
Program Memorandum Intermediaries

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal A-01-33

Date: MARCH 14, 2001

CHANGE REQUEST 1597

SUBJECT: Fiscal Intermediary (FI) Community Mental Health Center (CMHC) Enrollment and Change of Ownership (CHOW) Site Visit Process and Coordination with National CMHC Site Visit Contractor

PURPOSE

This Program Memorandum (PM) re-issues PM A-00-18, Change Request 1109, dated April 2000. It revises instructions regarding the FI's responsibilities in the initial enrollment and CHOW processes for CMHCs as a result of legislative changes enacted with §431 of the Benefit Improvement and Protection Act (BIPA) of 2000. FIs are no longer required to contact the appropriate HCFA regional office (RO) to determine whether the applicant CMHC has the legal capacity under State law to provide screening services for admission to State mental health facilities.

BACKGROUND

FIs have the responsibility of reviewing CMHC enrollment applications, verifying specific data elements, and those applications that the FI approves, are then referred to the Program Safeguard Contractor to conduct site visits. As part of the current application review process, FIs must contact the appropriate HCFA RO to determine whether the applicant CMHC has the legal capacity under State law to provide screening services for admission to State mental health facilities as one of the four core service requirements under the Public Health Service Act (PHSA).

BIPA 2000 REVISION

As a result of this BIPA 2000 amendment which became effective March 1, 2001, a CMHC that is precluded by State law from providing the core service related to screening described in §1913(c)(1)(E) of the PHSA, must provide the screening under a contract with an approved organization or entity that is determined to be acceptable by HCFA on behalf of the Secretary. **Consequently, in the case of a CMHC applicant operating in a State that by law precludes the CMHC from providing the preadmission screening, FIs are no longer required to contact the HCFA RO to make this legal capacity determination.**

ENROLLMENT ACTIONS

After you have completed your usual enrollment process and conclude that the CMHC applicants should be enrolled in the Medicare program, contact IntegriGuard (a division of California Medical Review, Incorporated (CMRI)) to complete the CMHC site visits. IntegriGuard can be contacted at the following:

- o Address: Program Manager
IntegriGuard Division
CMRI
CMHC Site Visit Task Order
One Sansome Street, Suite 600
San Francisco, California 94104

HCFA-Pub. 60A

- o Phone: (415) 951-1008
- o Fax: (415) 951-1079
- o E-mail: cmhc@integriguard.org.

For Initial CMHC Applicant Enrollment

CMHCs require an on-site visit prior to enrollment. Follow your current procedures for provider enrollment, including communicating and sharing information with the State Agencies (SAs) (or for FIs in RO IX, your RO) regarding enrollment up to and including verification of Form HCFA- 855. If Form HCFA-855 cannot be verified, follow current procedures for recommending denial of enrollment.

In addition to your current provider enrollment procedures, check for a completed and signed CMHC attestation statement from the SA (or for FIs in RO IX, your RO). If the CMHC has not filed a completed attestation statement with the SA (or for FIs in RO IX, your RO), follow current procedures for recommending denial, and file a recommendation for denial.

If Form HCFA-855 has been verified, and the CMHC has filed a completed attestation statement, send a copy of Form HCFA-855 back to the SA (or for FIs in RO IX, your RO) for retention, and issue your recommendation for approval. Using Attachment B, “Community Mental Health Center Site Visit Request Form,” contact the National CMHC Site Visit Contractor via e-mail to initiate a site visit of the CMHC applicant. Send carbon copies of the request to the SA (or for FIs in RO IX, your RO), the appropriate RO Division of Medicaid and State Operations (DMSO), and the RO provider enrollment contact.

Direct all calls and correspondence regarding the CMHC site visit process to the appropriate RO DMSO address.

Once the site visit is completed, the RO DMSO will contact you via the provider agreement tie-in notice to inform you of the outcome of the site visit review process and the effective date, if applicable.

