South Carolina Department of Health and Human Services
Medical Care Advisory Committee
Item for Committee Advisement

PREPARED BY: Ann Marie Dwyer and Sam Waldrep

PRESENTED BY: Peter Liggett

DATE: January 7, 2014

SUBJECT: Addition of in-patient psychiatric hospital services to the State Medicaid Plan for beneficiaries age 65+

OBJECTIVE: To improve access to behavioral health services for seniors

BACKGROUND: Medicaid regulations allow for the provision of inpatient psychiatric services in an Institute of Mental Disease (IMD) for persons under age 21 and age 65 or older. This service is currently covered for the age 21 and under beneficiaries in our State Plan but not for the senior population. Even though this service is a Medicare benefit, coverage would not be available for dual eligibles that have exhausted their Medicare hospital benefit.

The SC Department of Mental Health (SCDMH) estimates in the last fiscal year that 23 persons age 65+ could have received these services at two of its facilities, Patrick B. Harris and G. Werber Bryan, for a total of 1550 patient days. Additionally, there are approximately five private in-patient psychiatric hospitals that could potentially provide these services to the older Medicaid population.

BUDGETARY IMPACT: The fiscal impact is estimated to be approximately $1.6 million, based on SCDMH projections. Although additional data collection is required to determine how many beneficiaries could potentially receive this service through private providers, preliminary estimates indicate minimal utilization (<200 patient days per year).

EXPECTED OUTCOMES: The provision of this service will promote better health outcomes for older persons with behavioral health needs that could be best addressed in an in-patient facility.

EXTERNAL GROUPS AFFECTED: Eligible beneficiaries, SCDMH, and private providers.

RECOMMENDATION: To submit a State Plan Amendment to add in-patient psychiatric hospitalization coverage for persons age 65+.

EFFECTIVE DATE: July 1, 2014