DEPARTMENT OF MENTAL HEALTH
POLICY/PROCEDURE

SUBJECT  
CLINICAL DOCUMENTATION: MEDICARE  

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APPROVED BY: 
Director

SUPERSEDES 

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PURPOSE

1.1 To provide documentation guidelines for outpatient services provided by Department of Mental Health (DMH) employees to Medicare beneficiaries and billed to Medicare under Part B through the National Heritage Insurance Company (NHIC), so that claims to Medicare will be supported by compliant documentation.

POLICY

2.1 Documentation for mental health services provided to and reimbursable by Medicare will be based upon information and instructions distributed through NHIC the local carrier and the Federal Centers for Medicare and Medicaid Services (CMMS).

2.2 Program Managers of DMH directly operated clinics shall ensure that all staff are made aware of updated information related to Medicare.

2.3 DMH employees shall document services provided to Medicare beneficiaries in accordance with information and instructions provided to them by the Department.

DEFINITION

3.1 In many instances, variations exist between payor sources. The following definitions are specific to Medicare:

3.1.1 Reasonable and Necessary Services:

3.1.1.1 Section 1862(a)(1)(A) of the Social Security Act states that all Medicare Part B services, including mental health services, must be “reasonable and necessary for the diagnosis or treatment of an illness or injury or to improve the functioning of a malformed body member.” For every service billed, providers must indicate the
3.2.1 Services must be for the purpose of diagnostic study or be reasonably expected to improve the patient’s condition. The treatment must, at a minimum, be designed to reduce or control the patient’s psychiatric symptoms so as to prevent relapse or hospitalization and improve or maintain level of functioning. The goal of a course of therapy is not necessarily restoration of the patient to the level of functioning prior to the onset of illness, although this may be appropriate for some patients. For many other psychiatric patients, particularly those with long-term, chronic conditions, control of symptoms and maintenance of functional level to avoid further deterioration or hospitalization is an acceptable expectation of improvement. “Improvement” in this context is measured by comparing the effect of continuing treatment versus discontinuing it. Where there is reasonable expectation that a patient’s condition would deteriorate, relapse further, or require hospitalization if treatment services were withdrawn, this criterion would be met. (Reference I)
PROCEDURE

4.1 The Department will assign staff to be responsible for reviewing all information and instructions disseminated via List-Serve from NHIC and CMMS.

   4.1.1 These assigned staff shall be responsible for the distribution of all information and instructions specific to the provision and documentation of mental health services obtained from NHIC and CMMS to all directly operated programs within one month of an update.

4.2 DMH directly operated programs shall maintain a binder of NHIC/CMMS information and instructions accessible to all staff providing services reimbursable to Medicare.

AUTHORITY

National Heritage Insurance Company, Part B Medicare Carrier
Center for Medicare and Medicaid Services
Title XVIII of the Social Security Act

REFERENCES

Reference I Department of Health and Human Services (DHHS), CMMS, Program Memorandum Intermediaries/Carriers, Transmittal AB-03-037, Subject: Provider Education Article: Medicare Payments for Part B Mental Health Services, March 28, 2003, available HERE.

Reference II Center for Medicare and Medicaid Services, National Heritage Insurance Company, Medicare Part B, Medicare Billing Made Easy, July 2003, available HERE.


REVIEW DATE

This policy shall be reviewed on or before September 2009.