SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Healthy Connections MEDICAID

Henry McMaster GOVERNOR
Robert M. Kerr DIRECTOR
P.O. Box 8206 > Columbia, SC 29202
www.scdhhs.gov

Frequently Asked Questions

Last Updated: 5/8/2023

General

1. **Who can apply?**
    a. Any licensed South Carolina hospital that currently operates an acute care emergency department, including treatment of mental health emergency clients, and is licensed and certified as a health care facility by DHEC.

2. **Who is considered an "applicant"?**
    a. An applicant is considered a licensed South Carolina hospital that currently operates an acute care emergency department, including treatment of mental health emergency clients, and is licensed and certified as a health care facility by DHEC who has, or intends, to apply for the grant.

3. **Would this grant be funding the creation of a licensed Crisis Stabilization Unit (CSU)?**
    a. No. According to the Department of Health and Environmental Control (DHEC) Regulation 61-125, a CSU is a "facility that provides a short-term residential program." This grant is not intended to fund a "residential program." This grant is intended to fund specialized hospital-based emergency departments and observational units dedicated to serving those in mental health crisis.

4. **Will funding be subject to Certification of Need (CON) requirements?**
    a. Currently, projects funded by this program would be subject to DHEC's capital expenditure requirement in Section 102(2) Regulation 61-15 regarding Certification of Need (CON). Beds, bays, or spaces created in these specialized hospital-based emergency departments and observational units are not considered licensed hospital beds. For additional information please refer to DHEC's additional guidance on Hospital-Based Crisis Stabilization Units.

5. **What is the maximum award amount for one application?**
    a. There is no maximum award amount for any single application. The agency expects to distribute approximately $35,000,000.00 in one-time infrastructure funds toward this initiative.

       As referenced in Attachment 2: Budget Worksheet, the average cost of an EmPATH unit containing 12 chairs is approximately $1.4 million.[1] Note: this estimate does not include the increase in beds for crisis stabilization services.

6. **How long will the grant term be?**
    a. The grant term will be determined based on individual applications and the subsequent awards. As stated in the grant, the agency estimates that the construction of the unit will take approximately one year to complete. The applicant will then be required to operate the unit for a minimum of three years, during which deidentified client-level data must be reported to the agency.

7. **Will having the specialized hospital-based emergency departments and observational units make that hospital a preferred destination for patients coming by EMS?**
    a. While there is no "preferred destination" status, having the specialized hospital-based emergency department and observational unit will increase the likelihood of an EMS agency choosing your hospital as its destination as it is the most appropriate level of care for individuals suffering a mental health crisis.

       According to DHEC regulation 61-7, "An EMS Agency utilizing a tiered response system shall have a dispatch process in place to specifically and reliably identify the acuity of the incoming EMS request to properly triage the response and dispatch the appropriate level of care."

8. **Can you share data on the determination of the 56 new crisis beds and 111 spaces? Will applications need to specify beds versus spaces and is there a standardized definition or unit of measure for the estimated number of patients in need of crisis stabilization services?**
    a. The estimated number of beds and spaces was determined by using current emergency department admissions with a primary mental health diagnosis. Applications will need to specify the number of beds and number of chairs/recliners requested based on their current emergency room data.

[1] https://www.bloomberg.com/news/articles/2022-09-26/hospitals-empath-units-replace-the-er-for-mental-health-patients

9. **For successful applicants, how will grant funds be released? As a single lump-sum, or based on milestones?**
    a. Funding will be released through a contractual agreement between the agency and hospital. The agency will work with the grant awardees on the distribution of funds to include the amount and payment method.

Staffing and Services

10. **Is telehealth an acceptable way to provide services, as it relates to the provision and availability of services required in this grant?**
    a. Yes, however, areas where telehealth will be used must be identified in the business plan and model of care portion of the application.

11. **Will hospitals be required to have all members identified in the multidisciplinary team (psychiatrists, registered nurses, social workers, psychiatric assistants, psychiatric nurse practitioners, and peer support specialists)?**
    a. No, the hospital will not be required to have all the members identified in the multidisciplinary team. However, the more roles and/or members of the hospital's team outlined in the application, the more complete the application will be considered.

12. **How long can and individual stay in the specialized hospital-based emergency departments and observational units?**
    a. The purpose of this unit is to stabilize the patient within 72 hours. SCDHHS is looking at a payment structure that incentives patient stabilization in the first 23 hours.

13. **Will the SC Department of Mental Health (DMH) offer tele-psychiatry services to the new specialized hospital-based emergency departments and observational units like they do to hospital emergency departments? If so, what would be the cost of this service?**
    a. DMH is working to create a Frequently Asked Questions related to this crisis grant opportunity. Please reach out to Deborah Blalock at deborah.blalock@scdmh.org for any further questions.

14. **Will DMH share the cost of a master's level social worker (MHSW) to work in the specialized hospital-based emergency departments and observational units?**
    a. DMH is working to create a Frequently Asked Questions related to this crisis grant opportunity. Please reach out to Deborah Blalock at deborah.blalock@scdmh.org for any further questions.

