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State/Territory: Nevada

### Citation

### Sanctions for Psychiatric Hospitals

1902(y)(1), (a) 1902(y)(2)(A), and Section 1902(y)(3) of the Act (P.L. 101-508, Section 4755(a)(2))

(a) The State assures that the requirements of section 1902(y)(1), section 1902(y)(2)(A), and section 1902(y)(3) of the Act are met concerning sanctions for psychiatric hospitals that do not meet the requirements of participation when the hospital's deficiencies immediately jeopardize the health and safety of its patients or do not immediately jeopardize the health and safety of its patients.

## 1902(y)(1)(A) of the Act

(b) The State terminates the hospital's participation under the State plan when the State determines that the hospital does not meet the requirements for a psychiatric hospital and further finds that the hospital's deficiencies immediately jeopardize the health and safety of its patients.

# 1902(y)(1)(B) of the Act

- (c) When the State determines that the hospital does not meet the requirements for a psychiatric hospital and further finds that the hospital's deficiencies do not immediately jeopardize the health and safety of its patients, the State may:
  - 1. Terminate the hospital's participation under the State plan; or
  - 2. Provide that no payment will be made under the State plan with respect to any individual admitted to such hospital after the effective date of the finding; or
  - 3. Terminate the hospital's participation under the State plan and provide that no payment will be made under the State plan with respect to any individual admitted to such hospital after the effective date of the finding.

## 1902(y)(2)(A) of the Act

(d) When the psychiatric hospital described in (c) above has not complied with the requirements for a psychiatric hospital within 3 months after the date the hospital is found to be out of compliance with such requirements, the State shall provide that no payment will be made under the State plan with respect to any individual admitted to such hospital after the end of such 3-month period.

Effective Date: 10/01/92

TN No. 92-21 Approval Date: Sep 17, 1992 Supersedes
TN No. N/A

### State/Territory: Nevada

<u>Citation</u> 1932(e) 42 CFR 428.726

#### Sanctions for MCOs and PCCMs

- a) The State will monitor for violations that involve the actions and failure to act specified in 42 CFR Part 438 Subpart I and to implement the provisions in 42 CFR 438 Subpart I, in manner specified below:
  - (1) civil penalties in the amounts specified in 42 CFR 438.704;
  - appointment of temporary management for the contractor as provided in 42 CFR 438.706:
  - granting enrollees the right to terminate enrollment without cause and notifying the affected enrollees of their right to disenroll;
  - (4) suspensions of all new enrollments, including default enrollment, after the effective date of the sanction;
  - (5) suspension of payment for recipients enrolled after the effective date of the sanction until CMS or the State is satisfied that the reason for the sanction no longer exists and is not likely to recur; or,
  - (6) any additional sanctions allowed under State statute or State regulations that address areas of non-compliance specified in 42 CFR 438.700 as well as additional areas of non-compliance. Additional sanctions may include liquidated damages and imposition of plans of correction in addition to its remedies at law.

Before imposing any intermediate sanction, liquidated damages, plans of correction, or other remedy against a managed care entity, DHCFP shall provide the Contractor with notice and such other due process protections as the State may provide, except that DHCFP will not provide the Contractor with a pre-termination hearing before imposing the sanction described in SSA, Section 1932(e)(2)(B) (Temporary Management).

b) The State uses the definition below of the threshold that would be met before an MCO is considered to have repeatedly committed violations of section 1903(m) and thus subject to imposition of temporary management:

The State of Nevada may impose the optional sanction of temporary management if it finds through on—site survey, enrollee complaints, financial audits, or any other means that there is continued egregious behavior by the Contractor, including but not limited to behavior described in 42 CFR 438.700 or that is

Approval Date: <u>10/10/03</u> Effective Date: <u>8-13-03</u>

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contrary to any sections of 1903(M) and 1932 of the Act; or if there is substantial risk to the enrollees' health; or the sanction is necessary to ensure the enrollees' health while improvements are made to remedy violations of 42 CFR 438.700 or until there is an orderly termination of the contract.

- c) The State's contracts with MCOs provide that payments provided for under the contract will be denied for new enrollees when, and for so long as, payment for those enrollees is denied by CMS under 42 CFR 438.730(e).
  - Not applicable; the State does not contract with MCOs, or the State does not choose to impose intermediate sanctions on PCCMs.