

MEDICAID

“Given the grim fiscal realities being faced by state budgets across the nation as well as in Ohio, policy makers have tough spending choices. Now is the time for us to remember that these federal dollars are a wise investment for state economies.”

-Carolyn Givens

Medicaid Overview

The Medicaid program is governed by Title XIX of the Federal Social Security Act. Medicaid is administered at the state level through the designation of a “single state agency”. The Ohio Department of Job and Family Services (ODJFS) is the single state agency in Ohio. ODJFS has the authority to promulgate rules that are binding on other agencies that may administer a portion of the Medicaid state plan. The Medicaid state plan is the document that defines how each state will operate its Medicaid program. ODJFS is responsible to the federal government for all aspects of its sub-recipient responsibilities. Centers for Medicare and Medicaid Services (CMS) monitors the state-run program and establishes requirements for service delivery, quality, funding and eligibility standards.

The Ohio Department of Mental Health (ODMH) and the Ohio Department of Alcohol and Drug Addiction Services (ODADAS) are Medicaid sub-recipients of ODJFS. ODMH is responsible for administering the community Medicaid mental health program at the state level while ODADAS is responsible for administering the community Medicaid alcohol and other drug addiction treatment program at the state level. A sub-recipient relationship is established through an interagency agreement between ODJFS and each sub-recipient. ODADAS and ODMH then establish a sub-recipient relationship with their respective systems through a standardized agreement with local ADAMH/ADAS and CMH boards for local management of the program. ODADAS and ODMH oversee the Boards, which provide the local management of the program. ODJFS has ultimate oversight responsibility for the administration of the community Medicaid program by ODADAS and ODMH.

State participation in the Medicaid program is voluntary, so Ohio’s participation is optional. All states have opted to participate in the Medicaid program since 1968.

Since Ohio has opted to participate, it is required to cover a minimum set of services under the Medicaid program and has the option to cover additional services. Community alcohol and other drug addiction services and community mental health services are optional services under the Medicaid program.

Federal Medicaid Requirements

The Federal Medicaid program requires adherence to certain guidelines. These guidelines help to ensure that all Medicaid-eligible participants receive needed services in a uniform and quality manner and must be strictly adhered to by entities administering Medicaid funding. The

Medicaid fundamentals are: the requirement of a single state Medicaid agency, statewideness, comparability, freedom of choice, state matching funds, due process and reasonable promptness.

Single State Medicaid Agency - Each state's plan must specify a single state agency established or designated to administer or supervise the administration of the plan. The single state agency must have the authority to make rules that are binding on local agencies administering the plan. The single state agency cannot delegate authority to exercise discretion or issue policies, rules or regulations on program matters. The single state agency cannot be overruled by other agencies or hearing officers. Other entities that act as an administrator for portions of the plan cannot change, disapprove or substitute judgment of ODJFS on the application of policies, rules and/or regulations.

Statewideness - This tenet requires that a state plan for medical assistance "be in effect in all subdivisions of the state, and if administered by (political subdivisions), be mandatory upon them". The state plan must be continuously in operation throughout the state.

Comparability - The state plan defines amount, scope and duration. Services must be sufficient in amount, duration and scope to achieve its purpose. All recipients must receive services that are equal in amount, scope and duration. Amount, scope and duration cannot be limited based on diagnosis, type of illness or condition. ODJFS may limit amount, scope and duration based on medical necessity and utilization control procedures.

Freedom of Choice - Any individual eligible for Medicaid may obtain Medicaid services from any institution, agency, pharmacy, person or organization that is qualified and willing to furnish the services. Providers who are qualified and meet statewide certification requirements must be allowed to participate in the program if they so choose. Administration or requirements of the program cannot have the effect of limiting provider participation.

Matching Funds - Matching funds must be provided for carrying out the state plan on a basis that assures that the lack of adequate funds from local sources will not result in lowering the amount, scope or quality care and services available under the plan. Match must come from public, non-federal funds that are designated as match.

Due Process - The tenet of due process requires Medicaid appeal procedures, provider appeal procedures and 119 hearing rights. Boards have limited administrative responsibilities related to resolving Medicaid disputes.

Reasonable Promptness - The single state agency must determine eligibility for Medicaid within specified time periods and must furnish Medicaid services promptly to recipients without any delay caused by the state agency's administrative procedures. It must also continue to furnish Medicaid regularly to all eligible individuals until they are found to be ineligible, and make arrangements to assist applicants and recipients in accessing emergency medical care whenever needed, 24 hours a day and seven days a week.

