

**Memorandum**Refer to: **FME-13**Date **MAY 30 1990**From Acting Director
Medicaid BureauSubject Certification of Facilities Providing Acute Psychiatric
Services to Individuals Under Age **21** (Your Memorandum Dated
March 2, 1990) -- **ACTION**TO
Regional Administrator
Region IX, San Francisco
ATTN: Division of Medicaid

This is in response to your memorandum to William Lasowski, which requested policy clarification on the appropriate providers for inpatient psychiatric services for individuals -under age 21. Specifically, you wanted to know if services provided by Kedren Community Medical Center (Kedren), which is certified as a Medicare psychiatric hospital but is not accredited by the Joint Commission of Accreditation of Healthcare Organizations (**JCAHO**), are reimbursable under Medicaid to this facility.

We have recently reevaluated our policy on acceptable providers of inpatient psychiatric services for individuals under age 21. Although the regulations at 42 CFR 441.151 state that these services may only be provided in a psychiatric facility or program approved by the JCAHO, the statute indicates that these services may be provided by a psychiatric hospital as defined in section 1861(f) of the Social Security Act (the Act). We have determined that there is nothing in the statute that prevents inpatient psychiatric services for individuals under 21 provided by psychiatric hospitals (as defined at section 1861(f) of the Act) that are not **JCAHO** accredited from being covered under Medicaid. Therefore, in the absence of a change in the regulations or the statute, inpatient psychiatric services for individuals under age 21 that are provided in psychiatric facilities or programs accredited by the **JCAHO** or facilities that meet the definition of a psychiatric hospital at section 1861(f) of the Act are covered under Medicaid, provided that all other applicable requirements in the statute and regulations regarding psychiatric services are satisfied. Thus, if **Kedren** meets the definition of a psychiatric hospital at 1861(f) and meets all other applicable requirements, Medicaid may then pay for the inpatient psychiatric services it provides to individuals under age 21.

Rozann Abatocc:
All **Regional** Administrators