

September 22, 2017

Nicole M. Cunningham
Planning, Policy & Quality Unit
Division of Medicaid & Medical Assistance
1901 N. DuPont Hwy.
P.O. Box 906
New Castle, DE 19720-0906

RE: DMMA Proposed Inpatient Psychiatric Hospital Services For Individuals under Age 21 Regulation [21 DE Reg. 187 (September 1, 2017)]

Dear Ms. Cunningham:

The Governor's Advisory Council for Exceptional Citizens (GACEC) has reviewed the Division of Medicaid and Medicare Assistance (DMMA) proposal to amend its reimbursement methodology for inpatient psychiatric residential treatment facilities ("PRTFs"). DMMA notes (p. 188) that this benefit is often referenced as "Psych under 21".

Council would like to share the following observations.

First, DMMA proposes to strike the current, discrete approach for out-of-state facilities. However, the proposed revision is not clear. Council believe the Division intends to limit the following new third bullet on p. 189 to out-of-state facilities:

- The lesser of a negotiated per diem reimbursement rate, the facilities (sic "facility's) usual and customary charge, or the Delaware Medicaid per diem rate.

If that is the intent, DMMA should amend the provision as follows:

- If an out of state facility, ~~the~~ lesser of a negotiated per diem reimbursement rate, the facilities (sic "facility's) usual and customary charge, or the Delaware Medicaid per diem rate.

Otherwise, the first and second bullets are meaningless or redundant and the "add on" for

supplemental plan of care services in the first bullet would never be applicable. The new third bullet (with no “add on” authorization”) would always be “lesser” than the first bullet.

Second, apart from inserting “(i)f in out of state facility”, the Division should substitute “facility’s” for “facilities” in both the second and new third bullets to correct the grammar.

Third, adopting the Delaware per diem reimbursement rate (as opposed to the home state reimbursement rate) should contribute to ease of administration, especially since a minority of states may have no “Psych under 21” rate. However, the deletion of the “add on” for “activities in the plan of care but not in the per diem” is not revenue neutral. Assuming the new third bullet only applies to out-of-state facilities, the deletion creates a lower reimbursement methodology for out-of-state facilities versus in-state facilities. DMMA may wish to consider amending the new third bullet to authorize an “add on” for “activities in the plan of care but not in the per diem”.

Thank you for your consideration of our observations. Please contact me or Wendy Strauss at the GACEC office if you have any questions.

Sincerely,

Dafne A. Carnright
Chairperson

DAC:kpc

CC: Steve Groff, DMMA
Susan Cocyk, DPBHS
Steve Yeatman, DSCYF
John McKenna, Rockford Center
Kathleen Mattix, Meadowood