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GENERAL INFORMATION SYSTEM

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DIVISION: Health & Long Term Care

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TO: Local District Commissioners, MA Supervisors, PA Supervisors,
Managed Care Coordinators

FROM: Richard T. Cody, Deputy Commissioner, H<C

SUBJECT: Prepaid Mental Health Plan (PMHP)

EFFECTIVE DATE: April 1, 1996

CONTACT PERSON: See Below

The Department of Social Services and the Office of Mental Health have entered into a new partially capitated Prepaid Mental Health Plan (PMHP). Effective April 1, 1996, the NYS Office of Mental Health will begin enrolling certain Medicaid recipients now being served by State operated mental health programs in this plan. PMHP is the first step towards reconfiguring State operated outpatient services in a managed care approach and offers mental health clients access to a more flexible and coordinated menu of services. (Under separate cover via the Office Automation System we will be providing a "fact sheet" which provides additional background information regarding PMHP.)

Beginning 4/1/96, adults who are 18 years of age and over and are Medicaid eligible in the following categories: SSI cash, SSI MA only and ADC MA only, and who meet one of the following criteria will have the option to sign up for PMHP:

- o those who receive only intermediate and long-term State operated OMH inpatient services;
- o those who only receive State operated OMH outpatient (i.e. Clinic, CDT, IPRT) services, excluding those individuals receiving less than 4 services in FFY 94; or
- o those who receive both the inpatient and outpatient services listed above.

Benefits available under the Plan include State operated mental health services in the broad categories of: Treatment Services; Rehabilitation Services; Crisis Services; Support Services; Self-help and Empowerment Services; and Inpatient Intermediate and Long Term Care (beyond the 60th day of inpatient care). All other Medicaid reimbursable services not covered by the Plan will remain fee-for-service. Likewise, individuals who are served by the State operated system and who elect not to enroll in PMHP will have any Medicaid reimbursable outpatient services paid through fee-for-service.

The State Office of Mental Health has established a network of providers responsible for the delivery of these outpatient and intermediate and long term inpatient psychiatric care services to plan enrollees. The network includes 20 OMH-operated psychiatric centers as the sites of the facility networks.

In accordance with a Memorandum of Agreement (MOA) signed with this Department, OMH will be enrolling/disenrolling MA recipients in your district into these plans automatically by submitting a tape to the NYS Department of Social Services each month. The enrollment/disenrollment will be entered directly into the PCP subsystem via these tapes. The recipient's coverage code would also be appropriately adjusted as a result of the enrollment/disenrollment.

The auto enrollment process involves runs which produce exception reports. These reports will be sent to all affected districts through BICS. It is expected that representatives from OMH and local districts will need to coordinate efforts in order to resolve any file discrepancies. More detailed information regarding these reports and any actions required will be forthcoming in the future. In the interim, please hold any reports that are received aside pending further instruction.

Pursuant to the MOA, the local share of Medicaid expenditures on behalf of PMHP eligibles will not exceed the local contribution toward OMH provided mental health services in SFY 1995-96.

The implementation of the PMHP does not eliminate the provisions of SSL 368-a(h) which require the Department to reimburse the LDSS for Medical Assistance expenditures for the mentally disabled. The State is committed to develop a mechanism to identify overburden eligible individuals and services for the proper reimbursement under the PMHP, as well as examining alternatives to the current overburden definition and reimbursement process.

Medicaid enrolled providers will be informed of the PMHP through the March issue of the Medicaid Update.

The PMHP initiative is still under development. There are many issues and details still under discussion. We will issue additional directives and procedures as the project moves forward over the next few months. In the interim, please direct questions regarding this message to the following individuals: Department of Health, Kate Cahill (518) 473-0045; Department of Social Services, Julie O'Connor (518) 473-5841; Office of Mental Health, Maureen Frazier (518) 473-8234.