

# PMIC INFORMATION SHEET

## PMIC Overview

A Psychiatric Medical Institution for Children (PMIC) is a non-secure institution that provides 24 hours of continuous care and diagnostic or long-term psychiatric services to children (under age 21). PMIC's may provide mental health or substance abuse services. PMIC's must be licensed as health care facilities and must also have a license as either a foster care facility or a substance abuse treatment facility.

## Who is eligible?

In order for services to be paid by Medicaid, residents of psychiatric medical institutions, including children in PMIC's, must meet the income, resource and program guidelines of a Medicaid Coverage group. The person must also meet the eligibility requirements for payment for care in a medical institution. A person must:

- Need the level of care provided by the PMIC.
- Be certified for care by an independent team. For PMIC's providing substance abuse treatment services, this requirement is satisfied by the Iowa Plan's authorization process. No additional documentation is required.
- Have lived in an institution for 30 days if the person's eligibility will be determined under the 300 percent eligibility group.

The PMIC must obtain authorization for admission and continued stay for Medicaid applicants or recipients. For children in PMIC's, the Iowa Medicaid Enterprise (IME) Medical Services Unit completes the determination for mental health services and the Iowa Plan completes the determination for substance abuse services.

## Eligibility for the month of entry

In the month of entry for a child who enters from home and is not active on a Family Medical Assistance Program, in Foster Care or Receiving an Adoption Subsidy, the income of the parents is considered to determine eligibility and calculate client participation (amount owed to the facility for the child's care). If the child is **eligible** with the parent's income counted, they will be approved as of the date of entry if all other eligibility requirements have been met. If the child is **not eligible** with the parent's income for the month of entry, the child will be approved as of the first of the following month, if the child meets all eligibility requirements as an individual. In those cases, the parent will be responsible for paying the PMIC privately for the month of entry. If the child enters from another placement, i.e.; hospital, foster care placement, or other qualified out-of-home placement, the child is considered an individual for the month of entry and the parent's income is not counted for eligibility or client participation.

If the child is active on a Family Medical Assistance Program, in Foster Care or Receiving an Adoption Subsidy, the income of the parents is not considered for the month of entry. The child's income (Child Support, Adoption Subsidy payments, Social Security, Railroad benefits, Veteran's benefits, earnings, trust payments, etc.) is counted for the calculation of client participation.

## Eligibility for the ongoing months

In the months following the month of entry, the child is considered an individual and parental income is not counted for eligibility or for the client participation calculation. Child's income (as listed above) is counted for determining client participation.

## Client Participation

Parental income is counted for the month of entry into the facility in some circumstances as described above. There is a deeming process for parental income. The facility unit will need verification of the household members residing in the parental home and verification of the gross monthly income for each member of the household in order to complete the deeming process. Household member's income information is needed for parents and siblings under the age of 18 that are residing in the household with the child. The child's income is counted for client participation for all months of their stay.

If the child receives **Adoption Subsidy** Income, the adoptive parent and the adoption subsidy worker will need to make the decision of whether to drop the subsidy amount to \$50.00 per month or to keep the adoptive subsidy payment as it is. If the subsidy is dropped to \$50.00, the subsidy will not be counted in the calculation of client participation. If the subsidy is not dropped to \$50.00, the amount over \$50.00 will be counted and will be owed to the PMIC monthly for the child's care.

If the child receives **Supplemental Security Income (SSI)**, the facility unit will contact the Social Security Administration and (depending on length of stay), the child's SSI may drop to \$30.00 per month while in placement.

All other income of the child is counted for the client participation calculation and will be owed to the facility for their care based on the calculation. If the child's income varies from month to month, you will want to report the changes so that the client participation can be adjusted based on actual income. The child will receive a \$50.00 personal needs allowance to keep monthly from their income for their personal needs. There may also be a home maintenance allowance deducted from the client participation in the month of entry to the PMIC and the month of discharge from the PMIC if the child enters from their home.

## Billing

The PMIC will bill the responsible person for the monthly client participation. The PMIC will bill private insurance first, then the client participation, and then Medicaid. If private insurance pays all or some of the costs and there is nothing remaining, the client would not owe the client participation.

**Example 1:** Amount owed is \$10,000.00 for care; insurance pays \$7500.00; Child has monthly client participation of \$500.00 and are charged the full client participation and Medicaid is billed the remaining \$2000.00.

**Example 2:** Amount owed is \$5000.00; insurance pays \$4800.00. Child's client participation is \$500.00. Child is billed \$200.00 and there is nothing billed to Medicaid.

## Notice of Decision

The parent or guardian of the child will receive a Notice of Decision approving or denying PMIC Medicaid. It is very important that you check the beginning date of the approval to determine if the child is eligible from the date of entry or from the first of the next month. If the first partial month is not approved, the facility **will bill you privately** for the cost of care for the partial month (after billing any other insurance that will be paying for care). If the Notice of Decision indicates the PMIC Medicaid is denied, **parents will be responsible to pay the facility privately**. (Note: If the denial is due to information that was not provided, you may provide the information necessary to determine eligibility within a 14 day grace period of the Notice of Decision and the eligibility will be determined when the necessary information is received.)