

MEDICAID SERVICES MANUAL  
TRANSMITTAL LETTER

May 30, 2023

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: CASEY ANGRES  
CHIEF OF DIVISION COMPLIANCE

SUBJECT: MEDICAID SERVICES MANUAL CHANGES  
CHAPTER 2500 – CASE MANAGEMENT

**BACKGROUND AND EXPLANATION**

Revisions to Medicaid Services Manual (MSM) Chapter 2500 – DHCFP is proposing to amend MSM Chapter 2500 – Case Management to add Nevada local county agencies as qualified providers under provider type (PT) Targeted Case Management (PT 54) to deliver Targeted Case Management (TCM) Services to adults with Serious Mental Illness (SMI). Currently county agencies are identifying recipients with SMI in need of case management services but are unable to be reimbursed for these services to assist. This will allow county agencies to continue to see and provide services to these recipients when the need arises at their prospective agencies. Language is also being clarified to identify a Nevada University Health System as a provider in both the State Plan and MSM rather than the Nevada School of Medicine.

Throughout the section, grammar, punctuation, and capitalization changes were made, duplications removed, acronyms used and standardized, and language reworded for clarity.

Entities Financially Affected: This proposed change affects county agencies enrolling as Medicaid providers and delivering TCM Services. Those PTs include but are not limited to Targeted Case Management (PT 54).

Financial Impact on Local Government: No financial impact is currently anticipated for local government as a result of this change.

These changes are effective: April 1, 2023.

<b>MATERIAL TRANSMITTED</b>	<b>MATERIAL SUPERSEDED</b>
MTL OL MSM 2500 – Case Management	MTL 18/22 MSM 2500 – Case Management

<b>Manual Section</b>	<b>Section Title</b>	<b>Background and Explanation of Policy Changes, Clarifications and Updates</b>
2503.2	Target Group-Adults with a Serious Mental Illness (SMI)	Added Nevada local county agencies as qualified providers under PT 54 to deliver TCM to SMI population and to clarify language to identify a Nevada University Health System as a provider in place of the Nevada School of Medicine.

	MTL 05/19
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 2503
MEDICAID SERVICES MANUAL	Subject: TARGET GROUPS

- b. Individualized care plan identifies all medical, social, educational and other support services currently being provided, as well as unmet needs of the recipient.
- c. Documentation supports progress towards specific case management goals identified in the established care plan with barriers identified and addressed.
- 3. Discharge/Exclusionary Criteria:
  - a. No longer meets Non-SMI determination.
  - b. No longer meets the admission and continuing stay criteria.
  - c. Recipient or family chooses not to participate in the program or is non-compliant.
  - d. Recipient requires inpatient psychiatric hospitalization, IMD or Nursing Facility (NF) placement.
  - e. Has sufficient support system to sustain stability not requiring unnecessary or frequent acute admission.

2503.2 TARGET GROUP — ADULTS WITH A SERIOUS MENTAL ILLNESS (SMI)

- A. Adults with an SMI are persons:
  - 1. 18 years of age and older;
  - 2. Who currently, or at any time during the past year (continuous 12-month period);
    - a. Have had a diagnosable mental, behavioral or emotional disorder that meets the coding and definition criteria specified within the current ICD (excluding substance abuse or addictive disorders, irreversible dementias, as well as intellectual disabilities, unless they co-occur with another SMI that meets current ICD criteria);
    - b. That resulted in functional impairment which substantially interferes with or limits one or more major life activities;
  - 3. Have a functional impairment addressing the ability to function successfully in several areas such as psychological, social, occupational or educational. It is seen on a hypothetical continuum of mental health illness and is viewed from the individual's perspective within the environmental context. Functional impairment

<b>DRAFT</b>	<b>MTL-05/19OL</b>
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 2503
MEDICAID SERVICES MANUAL	Subject: TARGET GROUPS

is defined as difficulties that substantially interfere with or limit an adult from achieving or maintaining housing, employment, education, relationships, or safety.

**B. Service Eligibility Determination**

The determination for adults with a SMI is made by a licensed mental health professional (psychiatrist, psychologist, LCSW, LMFT, or master’s degree psychiatric nurse).

**C. Provider Qualifications**

Minimum qualifications of a case manager providing services for SMI adults (which can only be provided by a state agency; **local county agency**, and its employees, ~~or~~ contractors, or an organization affiliated with ~~the—a Nevada University of Nevada School of Medicine~~ **Health System**) are a case manager with a Bachelor’s degree in a health-related field, RN, master’s level professional (LCSW or LMFT), APRN in mental health, psychologist, or mental health professional who works under the direct supervision of a person listed above.

**D. Service Criteria**

**1. Admission Criteria**

Must meet of all the following:

- a. A current ICD diagnosis (excluding Z-Codes, dementia, intellectual disabilities, or a primary diagnosis of a substance abuse disorder, unless these co-occur with another mental illness ~~t~~hat meets current ICD criteria).
- b. Recipient requires assistance in obtaining and coordinating medical, social, educational, and other support services.

**2. Continuing Stay Criteria**

Must meet all of the following:

- a. Continues to meet admission criteria.
- b. Individualized care plan identifies all medical, social, educational, and other support services currently being provided, as well as unmet needs of the recipient.

	MTL 05/19
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 2503
MEDICAID SERVICES MANUAL	Subject: TARGET GROUPS

- c. Documentation supports progress towards specific case management goals identified in the case management care plan and barriers have been identified and addressed.

DRAFT