AGENDA

- Acronyms
- Medicaid Basics
- Historical Perspective
- Rule 140
- Overview of the changes to Rule 132/Rule 140
- Audit and Record Requirement Basics
- Key Players and their Role in the Medicaid CBH System
- Resources
<table>
<thead>
<tr>
<th>ACRONYMS</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>BALS</td>
<td>Bureau of Accreditation, Licensure and Certification</td>
</tr>
<tr>
<td>BHC</td>
<td>Behavioral Health Clinic</td>
</tr>
<tr>
<td>CBH</td>
<td>Community-based behavioral health</td>
</tr>
<tr>
<td>CMHC</td>
<td>Community Mental Health Center</td>
</tr>
<tr>
<td>DCFS</td>
<td>Department of Children and Family Services</td>
</tr>
<tr>
<td>DHS-DMH</td>
<td>Department of Human Services, Division of Mental Health</td>
</tr>
<tr>
<td>FFS</td>
<td>Fee for service</td>
</tr>
<tr>
<td>HFS</td>
<td>Department of Healthcare and Family Services</td>
</tr>
<tr>
<td>IMPACT</td>
<td>Illinois Medicaid Provider Advanced Cloud Technology</td>
</tr>
<tr>
<td>IATP</td>
<td>Integrated Assessment and Treatment Plan</td>
</tr>
<tr>
<td>IP</td>
<td>Independent Practitioner</td>
</tr>
<tr>
<td>IPI</td>
<td>Infant Parent Institute</td>
</tr>
<tr>
<td>MCO</td>
<td>Managed Care Organization</td>
</tr>
<tr>
<td>OMI</td>
<td>Office of Medicaid Innovation</td>
</tr>
<tr>
<td>PPR</td>
<td>Post payment review</td>
</tr>
<tr>
<td>SASS</td>
<td>Screening, Assessment and Support Services</td>
</tr>
<tr>
<td>TPL</td>
<td>Third Party Liability</td>
</tr>
</tbody>
</table>
A FEW MEDICAID BASICS

For Medicaid to pay a claim, there must be:

1. A **covered service**,  
2. Provided to an **enrolled customer**,  
3. By a **certified provider**.

If any one of these is missing on the date of service, Medicaid will not pay.

When we think about Medicaid compliance, we are often referring to some aspect related to one of these three fundamental components.
HISTORICAL PERSPECTIVE

1990’s
Rule 132 was first adopted in the 1990’s, defining Community Mental Health Center (CMHC) certification and Medicaid community-based services.

2000’s
DMH and DCFS serve as the primary Medicaid mental health service funders and operating agencies well into the 2000’s.

July 2004
HFS, DCFS, and DMH launch SASS. HFS becomes a direct funder and operating agency of CBH services for the first time.

July 2011
DMH funded providers fully transition from grant-based payment arrangements to FFS for Medicaid services. HFS begins adjudicating CMHC claims on DHS’ behalf.

July 2014
Mandatory managed care begins to roll-out to the state’s most populated regions. MCOs become direct funders and operating entities of Medicaid CBH services.

2018
HealthChoice Illinois launches and expands mandatory managed care statewide; Rule 140 amended to standardize CBH services.

2019
An updated Rule 132 is adopted.
Rule 140 is the broad administrative rule governing most aspects of the Illinois Medical Assistance Programs, including:
- Who is eligible,
- Who can provide services, and
- What services are covered and how they will be paid (sound familiar?)

Rule 140 covers more than CBH and sets the requirements (e.g. record requirements, audits, provider enrollment, payment of claims) that every provider must adhere to as condition of participation in the Medicaid program.

Rule 140, Section 453 (140.453) is where CBH services are now defined.
SO, WHAT CHANGED?

- The amendments to Rule 132 and Rule 140 in 2018/2019 significantly changed the regulatory landscape for Medicaid community-based behavioral health.
- CMHC certification and CBH service definitions were split:
  - Rule 132 maintains the requirements and process for organizations to be certified as a CMHC.
  - Rule 140 (Section 453) maintains the CBH service definitions and staff qualifications.
- BHCs (140.499 and 140.Table O) introduced as a new Medicaid provider type qualified to deliver most CBH services.
- Certain Independent Practitioners (IPs) became eligible for reimbursement of a subset of CBH services.
- Program approvals for the delivery of certain CBH services introduced (140.Table N).
WHAT HAVE THESE CHANGES MEANT FOR PROVIDERS?

