

State of Wisconsin  
Department of Health Services  
Division of Mental Health and Substance Abuse Services

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DMHSAS Memo 2010-04

(This replaces DMHSAS Memo 2009-06, Rate Information for Billing for Services Provided by the Mental Health Institutes)

Index Title: Rate Information for Billing for Services Provided by the Mental Health Institutes.

To: DMHSAS Listserv

For: County Departments of Community Programs Directors  
County Departments of Developmental Disabilities Services Directors  
County Departments of Human Services Directors  
County Departments of Social Services Directors

From: John Easterday, Ph.D., Administrator  
Division of Mental Health and Substance Abuse Services

Subject: Rate Information for Billing for Services Provided by the Mental Health Institutes.

**Document Summary**

Each year, the Wisconsin Department of Health Services reviews and revises the rates charged for services at the mental health institutes. The mental health institute rates are effective October 1, 2010.

The Wisconsin Department of Health Services develops and approves the rates for the mental health institutes. Rates are based on the actual cost of providing these services and the availability of third party revenues such as Medicare and Medicaid. Increasing the Medicaid funding to approximate costs enabled the Department to set lower rate increases than would otherwise be necessary at the mental health institutes. The state rate for the mental health institutes is comparable to, if not less than, the rates of other Wisconsin psychiatric facilities offering similar services. The October 1, 2010 average daily inpatient room rate increase averages 9.0 percent for Mendota Mental Health Institute and 9.5 percent for Winnebago Mental Health Institute. The daily rates at both facilities are now the same and will be considered system-wide rates.

**Rate Schedule for Mental Health Institutes  
October 1, 2010 - September 30, 2011**

<b>Per Day Inpatient Rate</b>	<b>Mendota</b>	<b>Winnebago</b>
Adult Psychiatric Services	\$ 969	\$969
Geropsychiatric	\$1,020	
Child / Adolescent		\$940
Forensic – all security levels	\$ 969	\$969
TLC/STEP/Gemini		\$969
Emergency Detention Add-On for first three days of service (plus intervening weekends and legal holidays)	\$ 200	\$200
Non-typical Services Add-On	\$ 200	\$200
<b>DAY SCHOOL – per hour</b>		\$ 30

**Changes In 2009 Wisconsin Act 28 (Wisconsin 2009-11 Biennial Budget):** Three (3) changes were made in 2009 Wisconsin Act 28. They are:

**Emergency Detention Approvals:** Effective June 30, 2009, s. 51.15 (2) has been changed to require approval of the need for detention from the County Department of Community Programs in the county where the individual was taken into custody prior to transporting the person for detention at either Mendota Mental Health Institute or Winnebago Mental Health Institute.

**Services For Children And Elderly:** Effective January 1, 2010, s.49.45 (30r) requires the county provide the non-federal portion of the payment for services for patients that are under 21 years of age, are under 22 years of age and who were receiving services immediately prior to reaching age 21, or who are 65 years of age or older. The Department will bill the county the full daily rate for these patients and return the federal share of the payment to the county when received. Effective April 1, 2010, Mendota Mental Health Institute stopped serving children and adolescents. Children and adolescents are being served at Winnebago Mental Health Institute.

**Payment Protocol:** Per s. 51.42(3)(as)2, the Department shall deduct the amount due from a county department from any payment due from the Department to the County.

**Non-Typical Services:** The Department seeks to minimize shifting costs whenever possible. Under a straight flat-rate system, some costs would be shifted to counties who are responsible for patients who do not have extraordinary costs. To minimize this, the non-typical costs are broken out separately from the flat rate, and only the counties who have the patients requiring these unusual services incur these costs.

When a patient requires non-typical services or non-emergency outpatient medical care, the county will be notified 48 hours prior to initiating services and, in emergency situations, within 8 hours of initiating services. Notification will be by mail or FAX. The county is afforded the opportunity to discuss the situation with a representative of the institute empowered to act on behalf of the institute. The county and institute may agree to an alternative course of action or the county may request the discharge of the patient to pursue the county's choice of an alternate course of action. If the county agrees to the proposed course of action or there is no agreement, the institute will continue the course of action and the county will be liable for the non-typical charge add-on from the institute.

**Inpatient Medical Related Hospitalization:** When a patient requires inpatient hospitalization outside an institute, the county will be notified as soon as possible before the hospitalization or at a minimum within 8 hours of initiating services. Notification will be by mail or FAX. The county should work with the outside organization to determine the appropriate entity to be billed for the inpatient charges. The responsible entity will be billed directly by the outside organization for the hospitalization and all outside costs associated with it. The patient will be discharged to the outside organization for the period of hospitalization and re-admitted to the institute when discharged from the outside organization. The county is not billed daily institute rates during outside hospitalization.

**Payment For Evaluation Or Treatment Ordered By A Juvenile Court Under Chapter 938, Wis. Stats.:** Medicaid (MA) will not pay for court ordered evaluation or treatment services provided to a juvenile under chapter 938 because these services are not considered to be medically necessary (the same as for services provided under the adult criminal code in sections 971.14 and 971.17, Wis. Stats.). Therefore, the county that orders evaluation or treatment services under chapter 938 is responsible for payment for these services, as required under sections 938.295, 938.34(6)(a), (b), and (c), 938.361, and 938.362, Wis. Stats. The county of the court ordering the examination or treatment will receive the bill. The rates charged to the county are based on the daily rates of the unit where the juvenile resides during his/her stay at the institute.

The only exception to county financial responsibility is when alcohol or other drug abuse treatment is determined to be medically necessary under paragraph 938.34(6)(am), in which case MA may pay for the service that is provided in an approved alcohol or substance abuse treatment unit.

**Court-Ordered Adult Competency Evaluation Charges:** s. 51.42(3)(as)1m allows the state to bill for stays at the institutes beginning 48 hours, not including weekends and legal holidays, after notification the evaluation is completed. This statute states, "A county department of community programs located in the county of the court ordering the examination, shall reimburse

a mental health institute at the institute's daily rate for custody of any person who is ordered by the court to be examined at the mental health institute under s. 971.14(2) for all days that the person remains in custody at the mental health institute, beginning 48 hours, not including Saturdays, Sundays, and legal holidays, after the sheriff and county department receive notice under s. 971.14(2)(d) that the examination has been completed.”

**Definitions:**

*Non-typical Services* - services not normally required by a patient; e.g., 1:1 coverage greater than 4 hours within a 24-hour period for additional management and monitoring of dangerous patients' behaviors such as self-harm, harm to others, suicide precautions and other behaviors deemed too severe to be managed within typical staffing patterns. Non-typical Services include, but are not limited to, outpatient medical care, 1:1 care greater than 4 hours in a 24-hour period and increased costs to provide mental health services specific to a particular patient, e.g. interpreter services for deaf or non-English speaking patients.

*Emergency Situation* - a situation whereby a physician using his / her medical judgment determines serious harm will result to the patient if the proposed action is delayed 48 hours; e.g. hospitalization, outpatient medical care, or other non-typical services.

For additional information and questions regarding this memo:

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