magellan Medicaid Administration has decertified the level of care for the youth.

Authorization For each individual case, the daily rate and the use of General Fund for placement must be authorized by the Regional Administrator. The Regional Administrator may choose to be involved in the negotiated daily rate for the placement.

CAPS In-state Residential Treatment Facilities and Acute Psychiatric Hospitals are currently on CAPS. Out of state facilities may only be entered on CAPS by the Residential Specialist. **Prior to placement, notify the Residential Specialist of facilities which are not listed or up-to-date on CAPS.**

CAPS Codes In-State Facilities:

- If Medicaid approved, enter PRCMM as a non-paid code

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on SERN.

- If Medicaid denies payment for the placement, use PRCMM as a paid code on SERP at the daily rate approved by the Regional Administrator.

Out of state Facilities:

- If Medicaid approved, enter POSTP as a non-paid code on SERN.
- If Medicaid denies payment for the placement, use the codes listed on the most recent "Out of state Provider/Facility Rate List" as distributed by the CFSD Residential Specialist. The "Out of state Provider/Facility Rate List" can be found on the CAPS Training Website at: <https://capstraining.mt.gov/Documentation/SystemDocumentation>

- Typically these codes may be:

POSRB--Room and Board
POSTX--Treatment Services
POSSU--Supervision Services
SEDOS--Regular Education
SEDOT--Special Education

For full CFSD payment, do not use POSTP, which is an all inclusive rate intended for DOC use only. POSTP does not allow for the use of IV-E, IV-A, Title XX, or other funding sources available for facility placement.

References

Mont. Code Ann. § 41-3-301
Mont. Code Ann. § 41-3-440
Mont. Code Ann. § 41-7-102

Rev. 10/03
Rev. 10/07
Rev. 10/09
Rev. 10/10
Rev. 10/11