



STATE OF MARYLAND

DHMH


Maryland Department of Health and Mental Hygiene
Mental Hygiene Administration
Spring Grove Hospital Center – Dix Building
55 Wade Avenue – Catonsville, Maryland 21228

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

Brian M. Hepburn, M.D., Executive Director

MEMORANDUM

TO: Outpatient Mental Health Center ("OMHC") Providers
Health Services Cost Review Commission ("HSCRC") - Reimbursed Psychiatric
Outpatient Service Providers ("RPOSP")

FROM: Brian M. Hepburn, M.D., Executive Director, MHA 

RE: Clarification on HSCRC Reimbursed Psychiatric Outpatient Services (RPOS)

DATE: May 26, 2010

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This memorandum clarifies the Public Mental Health System's ("PMHS") payment and regulatory oversight of HSCRC RPOS. Since HSCRC regulates and sets hospital rates for all hospital services, the requirements for the PMHS rate reimbursement contained in COMAR 10.21.25 do not apply to RPOS. HSCRC rate regulated Inpatient and Outpatient psychiatric services shall comply with HSCRC, Medicaid, and Medicare rules for Hospital Services. The Maryland Medicaid billing rules are contained in the manual "UB 04 Hospital Billing Instructions, Revised April 2010" and Maryland Medicaid regulations.

Since MHA approves providers under its community mental health program regulations to receive public funds, compliance with COMAR 10.21.20 is not required for HSCRC RPOSP. These outpatient programs are not required to comply with this chapter or to request approval for deemed status. As previously stated, rules concerning rates and payment for hospital services are set by HSCRC, not MHA.

According to COMAR 10.09.70, all HSCRC services, inpatient and outpatient psychiatric services are required to be preauthorized, except for emergencies. When preauthorized by MHA's Administrative Services Organization ("ASO"), ValueOptions, and after services are delivered, ValueOptions will pay clean claims for HSCRC services. All providers, including HSCRC RPOSP, are subject to review and audits by MHA and its agents. Documentation

validating the service provision and the medical necessity determination is required according to state and federal laws and regulation.

If you have any questions please contact Lissa Abrams, Deputy Director, MHA at abramsl@dhmh.state.md.us or 410-402-8451. Thank you.

CC: MHA Management Committee
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