



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Aging and Disability Services Administration
Division of Behavioral Health and Recovery
PO Box 45330, Olympia, WA 98504-5330

June 1, 2012

Dear Publicly Funded Adult Residential Chemical Dependency Treatment Providers:

SUBJECT: Request for Information: Non-Institutions of Mental Diseases (Non-IMD) Pilot Projects Beginning October 1, 2012

The budget bill as passed during the 2012 Legislative session (3ESHB 2127.PL Sec 208(5)) requires the Division of Behavioral Health and Recovery (DBHR) to:

"...shift contracts for a minimum of 32 intensive inpatient beds currently provided in settings that are considered institutions of mental diseases (IMD) to two or more facilities with no more than 16 beds that are able to claim federal match for services provided to Medicaid clients..."

This letter serves as a Request for Information (RFI) from interested parties. DBHR is looking for two sites that are able to provide Adult Intensive Inpatient chemical dependency treatment services in accordance with WAC 388-805 and WAC 388-805-530, beginning October 1, 2012, in a facility with 16 beds or less.

Interested parties must be able to:

- a. Contract for the beds requested.
- b. Provide a Medicaid match eligible facility (please follow the attached requirements for a non-IMD facility).
- c. Be licensed by the Department of Health (DOH) for a maximum of 16 beds.
- d. Be certified by DBHR.

If you are interested, please submit a plan of no more than five pages to Sue Green at sue.green@dshs.wa.gov no later than Friday, June 29, 2012, for consideration. The plan must address, at a minimum, the following items:

1. What is your plan to achieve the following goals and be operational and accepting patients by October 1, 2012?
 - a. DOH licensed.
 - b. DBHR certified.
 - c. Fully staffed. Please provide a detailed staffing plan.
2. What is your proposed daily rate per patient and please include a detailed budget with the following categorical breakdowns for that rate.
 - a. 24 hours per day, 7 days per week Staffing (include all salaries, taxes, FICA)
 - b. Administration
 - c. Direct Chemical Dependency Treatment Services (non-staff).

- d. Housekeeping and Maintenance (non-staff).
 - e. Dietary/Food (non-staff).
 - f. Transportation (non-staff).
 - g. Facility Overhead.
 - h. Licensing Fees.
3. What is your plan to meet non-IMD status and provide a Medicaid-eligible facility?
4. What is your patient recruitment and statewide marketing plan to fully utilize the funding?

DBHR will review the skills and resources of each submitted plan and will make a determination based on the best fit for the services. DBHR reserves the right to ask for additional information as needed from providers submitting the plan. DBHR will consider geographic location in the decision making process, but because these beds are a statewide resource, DBHR is not limited to specific geographic locations.

DBHR will make every effort to inform the selected providers by Monday, July 16, 2012. DBHR has updated the Non-IMD Pilot Timeline. If you have questions regarding this request, please contact Sue Green at 360-725-3732 or sue.green@dshs.wa.gov.

Sincerely,



Chris Imhoff, LICSW
Director

By Email.

cc: John Taylor, Chief, Office of Program Services
Melissa Clarey, Acting Chief, Fiscal and Contracts
Sue Green, Lead, Behavioral Health Treatment Services



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Guidelines for Determining IMD Status

There is a federal statutory restriction that states Federal Financial Participation is not available for any medical assistance under Title XIX for services provided to any individual who is a patient in an Institution for Mental Diseases (IMD). This means that by Federal regulation, no Medicaid funds may be used for services provided to individuals who are between the ages of 21-65 who reside in an IMD. Federal regulation also states that Medicaid funding be used to pay for Medicaid recipients and Medicaid services exclusively. This exclusion was designed to assure that States, rather than the Federal government, continue to have principal responsibility for funding inpatient psychiatric services. The term "mental disease" includes alcoholism and chemical dependency.

What is an IMD?

