TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency Rule No: 560-X-10-.20. Rule Title: Conditions Under Which Nursing Facilities are Not Classified as Mental Disease Facility Under Title XIX New Rule; X Amend; Repeal; Adoption by Reference Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes Is there another, less restrictive method of regulation available that could adequately protect the public? No Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? No Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Does the proposed rule have any economic impact? If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975. Certification of Authorized Official I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service. Signature of certifying officer: Stuhame Kindlan Date: 111712016 FOR APD USE ONLY PUBLISHED IN VOLUME ISSUE NO. EDITED AND APPROVED BY DOCUMENT NO.

ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

RULE NO. & TITLE: 560-X-10-.20. Conditions Under Which Nursing Facilities are Not Classified as Mental Disease Facility Under Title XIX

INTENDED ACTION: Amend 560-X-10-.20.

SUBSTANCE OF PROPOSED ACTION: The above referenced rule is being amended to update terminology used in the rule.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than January 4, 2017.

CONTACT PERSON AT AGENCY: Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.

Stephanie McGee Azar

Commissioner

Rule 560-X-10-.20 Conditions Under Which Nursing Facilities are Not Classified as Mental Disease Facility Under Title XIX

- (1) Nursing facilities located on grounds of State Mental Hospitals or in the communities, must follow the required criteria to meet specific conditions in order to be eligible for Federal matching funds for care provided to all individuals eligible under the State Plan.
- (2) The Alabama Medicaid Agency is responsible for coordinating with the proper agencies concerning the mental disease classification of nursing facilities. Facilities are NOT considered institutions for mental disease if they meet the following criteria:
- (a) The facility is established under State law as a separate institution organized to provide general medical care and does offer and provide such care.
- (b) The facility is licensed separately under a State law governing licensing of medical institutions other than mental institutions.
- (c) The facility is operated under standards which meet those for nursing facilities established by the responsible State authority.
- (d) The facility is operated under policies which are clearly distinct and different from those of the mental institutions and which require admission of patients from the community who need the care it provides.
 - (e) The facility is dual certified under Title XVIII and XIX.
- (f) The facility is not maintained primarily for the care and treatment of individuals with mental disease.
- (3) If the facility under examination meets one of the following criteria, it is deemed to be maintained primarily for the care and treatment of individuals with mental disease:
 - (a) It is licensed as a mental institution;
 - (b) It is advertised as a mental institution;
- (c) More than fifty percent (50%) of the patients are receiving care because of disability in functioning resulting from a mental disease. Mental diseases are those listed under the heading of Mental Disease in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, International Classification of Diseases, adopted for use in the United States (ICD-910 or its successors), except for mental retardation intellectual disability.
- (4) Mental illness definition: An individual is considered to have mental illness if he or she has a current primary or secondary diagnosis of a major mental disorder (as defined in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition or its successors), and does not have a primary diagnosis of dementia (including Alzheimer's disease or a related disorder).

Author: Robin Arrington, Associate Director, LTC Provider/Recipient Services Unit. **Statutory Authority:** State Plan; Title XIX, Social Security Act; 42 C.F.R. Section 401, et seq. and 483.

History: Rule effective October 1, 1982. Emergency rule effective January 1, 1989 and February 1, 1989. Amended April 14, 1989 and May 12, 1989. Emergency rule effective January 1, 1990. Amended April 17, 1990. Emergency rule effective October 1, 1990. Amended February 13, 1991. **Amended:** Filed November 17, 2016.