For Visits to Existing Medicare CMHCs

There may be instances, such as a CMHC audit, which may prompt the RO DMSO or another FI unit (i.e., audit) to request a site visit of an existing CMHC. When asked to initiate a site visit use Attachment B, “Community Mental Health Center Site Visit Request Form,” to send a written site visit request to the National CMHC Site Visit Contractor, indicating the reason for the visit.

The National CMHC Site Visit Contractor will contact you prior to the site visit for information about the CMHC, including:

- o Significant cost report audit information;
- o Significant medical review information;
- o Significant fraud information;
- o HCIS data from the two most recent completed data years on the CMHC to be visited; and
- o Any information regarding overpayments from the overpayments database.

If possible, provide this information with your request for the site visit, or upon request, or as soon as possible.

In instances where a site visit is completed for an existing CMHC that does not have Form HCFA-855 on file, send Form HCFA-855 to the CMHC for completion.

Direct all calls and correspondence regarding the CMHC site visit process to the appropriate RO DMSO address.

For CHOW Processing

If the CHOW applies to a CMHC, do the following to facilitate and ensure a site visit is completed. Be aware that the date of the CHOW is the date of the CMHC sale. A CHOW without prior notification is automatically processed as an assigned CHOW as explained in the “CHOW With Assignment” section below.

CHOW Without Assignment

If the CMHC buyer does not or will not be accepting assignment, the CMHC seller must submit Form HCFA-855C to apprise you of the CHOW as soon as possible. The CMHC buyer should submit a new Form HCFA-855 and be treated as an initial applicant in accordance with the Medicare Intermediary Manual (MIM), §3040.21 and all other applicable instructions and procedures for initial applicants, with one exception: contact the National CMHC Site Visit Contractor 3 months after the date of the CMHC sale/CHOW to initiate the site visit.

Before initiating a site visit, check to ensure that the CMHC has not changed its address. If the CMHC has changed its address, notify the RO in writing. Use Attachment A, “Community Mental Health Center Notification and Approval of Address Change,” and suspend the enrollment process.

For workload purposes, you may deduct the amount of time it takes to receive notice from the RO DMSO that the CMHC has not left the community it was approved to serve. From the application processing time start counting the deducted time from the day after the request is mailed and begin counting the application processing time again on the day the approval is received back from the RO DMSO to account for any time lapse you may experience in obtaining this information.

Once the RO DMSO determines that the CMHC has not left the community it was originally approved to serve, continue the enrollment process. If the RO DMSO does not approve the change of address, follow current procedures for recommending denial, file the recommendation and cite the reason.

CHOW With Assignment

If the CMHC owners are or will be accepting assignment, the following should be done:

- o The CMHC seller must submit Form HCFA-855C to apprise HCFA of the CHOW as soon as possible. The CMHC buyer must submit Form HCFA-855,.
- o Once received, verify and process Form HCFA-855 in accordance with current procedures; and
- o If Form HCFA-855 cannot be verified, follow current procedures for issuing a Recommendation for Denial.

Check for a completed and signed CMHC attestation statement from the SA (or for FIs in RO IX, your RO). If the CMHC has not filed a completed attestation statement with the SA (or for FIs in RO IX, your RO), follow current procedures for recommending denial, and cite the reason.

Check to ensure that the CMHC has not changed its address. If the CMHC has changed its address, notify the RO in writing. Use Attachment A, "Community Mental Health Center Notification and Approval of Address Change," and suspend the enrollment process.

For workload purposes, you may deduct the amount of time it takes to receive notice from the RO DMSO that the CMHC has not left the community it was approved to serve. From the application processing time start counting the deducted time from the day after the request is mailed and begin counting the application processing time again on the day the approval is received back from the RO DMSO to account for any time lapse you may experience in obtaining this information.

Once the RO DMSO determines that the CMHC has not left the community it was originally approved to serve, continue the enrollment process. If the RO DMSO does not approve the change of address, follow current procedures for recommending denial, file the recommendation and cite the reason.