15. **Will DMH assist with the recruitment or staffing of clinical employees for the units?**
    a. DMH is working to create a Frequently Asked Questions related to this crisis grant opportunity. Please reach out to Deborah Blalock at deborah.blalock@scdmh.org for any further questions.

16. **One of the challenges that these specialized hospital-based emergency departments and observational units will face is the ability of the staff to discharge patient's back to a provider within the community. Will there be additional resources provided to these units to ensure proper placement?**
    a. It is critical that patients receive the appropriate level of care needed based on their acuity. These specialized hospital-based emergency departments and observational units are intended to help stabilize those in crisis and connect them with community resources.

       SCDHHS, through the Master Plan Advisory Committee (MPAC) is currently working on establishing a continuum of care that will be utilized by hospitals throughout the state to ensure those suffering from mental health issues are able to get the help they need after their crisis is stabilized in these units.

17. **Can you define voluntary treatment as it relates to the specialized hospital-based emergency departments and observational units? Are there special considerations for pediatrics?**
    a. Voluntary treatment means that a person has a mental illness for which care and treatment as a patient in the specialized hospital-based unit is essential to such person's welfare and such person understands and consents to the need for such care and treatment.

       In order to be retained in the specialized hospital-based unit over an individual's objection, an involuntary legal status must be in place[2].

       In the case of minors receiving services in these units, a minor cannot choose to the leave the unit without agreement from the parent/guardian.

Unit Construction

18. **For the purposes of this grant, can the additional beds, bays, or spaces required by this grant include current hospital rooms and/or beds no longer licensed via the Department of Health and Environmental Control?**
    a. Yes. Beds, bays, or spaces within these specialized hospital-based emergency departments and observational units are not for inpatient admissions to the hospital. Therefore, such beds, bays, or spaces are not assigned to the number of licensed beds on a hospital's license and are not "licensed beds" within the definition of Regulation of 61-16.

       For additional information please refer to DHEC's additional guidance on Hospital-Based Crisis Stabilization Units.

[2] S.C. Code Title 44 Chapter 17

19. **The grant opportunity states, "limit seclusion rooms." Is it okay to have a seclusion room?**
    a. Yes, seclusion rooms can be a part of the business plan. However, the hospital must be able to defend the use of the seclusion room(s) and the strategy for the limitation of these types of rooms.

20. **Can the required adult and children's units be co-located?**
    a. No. In consultation with medical professionals, it is our understanding that hospitals should develop two separate units as part of this grant opportunity.

21. **How many beds and chairs should this specialized hospital-based emergency department and observational unit have?**
    a. The number of beds and chairs should be based on an individual hospital's needs. It is expected that each hospital will have more chairs than beds in these units in order to adhere to the EmPATH philosophy of providing a calming space for rapid assessments and treatment.

       Based on the state's current emergency department data, the Agency estimates South Carolina needs at least 56 new crisis beds and 111 new patient spaces (chairs/recliners) throughout the state to adequately serve individuals in mental health crisis or suffering from substance use.

22. **Are units required to serve both adults and children, or can they be specific to adults or children?**
    a. Grant awardees will be required to create at least one area for adults and one area for children. These units cannot be co-located. Exceptions will be made for hospitals whose entire population is limited to children (i.e., standalone children's hospitals)

23. **Is there a specific proximity requirement for the unit location being contiguous to the hospital?**
    a. There is no specific requirement outlined in the grant opportunity, however these units are an extension of the current acute care emergency department. Therefore, SCDHHS would like to see these units located in close proximity to the current acute care emergency department for easy access to this unit.

24. **Will the specialized hospital-based emergency departments and observational units be considered an extension of the emergency room?**
    a. Yes, the specialized hospital-based emergency departments and observational units will be considered an extension of the current acute care emergency room.

25. **Can the specialized hospital -based emergency departments and observational units be locked?**
    a. Yes. There is no requirement that the unit be unlocked. This would be an applicant's decision.

26. **Instead of an open nurses' station, as mentioned in the EmPATH model, would an enclosed nurses' station with expansive visibility into the unit be acceptable?**
    a. While it is preferred, it is not a requirement of the grant that the facility have an open nurses' station.

27. **Can you specify required components of the conceptual site plan?**
    a. The purpose of the conceptual site plan is to give the agency an understanding of how the specialized hospital-based emergency department and observational unit will be laid out. As mentioned in 10b of Application Components, conceptual site plan should include more patient chairs/recliners than patient beds in order to adhere to the EmPATH philosophy of providing a calming space for rapid assessments and treatment. In addition, a successful application would include the current emergency department in relation to the proposed unit, as well as a clear indication of where each of the requested recliners and beds will be located.

