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**TITLE 405 OFFICE OF THE SECRETARY OF  
FAMILY AND SOCIAL SERVICES**

LSA Document #03-66(F)

**DIGEST**

Amends 405 IAC 5-3-13 and 405 IAC 5-21-7 to require prior authorization for Medicaid reimbursement of assertive community treatment intensive case management services. Amends 405 IAC 5-21-1 to define terms associated with assertive community treatment. Adds 405 IAC 5-21-8 to provide for assertive community treatment intensive case management services for certain Medicaid recipients with serious mental illness. Effective 30 days after filing with the secretary of state.

**405 IAC 5-3-13**

**405 IAC 5-21-7**

**405 IAC 5-21-1**

**405 IAC 5-21-8**

SECTION 1. 405 IAC 5-3-13 IS AMENDED TO READ AS FOLLOWS:

**405 IAC 5-3-13 Services requiring prior authorization**

**Authority:** IC 12-8-6-3; IC 12-8-6-5; IC 12-15-1-10; IC 12-15-21-2; IC 12-15-21-3

**Affected:** IC 12-13-7-3; IC 12-15

Sec. 13. (a) Medicaid reimbursement is available for the following services with prior authorization:

- (1) Reduction mammoplasties.
- (2) Rhinoplasty or bridge repair of the nose when related to a significant obstructive breathing problem.
- (3) Intersex surgery.
- (4) Blepharoplasties for a significant obstructive vision problem.
- (5) Sliding mandibular osteotomies for prognathism or micrognathism.
- (6) Reconstructive or plastic surgery.
- (7) Bone marrow or stem cell transplants.
- (8) All organ transplants covered by the Medicaid program.
- (9) Plasmapheresis.
- (10) Strabismus surgery for patients over ten (10) years of age.
- (11) Home health services.
- (12) Maxillofacial surgeries related to diseases and conditions of the jaws and contiguous structures.
- (13) Temporomandibular joint surgery.
- (14) Submucous resection of nasal septum and septoplasty when associated with significant obstruction.
- (15) Hysterectomy.
- (16) Tonsillectomy.
- (17) Tonsillectomy and adenoidectomy.
- (18) Cataract extraction.
- (19) Surgical procedures involving the foot.
- (20) Weight reduction surgery, including gastroplasty and related gastrointestinal surgery.
- (21) Any procedure ordinarily rendered on an outpatient basis, when rendered on an inpatient basis.
- (22) All dental admissions.
- (23) Stress electrocardiograms except for medical conditions.
- (24) Brand medically necessary drugs.
- (25) Other drugs as specified in accordance with 405 IAC 5-24-8.5.
- (26) Psychiatric inpatient admissions, including admissions for substance abuse.
- (27) Rehabilitation inpatient admissions.
- (28) Assertive community treatment intensive case management as provided under 405 IAC 5-21-1.**

~~(28)~~ **(29)** As otherwise specified in this article.

If any of the surgeries listed in this section are performed during a hospital stay for another condition, prior authorization is required for the surgical procedure.

(b) Requests for prior authorization for the surgical procedures in this section will be reviewed for medical necessity on a case-by-case basis in accordance with this rule. (*Office of the Secretary of Family and Social Services; 405 IAC 5-3-13; filed Jul 25, 1997, 4:00 p.m.: 20 IR 3306; filed Sep 1, 2000, 2:16 p.m.: 24 IR 14; readopted filed Jun 27, 2001, 9:40 a.m.: 24 IR 3822; filed Jan 7, 2002, 10:11 a.m.: 25 IR 1613; filed Feb 26, 2004, 3:45 p.m.: 27 IR 2244*)

SECTION 2. 405 IAC 5-21-1 IS AMENDED TO READ AS FOLLOWS:

#### **405 IAC 5-21-1 Definitions**

**Authority:** IC 12-8-6-5; IC 12-15-1-10; IC 12-15-21-2; IC 12-15-21-3

**Affected:** IC 12-13-7-3; IC 12-15; IC 12-29; IC 25-23-1-1

Sec. 1. (a) As used in this rule, “community mental health rehabilitation services” means the following:

- (1) Outpatient mental health services.
- (2) Partial hospitalization services.
- (3) Case management services for persons who are seriously mentally ill or seriously emotionally disturbed.
- (4) Assertive community treatment (ACT) intensive case management services are services provided by a multidisciplinary team that has the responsibility for the direct provision of community-based psychiatric treatment, assertive outreach, rehabilitation, and support services to an adult Medicaid population with serious mental illness that also have co-occurring problems or multiple hospitalizations. The team must be regularly certified or provisionally certified as defined in 440 IAC 5.2-2.**

(b) As used in this rule, “community mental health services” refers to community mental health rehabilitation services.

(c) As used in this rule, “qualified mental health professional” means any of the following persons:

- (1) A psychiatrist.
- (2) A physician.
- (3) A licensed psychologist or a psychologist endorsed as a health service provider in psychology (HSPP).
- (4) An individual who has had at least two (2) years of clinical experience treating persons with mental illness under the supervision of any of the persons listed in subdivision (1), (2), or (3), such experience occurring after the completion of a master’s degree or doctoral degree, or both, in any of the following disciplines:
  - (A) In psychiatric or mental health nursing from an accredited university plus a license as a registered nurse in Indiana.
  - (B) In social work from a university accredited by the Council on Social Work Education.
  - (C) In psychology from an accredited university.
  - (D) In mental health counseling from an accredited university.
  - (E) In pastoral counseling from an accredited university.
  - (F) In rehabilitation counseling from an accredited university.
  - (G) In marital and family therapy from an accredited university.
- (5) A licensed independent practice school psychologist under the supervision of any of the persons listed in subdivision (1), (2), or (3).
- (6) An individual who has documented education, training, or experience, comparable or equivalent to those listed in this subsection, as approved by the supervising physician or HSPP, under the supervision of any of the persons listed in subdivision (1), (2), or (3).
- (7) An advanced practice nurse under IC 25-23-1-1(b)(3) who is credentialed in psychiatric or mental health nursing by the American Nurses Credentialing Center under the supervision of any of the persons listed in subdivision (1), (2), or (3).

