



State of New Mexico
Human Services Department
Supplement



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TO: STATE CORRECTIONAL FACILITIES, ADULT AND JUVENILE
DETENTION CENTERS OR STATE BEHAVIORAL HEALTH FACILITIES
FOR INCARCERATED INDIVIDUALS; HOSPITALS, HEALTHCARE
PROVIDERS AND PHYSICIANS WITH ADMITTING RIGHTS TO A
HOSPITAL FACILITY

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THROUGH: *MS* MAHESH SITA, COMMUNICATIONS AND EDUCATION BUREAU CHIEF

SUBJECTS:

- I. SHORT TERM MEDICAID FOR INCARCERATED INDIVIDUALS (STMII)**
- II. DETERMINING STMII ELIGIBILITY**
- III. COVERED SERVICES**
- IV. NONCOVERED SERVICES**
- V. DETERMINING THE LENGTH OF STAY**
- VI. QUALITY PED MEASURES**
- VII. BILLING FOR INMATE INPATIENT HOSPITALIZATION STAYS**

I. SHORT TERM MEDICAID FOR INCARCERATED INDIVIDUALS

The Medical Assistance Division has implemented the STMII Program. An additional Medical Assistance Program (MAP) category of eligibility is assigned to inmates either incarcerated in state prisons or awaiting disposition of their criminal cases in county jails for the sole purpose of providing short-term inpatient treatment services at a hospital outside the prison or jail facilities. STMII will be implemented statewide in coordination with New Mexico Corrections Department (NMCD); New Mexico Children, Youth and Families Department (CYFD); New Mexico Department of Health (DOH); and adult and juvenile detention centers operated by New Mexico counties. For purposes of this supplement, MAD defines an inmate as either: an incarcerated individual or a detained inmate as a person who is court ordered to a: state prison, CYFD juvenile facility, DOH Behavioral Health Facility Forensic Unit, or is detained in a county adult

or juvenile facility awaiting disposition of a criminal case. These institutions and facilities are referred to as the inmate's incarceration facility.

II. DETERMINING STMII ELIGIBILITY

To be approved for STMII:

1. The inmate must meet Medicaid eligibility requirements;
2. An inpatient hospitalization admission meets MAD medical necessity requirements;
3. The inmate must be admitted for inpatient hospitalization service lasting at least 24 hours from his or her admission to discharge;
4. The hospital is outside of the inmate's incarcerated facility; and
5. The inmate must have received inpatient services between the time of his or her inpatient hospitalization admission and the time of his or her inpatient hospitalization discharge.

III. STMII COVERED SERVICES

An inmate's medically necessary inpatient hospitalization includes the MAD covered inpatient stay and related inpatient services available to MAP eligible recipients. The following are examples of services that may be covered during an inmate's inpatient hospitalization stay lasting at least 24 hours. This list is not exhaustive.

1. Professional component services;
2. Hospital services which will be paid using the Diagnosis Related Group (DRG) methodology when the hospital is typically reimbursed at the DRG rates for which medications, supplies, lab, radiology, transportation, emergency department and other hospital services during the hospital stay are included in the DRG payment;
3. Medication, supplies, lab, radiology, transportation, are covered in addition to the hospital stay when the provider is a rehabilitation or other specialty hospital not paid at DRG rates.

IV. STMII NON-COVERED SERVICES

In addition to the non-covered services found in 8.310.2 and 8.311.2 NMAC, the following are examples of inpatient hospital services not covered for STMII. This list is not exhaustive.

1. Services delivered on an outpatient basis as these are covered by the incarceration facility.
2. Transportation services for the inmate, such as an ambulance, to a hospital and then back to his or her incarceration facility as these are covered by the incarceration facility.
3. Services rendered in an ED if the inmate was not admitted or when his or her inpatient hospitalization stay was less than 24 hours as these are covered by the incarceration facility.
4. Labs or diagnostics performed if the inmate is not admitted or when his or her inpatient hospitalization stay was less than 24 hours as these are covered by the incarceration facility.
5. Services provided during the inmate's observational hospitalization if the inmate was not admitted or when his or her inpatient hospitalization stay was less than 24 hours as these are covered by the incarceration facility.