       Other things to considering adding to the conceptual site plan include:
       i. General building uses and their locations, such as bathrooms, common spaces, etc.
       ii. Present zoning on the property and zoning within 300 feet adjacent to the property and any proposed zoning changes.
       iii. The site boundary depicted as a solid bold line
       iv. Pedestrian and vehicular ingress and egress
       v. Internal circulation, trails and connections, pedestrian areas
       vi. All areas proposed for dedication or reservation for the specialized hospital-based emergency departments and observational units.
       vii. Location and dimensions of all existing and proposed rights-of-ways, alleys, other public ways or private drives within or adjacent to the property

28. **Are the size requirements for a minimum of 80 sq. ft. total per client, including 40 sq. ft. around each chair hard requirements?**
    a. As stated in the grant opportunity, under "facility expectations," these are minimum space requirements. For example, a unit that can serve 12 individuals would need to be at least 960 sq. feet. This can be illustrated in the conceptual site plan.

<u>Application Components & Submission</u>

29. **Can a multi-hospital system submit a single application for multiple hospitals?**
    a. SCDHHS would prefer separate applications for each hospital to better identify the individual needs in each community.

       For example, we would expect two applications for a hospital system that has a standalone children's hospital and a general acute care hospital, as the needs reflected in the application should be unique to those populations.

30. **What are allowable uses of the grant funds?**
    a. Grant funds must only be used for infrastructure and building related expenses.

       Examples of unallowable expenses include, but are not limited to staffing, recruitment, provision of services, and marketing.

31. **How many letters of support are needed? Who can write the letters of support?**
    a. Hospitals need to submit at least three letters of support.

       These letters must be submitted by each of the following:
       1. Hospital CEO
       2. Internal hospital advisory board or entity
       3. Professional/community partner
          This can include, but is not limited to, federally qualified health centers (FQHCs), non-profit organizations, and state and local governments.

32. **Where do I send my completed application?**
    a. Completed application packets need to be submitted to grants@scdhhs.gov by April 24, 2023.

33. **How will grant awardee(s) be announced?**
    a. If awarded the grant, the hospital will be notified via email on the grant award date, June 23, 2023. After all awardees are notified, a press release will be posted to our website with a list of the awardees. A link to the press release will also be posted to https://www.scdhhs.gov/site-page/grants.

Reimbursement

34. **What are the reimbursement rates for services provided in these specialized hospital-based emergency departments and observational units?**
    a. The reimbursement rates have not yet been finalized; grant awardees will be required to participate in reimbursement discussions with the agency. Currently, SCDHHS is estimating the following reimbursement rate for crisis stabilization services delivered in these specialized hospital-based emergency departments and observational units.

Code	Description	Rate
S9485	Extended Psychiatric Emergency (per diem)	$407.00

       In addition, the agency will be developing an hourly rate for a brief psychiatric emergency (S9484) that incentivizes hospitals to stabilize patients within the first twenty-three (23) hours. This rate will also be developed based on discussions between the awardees and SCDHHS.

35. **Will crisis stabilization services in the specialized hospital-based emergency departments and observational units be exempted from MCO prior authorization requirements?**
    a. Yes

36. **The proposed billing for S9484/S9485 will apply for Medicaid. Are there current discussions for activation of these codes by other payors?**
    a. SCDHHS continues to have discussions with other payors regarding current behavioral health initiatives.

37. **If a patient starts in the medical emergency department, and moves to the specialized hospital-based emergency departments and observational units, will the S9484/S9485 billing be applied in addition to any ED services provided?**
    a. Yes. Professional billing will be allowed in the medical emergency department. Once a patient moves to the specialized hospital-based emergency departments and observational units the hospital will transition to billing the S9484/S9485.

38. **We are concerned that the per diem rate ($407) is on the low end and would not account for the expense to operationalize this program on a 24/7 basis. Can the rate move to $600 per diem? Has the state determined what they would reimburse for S9484?**
    a. As mentioned in 11b under Application Components, the per diem rate has not been finalized and will be discussed with grant awardees, along with the development of an hourly rate (S9484).

       The $407 rate for per diem was calculated based on 75% of the average inpatient cost for psychiatric hospitals in 2021, trended by a factor of 7%. The hourly rate will be established in such as way as to incentivize hospitals to stabilize patients within the first twenty-three (23) hours.

39. **Will these specialized hospital-based emergency departments and observational units serve unfunded patients?**
    a. Federal law[3] requires that emergency departments not turn anyone away, must evaluate all people who request help for presence of emergency medical conditions (including psychiatric emergencies), and then attempt to stabilize, without consideration of ability to pay. SCDHHS is using this grant opportunity to better equip hospitals to serve these patients that are already being cared for in emergency departments across the state.

40. **Does the patient flip to a per diem rate at 24 hours each time, or is it based on diagnosis, severity, and documentation? An example, if a patient stays 27 hours, are you billing and getting reimbursed for 2 days?**
    a. Once a patient hits the 24-hour mark the hospital will not be allowed to bill the hourly rate. The example you describe is correct.

1-23 hours	Hourly Rate (S9484) (up to 23)
24 hours	Per Diem Rate x1, cannot bill hourly for patient
25-48 hours	Per Diem Rate x2, cannot bill hourly for patient
49-72 hours	Per Diem Rate x3, cannot bill hourly for patient

[3] Emergency Medical Treatment and Active Labor Act (EMTALA)