

June 24, 2024
MB# 24-037

MEDICAID BULLETIN

TO: Psychiatric Residential Treatment Facilities and Inpatient Psychiatric Hospitals

SUBJECT: Updated Requirements and Rate Increases for Psychiatric Residential Treatment Facilities and Rate Increases for Inpatient Psychiatric Hospital Stays

Effective July 1, 2024, the South Carolina Department of Health and Human Services (SCDHHS) will update operational requirements and increase daily reimbursement rates for psychiatric residential treatment facility (PRTF) providers. The agency will also establish a tiered rate for specialty autism PRTFs.

Effective for dates of admission on and after July 1, 2024, SCDHHS will also change its inpatient psychiatric hospital payment methodology.

PRTF Updated Operational Requirements and Rate Changes

SCDHHS is updating section one of the [Psychiatric Hospital Services Manual](#) available on SCDHHS' website to reflect new operational requirements. PRTFs must comply with these updated provider attestation, staffing and documentation requirements by Jan. 1, 2025. These requirements will be added to the Psychiatric Hospital Services Manual by July 1, 2024. Summaries of these changes are provided below.

- Updated provider attestation requirements
 - Facilities will be required to submit their mission statement, approach to practice, quality assurance plan and safety or risk mitigation plans.
- Updated staffing ratios and requirements
 - PRTFs' overall program structure and staffing plan must have flexibility built in to address the individual strengths, challenges, needs, cultures and home schedules of each youth and family served.
 - A minimum of one licensed professional with supervisory capacity must be onsite 24 hours per day, seven days per week.
 - Annual staff training requirements will be updated.
- Documentation requirements

- Clinical documentation must include crisis prevention and intervention plans.
- Individual plans of care must be timebound, address goals and success criteria and include discharge plans with recommendations for continuity of necessary services and supports, the transition process, considerations around permanency, safety, discharge and aftercare.

To support the additional operational requirements, daily rates for PRTFs will increase to a total of \$525 per member, per day. These updated operational requirements and reimbursement rates will be added to the Psychiatric Hospital Services Manual by July 1, 2024.

Tiered Per Diem Rate for Autism Specialty Facilities

SCDHHS is establishing a tiered per diem rate for facilities that specialize in the treatment of autism spectrum disorder and meet SCDHHS criteria for provision of autism services in PRTF settings. The reimbursement rate for autism specialty facilities will be \$788 per member, per day. Requirements for PRTFs to qualify for this tiered rate will be added to the Psychiatric Hospital Services Manual by July 1, 2024.

Inpatient Psychiatric Hospitals

The rate methodology for stand-alone inpatient psychiatric hospitals will be updated from a diagnosis-related group (DRG) methodology to a per diem rate. The reimbursement for acute stays in these hospitals will be \$800 per member, per day. The [Psychiatric Hospital Services Manual](#) will be updated by July 1, 2024, to reflect this methodology change. For inpatient stays that have an admission date prior to July 1, 2024, reimbursement will be based on the DRG methodology for the entire length of stay. Inpatient stays with an admission date that is on or after July 1, 2024, will be based on the new per diem rate. Inpatient psychiatric units that are part of a general acute care hospital will not be impacted by this change.

South Carolina's Medicaid managed care organizations (MCOs) are responsible for the authorizations, coverage and reimbursement related to the services described in this bulletin for Healthy Connections Medicaid members who are enrolled in an MCO.

Providers should direct questions related to this bulletin to the Provider Service Center (PSC) at (888) 289-0709. The PSC's hours of operations are 7:30 a.m.-5 p.m. Monday-Thursday and 8:30 a.m.-5 p.m. Friday. Providers can also submit an online inquiry at <https://www.scdhhs.gov/providers/contact-provider-representative>.

Thank you for your continued support of the South Carolina Healthy Connections Medicaid program.

/s/
Robert M. Kerr