Culture of Quality

The Ohio Association of County Behavioral Health Authorities (OACBHA) and its member Boards recognize the importance of properly and effectively administering the Medicaid program for Ohio's behavioral health system. So much so, that they have integrated within their Culture of Quality initiative, a section solely dedicated to Medicaid. Twenty-five standards for the administration of Medicaid have been developed to assist county Boards administering the system to meet the minimum Medicaid requirements required by state and federal guidelines. These standards have been reviewed with the Ohio Department of Job and Family Services, Ohio Department of Mental Health and the Ohio Department of Alcohol and Drug Addiction Services. To assist Boards in meeting the standards that address Board Medicaid administration, the COQ initiative has also developed a Medicaid Self-Assessment Checklist. The Medicaid Self-Assessment Checklist is used by Boards to ascertain their level of compliance with the standards. The standards for the administration of Medicaid and the Self-Assessment Checklist have been presented to the Association's membership and have been voted on and accepted by the membership.

The standards for the administration of Medicaid can be broken down into four sections: General Provisions, Managing, Payment and Monitoring & Auditing. The intent of these standards are to assist every county in meeting the minimum federal and state Medicaid guidelines while allowing each Board the flexibility to be responsive to the needs of its respective constituency.

General Provisions Standards - The intent of the general provision standards is to provide guidance to Boards in meeting the Federal Medicaid fundamentals. These principles guide the overall Medicaid program and must be adhered to by the Boards. The Ohio Association of County Behavioral Health Authorities believes that following the twenty-five standards for the administration of Medicaid demonstrate that a Board adheres to all State and Federal Medicaid laws, rules and regulations. These twenty-five standards were developed based on Federal Medicaid regulations, State Medicaid law, interagency agreements between the single state agency (ODJFS) and the departments (ODMH/ ODADAS), requirements in department/Board Medicaid agreements and Board/provider Medicaid agreements.

Managing Medicaid - Boards enter into agreements with the State departments (ODMH/ ODADAS) for the local management of the Medicaid program. Boards must enter into contract with any requesting institution, agency, pharmacy, person or organization within the Board service area that is qualified to furnish Medicaid services. In Ohio's behavioral health system a provider of Medicaid-reimbursable services must be certified by either ODMH or ODADAS. A provider of Medicaid-reimbursable services must also have a signed Medicaid standardized provider agreement with ODJFS.

Payment Standards - Boards are responsible for acknowledging, by making payments based upon remittance information produced from MACSIS, a standardized Medicaid payment agreement that has been signed by either an ODADAS/ODMH certified/licensed treatment provider for any Medicaid covered services. Boards are also responsible for acknowledging a standardized Medicaid payment agreement for any Medicaid covered services provided to a

resident of their board area that occurred with another ADAMH/ADAS/CMH Board. All Medicaid claims need to be paid at 100 percent (match + FFP) of the approved Medicaid rate. The match for these claims cannot be made with federal funds.

Medicaid payments are handled differently for community behavioral health services than they are for physical health services. For physical health services, providers submit their claims directly to the Ohio Department of Job and Family Services (ODJFS). When a Medicaid client receives mental health and/or alcohol and drug addiction services, the local ADAMH/ADAS/CMH Board pays the provider. The Board is then reimbursed for 60 percent of the cost by the federal government, which flows to the Boards through the Department of Mental Health (ODMH) and/or the Department of Alcohol and Drug Addiction Services (ODADAS) via an interagency agreement with ODFJS. The remaining 40 percent Medicaid match comes from state and local sources.

Monitoring and Auditing Standards - As part of the Boards' functions as a sub-recipient of ODMH/ODADAS, they are responsible for ensuring providers' compliance with certification standards as well as ensuring compliance with UFMS and OMB Circular A-133. Boards are required to ensure that monitoring and auditing are completed. How and by whom the monitoring or audit is completed is up to the local Board. Only ODMH has a Medicaid compliance review rule (5101:3-27-06). A rule of similar nature does not exist for ODADAS.

Medicaid Committee

Due to the complexity of the Medicaid program, Boards have developed a standing Medicaid Committee through the Association. The purpose of the Medicaid Committee is to:

- Become the designated body within the Association that initially addresses any Medicaid issues that arise in the system;
- Examine the impact that Medicaid has on Ohio's behavioral health system and make needed recommendations for change;
- Educate and assist all Boards in adhering to Federal and State Medicaid laws, rules and regulations;
- Participate and represent the Association on committees developed to address Medicaid policy.

Boards submit to the Medicaid Committee any issues or concerns that they are having with the Medicaid program that have statewide implications.

Resources

For more information pertaining to Ohio's Behavioral Health Medicaid Program please visit:

<http://www.cms.hhs.gov/>

<http://jfs.ohio.gov/>

<http://www.mh.state.oh.us/communitymedicaid/community.medicaid.index.html>

http://www.odadas.state.oh.us/GD/_gd_templates/pages/gdpagepublic.aspx?page=80