

Effective Date: 11/8/2007
Revised Date: 11/7/07
Review Date: 11/26/2008

North Sound Mental Health Administration

Section 1000 – Administrative: Inpatient Provider Appeal and Dispute

Authorizing Source: WAC 388.550.2600; WAC 283.43.322; CFR 42-431; State Mental Health Program agreement (SMHC) and Prepaid Inpatient Health Plan Program Agreement (PIHP)

Cancels: Policy 1573.00 and re-numbered Admin Policy 1020.00

See Also:

Responsible Staff: Quality Manager

Approved by: Executive Director

Signature:

Date: 12/5/2008

POLICY #1020.00

SUBJECT: INPATIENT PROVIDER APPEAL AND DISPUTE

PURPOSE

To outline the North Sound Mental Health Administration's (NSMHA) dispute and appeal processes for inpatient providers regarding the inpatient certification and authorization process. NSMHA has designated the inpatient certification and authorization process to Volunteers of America (VOA).

For information about state funded consumers and Medicaid enrollee rights regarding these processes see 1001- NSMHA Complaint, Grievance, Appeal, and Fair Hearing Policy General Policy Requirements, 1002 NSMHA Complaint and Grievance Policy, 1003 NSMHA Appeal Policy and 1004 NSMHA Fair Hearing Policy.

POLICY

Medical necessity determinations by VOA for initial certification, extension, or number of days authorized may be appealed by the requesting inpatient provider to NSMHA.

VOA will not suspend, reduce or terminate previously authorized inpatient services. The assignment of the administrative daily rate must be mutually agreed to by the inpatient facility and cannot be appealed.

A. Inpatient Appeal Process

Inpatient providers must initiate the appeal with NSMHA within 30 days of the medical necessity determination(s). Requests for appeal that are not received within 30 days of the determination will not be considered. Appeals must be initiated in writing to NSMHA and include:

1. A letter with additional documentation and/or additional information about why the determination should be changed;
- and
2. A copy of the inpatient chart and clarification regarding the dates of the days appealed if inpatient services were provided that were not authorized.

NSMHA will review the documentation and issue a written decision to the inpatient provider within 14 days of receipt of this information. A psychiatrist who was not involved in the initial medical necessity determination will conduct the appeal process. This psychiatrist will not be in the NSMHA Community Mental Health Agency (CMHA) provider network.

If the number of authorized days is changed, based upon the review, NSMHA will contact VOA to adjust the certification form(s). This will also occur within 14 days of receipt of the required information from the inpatient provider. VOA will send a copy of the certification form(s) that reflect the adjustment(s) to the inpatient provider and NSMHA within 3 working days of the date VOA was contacted.

For all appeals that result in a change to the original denial of certification or extension, NSMHA will relay these changes in writing to the enrollee, consumer, authorized representative(s), or legal representative as appropriate. All medical necessity determinations during the NSMHA appeal process are final, unless they are changed during an appeal, grievance, or fair hearing process initiated by a state funded consumer, Medicaid enrollee or their authorized representative(s).

INPATIENT PROVIDER ADMINISTRATIVE DISPUTE POLICY

Concerns regarding the NSMHA designee's compliance with published requirements may be addressed by inpatient providers through the administrative dispute process. Inpatient providers must first utilize the NSMHA dispute resolution process. If the dispute is not resolved at the NSMHA level, inpatient providers may contact the Mental Health Division (MHD) for a second level review process. The MHD review is final.

The administrative dispute process does not apply to disputes between VOA and the hospital provider that arise pursuant to VOA decisions regarding medical necessity. Disputes regarding medical necessity determinations may be appealed as outlined above.

The administrative dispute process also does not apply to disputes between Regional Support Networks regarding the assignment of inpatient claims (see MHD Intranet Dispute System).

A. NSMHA Administrative Dispute Process

Inpatient providers must initiate disputes in writing with NSMHA. The written letter of dispute should outline the nature of the dispute. Additional documentation should be attached. NSMHA will send a written response to the inpatient provider within 14 days of receipt of the documentation. If the inpatient provider is not satisfied with the resolution they may contact MHD for a second level review process.

B. MHD Administrative Dispute Process

MHD will maintain a formal dispute process to review disputes that cannot be resolved between NSMHA and a community hospital provider.

1. MHD dispute process will be confined to disputes regarding authorization of care for all or a portion of an inpatient hospital stay.
2. All local and regional dispute resolution procedures must be exhausted prior to submission to MHD.
3. When a hospital disputes an MHD designee, the MHD designee has 14 calendar days to respond. Failure to respond within the timeframe may result in a default award to the hospital.
 - a) The appellant shall submit a written notice of intent to dispute the administrative action(s) of VOA.

- i) The dispute shall be submitted to the designated MHD Chief of Mental Health Services, who will delegate review to the Inpatient Team.
 - ii) The dispute shall summarize the nature of the dispute and the perspectives of both parties to the dispute. NSMHA will separately submit their position regarding the dispute.
 - iii) The appellant shall provide sufficient evidence to permit comprehensive MHD review. NSMHA may submit additional evidence to support a comprehensive MHD review within 14 days.
 - iv) MHD will not conduct independent research regarding the dispute. If MHD requires additional information in order to make a determination, it shall be the responsibility of the parties to the dispute to obtain and submit that information.
- b) MHD shall review the submitted dispute and issue a written opinion within 30 days of the receipt of all necessary information.
- i) If MHD determines that the dispute may be resolved through clarification of rule or contract, MHD will issue such clarification in writing.
 - (1) In such cases MHD shall take no further action to approve or deny payment of the specific claim(s) in question.
 - (2) The parties shall proceed immediately to resolve their dispute based upon the clarification of rules.
- c) If after review of the submitted dispute MHD finds that payment is due the hospital, MHD shall authorize payment for the days of service in question.
- i) The cost for those days of service shall be assigned to NSMHA in accordance with the NSMHA contract.
- d) If either party disagrees with the MHD opinion, they may submit a written request for a second review to the Director of MHD.
- i) It will be incumbent upon the appellant to submit additional evidence supporting the second level dispute.
 - ii) The MHD Chief of Mental Health Services shall participate in the review to assure all procedural and administrative guidelines have been followed.
 - iii) MHD shall issue an opinion regarding the second level dispute within 14 working days of receipt of all necessary information.
 - iv) The MHD second review is the final level of appeal within the department and must precede any judicial action.

ATTACHMENTS

None