- Both Rule 132 and Rule 140 updates significantly streamlined requirements, reducing administrative overhead for providers.
  - CMHC certification requirements and processes streamlined.
  - CBH service definitions were streamlined and brought in line with the Medicaid State Plan.
- BHCs provide additional options for smaller organizations, satellite offices, and providers delivering a specialized set of services to participate in the Medicaid program, expanding access to services for more customers.
- Post-payment reviews (PPR) are no longer specifically defined for CMHCs above and beyond audit requirements for other Medicaid providers.
In the context of Medicaid, an audit refers to ensuring provider reimbursement was appropriate (Medicaid basics). Audits may occur as a result of standard program oversight or due to suspected fraud, waste, and abuse.

- May include pre or post payment reviews of services.
- The payer of services, HFS, and the federal government all have a right to audit Medicaid payments made to a provider.

Things that are NOT a Medicaid audit:

- CMHC/BHC certification reviews;
- HFS Program Approvals;
- Accreditation reviews;
- Contract or program monitoring and compliance activities.
WHAT’S NEEDED FOR AN AUDIT?

- During an audit, a reviewer needs to be able to see sufficient documentation to reasonably conclude that services:
  - Were actually provided;
  - Were provided at the level billed;
  - Were delivered consistent with applicable policy; and,
  - Were medically necessary.

- It is the responsibility of the provider to maintain sufficient documentation to support payment for the services billed. This should include:
  - Personnel records for staff rendering services;
  - A signed service note (amount, duration, scope);
  - Completed copies of the customer’s IATP or other medical necessity documentation consistent with HFS policy.

- Any audit on a Medicaid funded service must be conducted in line with policies applicable to the service as defined and interpreted by HFS.
Record requirements, including documentation required for certain services, used to be defined in Rule 132.

Documentation requirements for CBH services were streamlined in the updates to both Rule 132 and Rule 140.

Record requirements for CBH services are now defined in HFS policy:

- 89 Ill. Adm. Code 140.28
- HFS Handbook for Providers of Medical Services, General Policies and Procedures (Chapter 100, Section 110)
- Handbook for Providers of Community-Based Behavioral Services (CBS Handbook)
## Key Players and Their Roles Within the Medicaid CBH System

<table>
<thead>
<tr>
<th>HFS</th>
<th>DHS-DMH</th>
<th>DCFS</th>
<th>MCOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• IL Medicaid Authority</td>
<td>• IL Mental Health Authority</td>
<td>• IL Child Welfare Authority</td>
<td>• Organizations contracted with HFS to administer the Medicaid benefit to enrollees</td>
</tr>
<tr>
<td>• Administers and oversees Medical Assistance Programs, including MCOs</td>
<td>• Issues and administers the MH Block Grant and other grants to establish a continuum of mental health services in the state.</td>
<td>• Establishes state-funded or IV-E funded contracts for additional MH services, child welfare supports, and residential treatment.</td>
<td>• Establishes a Provider Network via contracts of enrolled Medicaid providers</td>
</tr>
<tr>
<td>• Maintains Rule 140, the CBS Handbook and fee schedule</td>
<td>• Maintains Rule 132</td>
<td>• Directly funds FFS CMHC claims for DCFS-involved youth</td>
<td>• Provide care coordination to high-risk and special population enrollees</td>
</tr>
<tr>
<td>• Enrolls Medicaid providers via IMPACT</td>
<td>• Certifying body for CMHCs (BALC)</td>
<td>• Certifying body for CMHCs (IPI)</td>
<td>• Largest funder of Medicaid CBH services</td>
</tr>
<tr>
<td>• Certifies BHCs (OMI)</td>
<td>• Funder of FFS CMHC services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
RESOURCES

- HFS Provider Notices
- HFS Provider Handbooks
- IMPACT
- CBS Fee Schedule
- Rule 132
- Rule 140
- CBS Services FAQ
THANK YOU!

HFS.BHCOMPLIANCE@ILLINOIS.GOV