

Institutes for Mental Disease – In Lieu of Service

Carolina Complete Health has recognized that your facility has been designated as an Institution for Mental Disease (IMD) based on the federal definition which has been adopted by NC DHHS:

“The term ‘institution for mental diseases’ means a hospital, nursing facility, or other institution of more than 16 beds, that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care, and related services. This service is designed to provide continuous treatment for members with acute psychiatric problems.”

Carolina Complete Health offers services or settings that are medically appropriate, cost-effective substitutions for services covered by NC Medicaid. These are called “in lieu of” services. Carolina Complete Health offers the following in lieu of services:

Institute of Mental Disease (IMD) in lieu of Emergency Department stays and Medical Stays for Behavioral Health Needs: This service offers psychiatric and therapeutic interventions including medication management, group therapy and room and board. The goal of this service is stabilization of psychiatric symptoms to allow for treatment in a less restrictive setting.

Prior authorization is required for all Inpatient Psychiatric and Substance Use services. Carolina Complete Health will monitor utilization of IMD through the utilization management system. Carolina Complete Health’s utilization management process for IMD’s is as follows:

Please note the following applies to ages 21 through 64. IMD limits do not apply to kids under age 21 that might also be in a facility.

- 1) For mental health admissions, an admission review is completed every three (3) days followed by an Administrative Denial after fifteen (15) days in a calendar month.
 - a. IMDs are able to bill up to fifteen (15) days in a calendar month for mental health admissions.
- 2) For SUD admissions, an admission review is completed every seven (7) days as is required per Clinical Coverage Policy 8B (<https://medicaid.ncdhhs.gov/media/9841/open>) which follows how the state ADATCs are also reviewed.

- a. There is no bed day limit for SUD admissions as long as medical necessity for the service continues to be met

When billing for IMD services, NC DHHS has indicated the revenue code to be used is 160.

If you have further questions or concerns, please contact Provider Relations and Support at (833)-552-3876.

Resources

- a. [CCH Manuals, Forms, and Guides](#)
- b. [NC DHHS Behavioral Health Clinical Coverage Policies](#)
- c. [CCH Clinical Policies](#)