6. Medications or DME provided if the inmate was not admitted or when his or her inpatient hospitalization stay was less than 24 hours as these are covered by the inmate's incarceration facility.
7. All follow up services related to the inmate's inpatient hospitalization stay, such as labs and DME as these are covered by the incarceration facility.
8. All medication or DME prescribed for use after the inmate's discharge as these are covered by the incarceration facility.

V. DETERMINING THE LENGTH OF STAY FOR STMII

In order for MAD to reimburse a MAD enrolled practitioner for a rendered service, the inmate must have a minimum of a 24 hour continuous inpatient hospitalization stay.

1. Inpatient hospitalization time is limited to the number of hours between the inmate's inpatient hospitalization stay admission - to his or her inpatient hospitalization stay discharge.
2. Transportation time is not included in the calculation of the 24 hour minimum inpatient hospitalization stay requirement. This includes the time an inmate: (1) is transported to a hospital from the inmate's incarceration facility; or (2) is transported from the hospital (where the inmate was admitted for an inpatient hospitalization stay), back to the inmate's incarceration facility.
3. ED stay or observational stay times do not count toward the inmate's 24-hour length of inpatient hospitalization stay requirement.

VI. QUALITY PED MEASURES

1. The Communication and Education Bureau (CEB) of HSD will send a weekly list of each STMII determination, including approved or denied, to the incarceration facility.
2. CEB will review and audit application submissions, measuring against the MAD PED Performance Standards.

VII. BILLING

1. An inpatient hospitalization stay must meet MAD medical necessity criteria.
2. All claims for an inpatient hospitalization are subject to medical review or other verification to ensure the admission, length of stay, and services were medically necessary and meet requirements found in 8.302.1, 8.311.2 and 8.311.3 NMAC. If an audit reveals that the stay or the related service did not meet medical necessity, payment may be denied or recouped.
3. A hospital must use specific codes for (a) source of admissions, and (b) inmate discharge status, to facilitate claims processing and the tracking of inmate inpatient hospitalizations.
 - (i) The hospital is to use Source of Admissions (FL 15) code 8 to indicate the inmate was admitted to this hospital upon the direction of a court or upon the request of a law enforcement agency.
 - (ii) The hospital is to use Patient (Discharge) Status (FL 17) code 21, indicating that the inmate was discharged to a court, his or her incarceration facility, or to a law enforcement agency.
4. A provider billing for a professional component service during the inmate's inpatient hospitalization stay is to submit his or her claim following the MAD established process

found in 8.302.2, 8.311.2 and 8.311.3 NMAC. If an inmate has third party insurance, the provider must bill the inmate's insurance first. MAD is the payer of last resort.

5. MAD makes direct payments only to a MAD enrolled provider who rendered inpatient hospitalization related services. MAD does not make direct payments to the inmate's incarceration facility for any inpatient hospitalization related services.
6. **The inmate's incarceration facility is to provide the inmate's STMII PE determination information to the inmate's hospital and any providers who rendered a professional component or inpatient stay related services during the inmate's inpatient admission stay.**
7. The hospital or other providers are to contact the inmate's incarceration facility if MAD denies hospital claims for reimbursement based on the inmate's lack of STMII eligibility or the inpatient stay lasted less than 24 hours. The inmate's incarceration facility is responsible for MAD non-covered services.
8. The hospital or other providers are to contact Xerox (information below) when MAD denies a claim for other reasons than stated in (7) above.
9. MAD will provide the incarceration facility with the (1) name of the recipient, (2) identifying recipient information such as a number or date of birth, (3) the dates of service, (4) the billing providers of the services, if requested, (4) the amount paid, and (5) the date paid. Any information regarding the diagnosis, treatment and services would be obtained by the incarceration facility from the providers.

For billing questions, please contact Xerox:

By calling at 505-246-9988 ext 8136011 or 1-800-282-4477 ext 8136011 or

By faxing at 505-246-8485 or

By emailing to: NM.Claims@xerox.com.

For questions about STMII Program, please contact Jeanelle LeRouge, MAD PE Program Manager at: Jeanelle.LeRouge@state.nm.us or (505) 827-7713.

We appreciate your participation in the Medicaid Program.

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