An IMD is defined in the Federal Social Security Act 1905(i) and in the Code of Federal Regulations (CFR Title 42 Part 435.1010) as "a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental diseases, including medical attention, nursing care and related services. Whether an institution is an institution for mental diseases is determined by its overall character as that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases, whether or not it is licensed as such."

As IMDs are defined to be institutions with more than 16 beds where more than 50 percent of the residents are treated for a psychiatric diagnosis, the IMD exclusion applies only to institutions with at least 17 beds. Facilities with more than 16 beds whose primary purpose is to provide residential treatment for alcohol and substance abuse are considered IMDs.

In cases in which multiple components within a common facility are involved, the individual programs may be identified as separate programs and considered independent from each other to determine the IMD status of the programs. Use the following guidelines to determine the IMD status of these individual programs within a common facility.

Individual programs within a facility can be exempted from the IMD exclusion if they are clearly separate in:

1. Ownership or administration, and
2. Cost centers, and
3. Physical location, and
4. Clinical staffing, and
5. Certification or licensure, and
6. Levels of care.

How Do I Determine if My Agency is Exempt from the IMD Exclusion?

In order to determine that your agency is not an IMD and therefore excluded from accessing Medicaid funding, does your facility have 16 or less beds?

Yes No

Note: If yes, your agency is not considered an IMD and you are eligible for Medicaid funding.

If your agency has multiple components within a common facility, all of the following criteria must be met to avoid classification as an IMD:

- Ownership or administration: A single administrator over Program Managers as evidenced by on Organizational Charts with distinct clinical staff to support individual program units.
- Clinical staffing: Organizational Charts indicate separate clinical staff for individual program.
- Physical location: Floor plans demonstrate separate floors or wings dedicated to distinct programs; reviewed activity schedule of the facility's common area such as the Education/Dining Building with the Admin Director; and, floor plans provided in the Program Manual.

Note: Programs must be clearly separated by floors, wings, or other building sections to be considered separately located. Intermixed program beds on the same floor, or program beds separated only by groupings of dormitory rooms will not be considered physically separate. Likewise, programs that share common treatment, recreation, or sleeping areas – even if otherwise separate – do not fully satisfy the physical location criteria.

- Cost centers: Programs managed as separate fiscal programs as evidenced by separate accounting oversight and file management.
- Separate certification or licensure for each program.
- Levels of care: Program descriptions provide for level of care in III.5 or III.5 Enhanced, length of stay, and gender specific programming for trauma and victimization.

Note: Significantly different levels of care must be provided. Program distinction based on gender or race specialty is generally not recognized. Different level of care criteria can be applied to programs located in the same facility that specializes in adolescent vs. adult residential rehabilitation or detoxification given the need for significantly different clinical approaches to these special populations.

This timeline outlines the process implementing 2 non-IMD pilot sites in fiscal year 2013, per Legislative direction

Scope on non-IMD Pilots: Adult Intensive Inpatient Treatment

Letter of Intent to Bid (LIB) for non-IMD Pilot FY 2013 ~ Adult IIP

DATE	ACTION
Friday, May 11, 2012	Send out LIB to Adult IIP Providers
Tuesday, May 29, 2012	LIB responses due from Adult IIP Providers Providers
Wednesday, May 30, 2012	Make any changes to RFI document

Request For Information (RFI) for non-IMD Pilot FY 2013 ~ Adult IIP

DATE	ACTION
Friday, June 1, 2012	Send out RFI to Adult IIP Providers Providers
Friday, June 29, 2012	RFI due from Adult IIP Providers Providers
Thursday, July 12, 2012	Review/Score of RFI Due from DBHR Staff
Monday, July 16, 2012	Announce Pilot Sites for Adult IIP Providers IMD
Friday, September 14, 2012	Contract (or Amendments) Executed ~ will include changes mid year for pilot
Monday, September 17, 2012	IMD Pilots - 2013-2015 intensive bed plan report to Assistant Secretary*
Monday, October 1, 2012	Pilots begin

*Report to the Legislature is due December 2012 - report on progress of moving to 2 non-IMD pilot sites

updated 5-31-12