

Title: Child Welfare Manual
Section 4: Out-Of-Home Care
Chapter 20: Psychiatric Hospital Placement
Effective Date:

Section 4 Overview

This section pertains to the policy and procedures necessary when an out-of-home placement of a child is imminent or has occurred.

Chapter 20 Overview

This chapter describes the process required when the recommendation is made that a child be placed in a hospital setting for psychiatric treatment.

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NOTE: Psychiatric hospitalization should be considered a treatment resource Not a placement resource.

Chapter Memoranda History: (prior to 01-31-07)

Memoranda History:

20.1 Definition And Criteria For Placement

It may, on occasion, be necessary to place a child who is in the custody of the Children's Division (CD) in a private psychiatric hospital or a general hospital which offers inpatient psychiatric services. Such a placement should be limited to situations where a child needs the diagnostic and treatment services that only a psychiatric hospital can provide. The American Academy of Child and Adolescent Psychiatry issued a policy statement in June 1989 which provides the following basic guidelines for psychiatric hospital admission:

- The child has a psychiatric disorder which is of such severity as to cause significant impairment of daily functioning in at least two (2) important areas of his/her life, i.e., school performance, social interactions, or family relationships;
- The treatment proposed is relevant to the problems diagnosed and adjudged likely to benefit the child; and
- Other available less restrictive treatment resources must have been considered and determined to be not available or not appropriate to the child's needs or have been attempted and proven unsuccessful.

If a child is in psychiatric crisis, or in cases where the child has already been hospitalized, the Children's Service Worker should consult with appropriate supervisory staff immediately to determine if the child is a potential candidate for psychiatric hospitalization.

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20.2 Psychiatric Hospital Placement And Service Delivery

Staff is encouraged to use facilities that also have a residential contract with CD. This is especially important if it is anticipated that the child's stay will exceed the Medicaid Professional Activity Study (PAS).

Medicaid provides payment for hospital placements based on a PAS determination. The number of days for which Medicaid will pay depends on the specific diagnosis. Each hospital should have a listing of the PAS for each distinct diagnosis or combination of diagnoses. The actual number of days paid by Medicaid will be determined by the discharge diagnosis. Within the first week, the hospital should be able to complete a preliminary diagnosis and estimate the number of days of stay.

The area director (or designee) must be notified as soon as it appears a stay beyond the approved PAS will be necessary. It is the responsibility of the area director (or designee) to approve extended hospitalization days:

- The Children's Service Worker monitors the number of days a child is in a psychiatric facility.
- Near the end of the allowed length of stay, the Children's Service Worker contacts the facility to discuss the child's discharge plan:
 - When a Medicaid eligible child is in need of an inpatient extension that is medically necessary (versus no other placement available) the Children's Service Worker should request, with area office approval, that the facility seek prior approval of the extension through the Division of Medical Services (DMS) for DMS payment of the service.
 - If DMS denies, the facility should submit the invoice for payment to the county office. Such an invoice is forwarded through normal supervisory channels to the Program Development Systems Unit (PDSU). PDSU enters form CS-65 in the Children's Services Integrated Payment System (CSIPS) to generate payment. A copy of the CS-65 form will be returned to the case manager county and the area director who approved the extension.

Extended psychiatric hospital placement is considered a form of residential treatment and will be charged to the residential treatment appropriation.

It is necessary to monitor and evaluate the placement of children in a private psychiatric hospital. To do so effectively, the following procedures have been developed:

1. Prior to or upon placement of a child in a private psychiatric hospital, the Children's Service Worker shall:
 - a. Attempt to utilize a hospital which has a contract with the Children's Division;

- b. Request that the hospital provide, in writing, a treatment plan, diagnosis, and the expected length of stay within seven (7) calendar days of admittance;
 - c. Notify the area director, in writing, of the placement, including the reasons for this type of placement and expected length of stay;
 - d. Notify the hospital that the maximum length of stay shall be the PAS for this diagnosis unless approval is received from the area director (or designee);
 - e. Refer to the Area Office, any child(ren) placed in a private psychiatric hospital, when long-term residential treatment services (RTS) are anticipated.
 - f. Prepare a RCST referral and forward the packet to the area RCST within five (5) days of placement. The referral should include the following:
 - Form CS-9;
 - A list of specifically identified and described problems;
 - A list of specifically identified strengths;
 - Placement history including date child entered CD custody and number and type of previous placements;
 - Current social/family history;
 - Current IEP and/or other appropriate educational material;
 - Current medical evaluation and other appropriate medical records;
 - Current psychological evaluation and counseling reports; and
 - Any other appropriate information (including hospital admission summary and diagnoses).
2. During the child's stay in the hospital, the Children's Service Worker shall:
- a. Develop a control system to indicate the maximum stay approved by the PAS;
 - b. Make plans to move the child no later than the PAS deadline, unless the area director (or designee) approves an extension;

- c. Notify the Area Director (or designee), via a report requesting an extension, as soon as the length of stay is expected to exceed the PAS. Approval for extension shall only be authorized by the area director (or designee); The following information should be included in the report:
 - A description of the efforts made to secure an alternate placement;
 - A copy of the hospital's diagnosis and recommended treatment;
 - An explanation of the continued need for care at the psychiatric facility, and
 - An indication, if appropriate, that a referral has been made to the area office for residential treatment services (RTS) or Department of Mental Health, or if transfer of custody is planned.
- d. Request the hospital seek prior approval of the extension through DMS for extended Medicaid payment of the service. The hospital should request DMS to also notify the CD county office of the decision.
- e. If DMS approved, request the hospital invoice DMS to determine the amount to be paid through Medicaid.
- f. If DMS denied, request the hospital to invoice the county office. Send the invoice, through normal supervisory channels, to PDSU.
- g. Forward to the area office, as soon as available, the hospital diagnosis indicating continued need for psychiatric care. The area office will utilize this material in attempting to obtain an appropriate alternate placement.
- h. For children whose diagnosis indicates a need for long-term care in a psychiatric or other facility, assess whether continued CD custody is appropriate. If the child presents very unusual needs or characteristics for which other agencies have more appropriate resources (i.e., severe mental health diagnosis or severe mental retardation), it may be appropriate to request transfer of custody to another agency such as a division of DMH.

3. The Area Director (or designee) shall:

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- a. Notify the Children's Service Worker of the decision regarding approval for child to remain in the facility prior to expiration of the PAS days;
- b. Notify the Deputy Director/Children's Services of children approved for inpatient psychiatric hospitalization past the PAS end date. This notification will include:
 - Child's DCN number,
 - Current location of child, and
 - An explanation of the continued need for care at the psychiatric facility.

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