(d) As used in this rule, “situational trauma” means an extremely upsetting emotional experience that aggravates or contributes to a mental illness.

**(e) As used in this rule, “consumer” means an individual who is receiving assessment or mental health services from an assertive community treatment team and is a recipient of Medicaid.**

**(f) As used in this rule, “certification” is an ACT team that is regularly certified or provisionally certified by department of mental health and addiction (DMHA) and does not include conditional certification as defined in 440 IAC 5.2-2-10.** *(Office of the Secretary of Family and Social Services; 405 IAC 5-21-1; filed Jul 25, 1997, 4:00 p.m.: 20 IR 3336; filed Sep 27, 1999, 8:55 a.m.: 23 IR 316; filed Jun 9, 2000, 9:55 a.m.: 23 IR 2708; readopted filed Jun 27, 2001, 9:40 a.m.: 24 IR 3822; filed Feb 26, 2004, 3:45 p.m.: 27 IR 2245)*

SECTION 3. 405 IAC 5-21-7 IS AMENDED TO READ AS FOLLOWS:

**405 IAC 5-21-7 Prior authorization**

**Authority:** IC 12-8-6-5; IC 12-15-1-10; IC 12-15-21-2; IC 12-15-21-3

**Affected:** IC 12-13-7-3; IC 12-15

Sec. 7. Community mental health rehabilitation services, as defined in section ~~†(b)~~ **1(a)** of this rule, are not subject to prior authorization, **except subdivision (4), [section 1(a)(4) of this rule] assertive community treatment (ACT ) intensive case management services.** *(Office of the Secretary of Family and Social Services; 405 IAC 5-21-7; filed Jul 25, 1997, 4:00 p.m.: 20 IR 3338; readopted filed Jun 27, 2001, 9:40 a.m.: 24 IR 3822; filed Feb 26, 2004, 3:45 p.m.: 27 IR 2245)*

SECTION 4. 405 IAC 5-21-8 IS ADDED TO READ AS FOLLOWS:

**405 IAC 5-21-8 Assertive community treatment intensive case management**

**Authority:** IC 12-8-6-5; IC 12-15-1-10; IC 12-15-21-2; IC 12-15-21-3

**Affected:** IC 12-13-7-3; IC 12-15

**Sec. 8. (a) The services reimbursable as assertive community treatment (ACT) intensive case management services are goal oriented and intended to maintain an individual outside of the hospital. Services may be provided only to Medicaid recipients with serious mental illness who also have co-occurring problems or multiple hospitalizations.**

**(b) Medicaid recipients receiving assertive community treatment intensive case management services as consumers must meet the following criteria:**

**(1) The ACT admission and discharge criteria in accordance with 440 IAC 5.2-2-4.**

**(2) Recipient’s level of functioning must be low or moderate as per the most recently released DMHA mental illness risk-adjusted groups defined in the risk-level flow chart for mental illness developed by DMHA as contained in provider bulletins and updates.**

**(c) Provider qualifications for assertive community treatment intensive case management services shall be as follows:**

**(1) ACT teams must be certified in accordance with 440 IAC 5.2-2. ACT teams on conditional certification status as defined by 440 IAC 5.2-2-10 do not meet Medicaid requirements for reimbursement.**

**(2) Each regularly certified ACT team must be composed of the staff requirements in accordance with 440 IAC 5.2-2-3(a).**

**(3) Each regularly certified team shall meet regular operational standards in accordance with 440 IAC 5.2-2-3(b) and as follows:**

**(A) Support and rehabilitation services as defined in 440 IAC 5.2-2-5, including the majority if not all behavioral and mental health direct clinical and rehabilitative services are also provided by this same team.**

**(B) The team shall monitor hospitalization, housing, and employment outcomes for all consumers in accordance with 440 IAC 5.2-2-6.**

**(4) Each provisional certified ACT team must comply with staffing and operational requirements in accordance with 440 IAC 5.2-2-8.**

**(d) Prior authorization is required for assertive community treatment intensive case management services. Requests for prior authorization must contain the information specified in 405 IAC 5-3 and the following:**

**(1) Medicaid provider identification number of the certified assertive community treatment team’s community mental health center.**

**(2) Patient’s Hoosier Assurance Plan Instrument-Adult level of functioning factor scores at the patient’s most recent assessment and the date of that assessment.**

**(3) Clinical summary including:**

**(A) Documentation of any institutionalizations and hospital visits related to the patient's condition in the last two (2) years and any other documentation supporting the patient's severe limitations with activities of daily living.**

**(B) A current plan of treatment and progress notes documenting the necessity, effectiveness, and goals of treatment.**

**(C) Documentation detailing how the patient has met the community mental health center's requirements for participation as defined in 440 IAC 5.2-2-4 in the community mental health center's assertive community treatment program.**

**(4) Signature of assertive community treatment team's psychiatrist.**

*(Office of the Secretary of Family and Social Services; 405 IAC 5-21-8; filed Feb 26, 2004, 3:45 p.m.: 27 IR 2245)*

**SECTION 5. Subject to the conditions set out in 405 IAC 5-21-8, Medicaid reimbursement is available for assertive community treatment services provided on or after the effective date of the state plan amendment approved by the Centers for Medicare and Medicaid Services.**

*LSA Document #03-66(F)*

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