

State of 

Maryland

**MEDICAL CARE POLICY ADMINISTRATION
DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

201 WEST PRESTON STREET • BALTIMORE, MARYLAND 21201

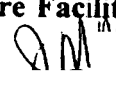
Parris N. Glendening
Governor

Martin P. Wasserman, M.D., J.D.
Secretary

**MARYLAND MEDICAL ASSISTANCE PROGRAM
Managed Care Organization Transmittal No. 3**

February 23, 1998

**Managed Care Organizations
Intermediate Care Facilities - Alcoholic (ICF-A)**

FROM: Joseph M. 
Medical Care Policy Administrator

NOTE: Please ensure that appropriate staff members of your organization are informed of the contents of this transmittal

Payment Responsibilities for Addiction Services Provided in ICF-As

When an eligible Medical Assistance recipient under the age of 21, who has not yet been enrolled in an MCO, is admitted into an ICF-A for a medically approved stay, the Medical Assistance Program is responsible for reimbursement of that stay up to the point at which the recipient is enrolled in an MCO. Once the recipient is enrolled in an MCO, the MCO is responsible for payment of the remaining portion of the recipient's approved stay in the facility.

This policy differs from that applied to days of a hospital admission which began prior to a recipient's enrollment in an MCO. In that situation, an MCO is not responsible for payment of those days of a hospital stay that occur after the recipient's enrollment in an MCO. The basis for the difference in the treatment of days remaining in an approved stay in an ICF-A and the days remaining in a medically necessary inpatient hospital stay is due to the definition of a "hospital" in the HealthChoice regulations. "Hospital" as defined at COMAR 10.09.62,01A(70) does not include an ICF-A as part of that definition. Program expenditures for ICF-A services were included in the development of MCO capitation rates. Therefore, MCOs must assume financial responsibility for these services upon enrollment of the recipient.

Questions concerning this transmittal should be directed to the Division of Acute Care, Medical Care Policy Administration, at (410) 767-1455