

SEPTEMBER 2024

KMAP GENERAL BULLETIN 24183

State Institutional Alternative and Psychiatric Observation

Effective with dates of service on or after July 1, 2024, Procedure Code S9485 will be utilized for psychiatric observation services for patients under 18 awaiting a Mental Health Screen at a State Institutional Alternative (SIA) facility, Provider Type/Provider Specialty (PT/PS) 01/008 and 01/009. Reimbursement is available for up to three consecutive days from the request of a Mental Health Screen, provided the individual is subsequently admitted under the SIA program. If admission is not approved, no reimbursement will be issued.

During the observation period, the patient must receive:

- Evaluation by the Qualified Mental Health Professional with subsequent completion of the State approved Mental Health Screening Form
- A physical examination
- History and psychiatric assessment containing recommendations for ongoing treatment
- An initial nursing assessment
- Nursing progress notes are written each shift
- A discharge summary

A physician must admit and discharge the patient from the observation stay. If an SIA admission follows a psychiatric observation stay, the observation days should be billed on the outpatient claim using the SIA facility National Provider Identifier (NPI). Payment for the observation period will not roll into the SIA payment for the admitting facility. Injections, supplies, and medications are included in the per diem rate during the observation stay.

The per diem rate for S9485 is \$780 for service dates July 1, 2024, through July 31, 2024, and \$858 for service dates August 1, 2024, and after.

- Procedure Code S9485 is valid only for observation that leads to admission to the SIA program and is subject to close monitoring through utilization reporting and post-pay reviews/audits.
- A psychiatric diagnosis must be documented as a primary or secondary designation, along with a completed Mental Health Screening Form.

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- 1-800-933-6593
- 7:30 a.m. - 5:30 p.m.
Monday - Friday

Gainwell Technologies is the fiscal agent for KMAP



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State Institutional Alternative and Psychiatric Observation continued

Note: The rates noted in this bulletin are subject to future changes. Providers should check the Kansas Medical Assistance Program (KMAP) website for the most up-to-date rates.

Note: The effective date of the policy is July 1, 2024. The implementation of State policy by the KanCare Managed Care Organizations (MCOs) may vary from the date noted in the KMAP bulletins. The **KanCare Open Claims Resolution Log** on the KMAP [Bulletins](#) page documents the MCO system status for policy implementation and any associated reprocessing completion dates once the policy is implemented.

For the changes resulting from this provider bulletin, view the updated *Hospital Fee-for-Service Provider Manual*, Section 8410, pages 8-48 and 8-49.

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