If Form HCFA-855 is verified, the CMHC has filed a completed attestation statement, and has not changed its address, send a copy of Form HCFA-855 back to the SA (or for FIs in RO IX, your RO) for retention, issue the recommendation for approval.

Three months after Form HCFA-855 verification, or sooner if the CMHC applicant is suspect but cannot be denied enrollment based solely on the information provided on the Form HCFA-855, using Attachment B, "Community Mental Health Center Site Visit Request Form," contact the National CMHC Site Visit Contractor via e-mail to initiate a site visit of the CMHC applicant. Send carbon copies of the request to the SA (or for FIs in RO IX, your RO), the appropriate RO DMSO, and the RO provider enrollment contact. The National CMHC Site Visit Contractor will contact you prior to the site visit for information about the CMHC prior to and after the CHOW, including:

- o Significant cost report audit information;
- o Significant medical review information;
- o Significant fraud information;
- o HCIS data from the two most recent completed data years on the CMHC to be visited; and
- o Any information regarding overpayments from the overpayments database.

Provide this information upon request or as soon as possible. In addition, you may provide this information with your request for the site visit.

Direct all calls and correspondence regarding the CMHC site visit process to the appropriate RO DMSO address.

Once the site visit has been completed, the RO DMSO will contact you with the outcome of the site visit review process. In addition, the RO DMSO may determine that the results of the site visit warrant action such as payment suspension.

The *effective date* for this PM is March 1, 2001.

The *implementation date* for this PM is March 14, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after April 1, 2002.

If you have any questions, contact James L. Ralls on (410) 786-9504.

ATTACHMENT A

COMMUNITY MENTAL HEALTH CENTER NOTIFICATION AND APPROVAL OF ADDRESS CHANGE

Date:

Dear HCFA Regional Office Division of Medicaid and State Operations:

In processing the following Medicare Community Mental Health Center (CMHC)'s change of ownership (CHOW) application, it was discovered that the CMHC applicant buyer has undergone a change in address. In order to complete the enrollment process, it is necessary for the Fiscal Intermediary (FI) to verify with you in writing that the CMHC applicant will still be serving the community it served before the address change. Complete the regional office (RO), Division of Medicaid and State Operations (DMSO) portion of this form and return it to the FI contact person at the address, fax number, or e-mail address listed below. Thank you.

The following information has been reported by the CMHC applicant on Form HCFA-855:

(FI completes the following for the CMHC applicant)

Doing Business as Name: _____

Legal Name: _____

Current Address: _____

Previous Address: _____

Current Phone Number: _____

Previous Phone Number: _____

Owner(s) Name: _____

Managing/Directing Employee: _____

Contact Person: _____

CHOW Date: _____

(FI completes the following)

FI Name: _____

Address: _____

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Contact Person: _____

(Regional Office Division of Medicaid and State Operations completes the following)

Date: _____

The address change reported for the CMHC applicant noted above (check one):

_____ HAS BEEN approved.

OR

_____ HAS NOT been approved.

RO DMSO Contact Person: _____

Address: _____

Phone Number: _____

Fax Number: _____

E-mail Address: _____

ATTACHMENT B

COMMUNITY MENTAL HEALTH CENTER SITE VISIT REQUEST FORM

Date of request: _____

Check type of site visit:

_____ Initial applicant

_____ Change of ownership with assignment

_____ Change of ownership without assignment

_____ Other - (explain reason for visit) _____

Please complete the following for the CMHC applicant requiring a site visit:

Name: _____

Address: _____

Phone Number: _____

Owner(s) Name: _____

Managing/Directing Employee: _____

Contact Person: _____

Please complete the following for the fiscal intermediary:

Name: _____

Address: _____

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Contact Person: _____

Corresponding HCFA Regional Office: _____

HCFA Regional Office Contact: _____