

Chapter:	Service Delivery System		
Title:	Out of State Placements		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 05.05.2015	Related Policies:
Procedure: <input type="checkbox"/>	Author: Clinical Leadership Committee	Review Date: 11.12.2024	
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Purpose

This policy is established to provide guidelines for the placement of Mid-State Health Network (MSHN) service recipients outside of the State of Michigan in accordance with the Michigan Mental Health Code and the Michigan Medicaid Provider Manual.

Policy

Mid-State Health Network and its Community Mental Health Service Program (CMHSP) Participants will comply with *Section 330.919 of the Michigan Mental Health Code Section 330.1919 - Contracts for services of agencies located in bordering states* and the Michigan Medicaid Provider Manual regarding the placement of individuals outside of the state of Michigan.

CMHSPs shall notify MSHN of their intent to place a Medicaid or Healthy Michigan Plan eligible beneficiary out of state. MSHN, in collaboration with the CMHSP, will submit a request for placement approval to the appropriate division at the Michigan Department of Health and Human Services (MDHHS). Placement shall not occur until MDHHS approves the out of state placement in writing. This policy is applicable to all out of state placements including but not limited to, specialized residential treatment and adult foster care settings.

Determination of Need

The CMHSP must make a determination that the placement is clinically appropriate. All efforts should first be made to serve the needs of individuals within the State of Michigan.

If an out of state placement is being considered, the CMHSP shall notify MSHN of its intentions and detail the history of the individual and services that have been provided, and clinical determination that needed services are not available within the State for that individual. MSHN shall submit to the State of Michigan a treatment summary, current assessment and PCP summary, discharge plan and monitoring of placement plan.

The CMHSP shall meet the requirements of the Mental Health Code and the Michigan Medicaid Provider Manual in seeking provision of out of state services.

These requirements include, but may not be limited to:

- 1) The CMHSP may contract as provided under section 330.1919 of the Michigan Mental Health Code with a public or private agency located in a state bordering Michigan to secure services for an individual who receives services through the county program.
- 2) The CMHSP may contract as provided under this section with a public or private agency located in a state bordering Michigan to provide services in an approved treatment facility in this state for an individual who is a resident of the bordering state, except that such services may not be provided for an individual who is involved in criminal proceedings.
- 3) An individual does not establish legal residence in the state where the receiving agency is located while the individual is receiving services

- 4) An individual who is detained, committed, or placed on an involuntary basis may be admitted and treated in another state. Court orders valid under the law of Michigan are granted recognition and reciprocity in the receiving state to the extent that the court orders relate to admission for the treatment or care of a mental disability. The court orders are not subject to legal challenge in the courts of the receiving state. An individual who is detained, committed, or placed under the law of Michigan and who is transferred to a receiving state continues to be in the legal custody of the authority responsible for the individual under the law of Michigan. Except in an emergency, such an individual may not be transferred, removed, or furloughed from a facility of the receiving agency without the specific approval of the authority responsible for the individual under the law of Michigan.
- 5) While in the receiving state, an individual is subject to all of the laws and regulations applicable to an individual detained, committed, or placed pursuant to the corresponding laws of the receiving state, except those laws and regulations of the receiving state pertaining to length of involuntary inpatient treatment, reexaminations, and extensions of involuntary inpatient treatment and except as otherwise provided by Michigan law. The laws and regulations of Michigan relating to length of involuntary inpatient treatment, reexaminations, and extensions of involuntary inpatient treatment apply.
- 6) If an individual receiving treatment on a voluntary basis requests discharge, the receiving agency shall immediately notify the CMHSP and shall return the individual to Michigan as directed by the CMHSP within 48 hours after the request, excluding Saturdays, Sundays, and legal holidays, unless other arrangements are made with the CMHSP.
- 7) If an individual leaves the receiving agency without authorization and the individual at the time of the unauthorized leave is subject to involuntary inpatient treatment under the laws of Michigan, the receiving agency shall use all reasonable means to locate and return the individual. The receiving agency shall immediately report the unauthorized leave of absence to the sending CMHSP. The receiving state has the primary responsibility for, and the authority to direct, the return of individuals within its borders and is liable for the cost of such action to the extent that it would be liable for costs if an individual who is a resident of the receiving state left without authorization.
- 8) An individual may be transferred between facilities of the receiving state if transfers are permitted by the contract providing for the individual's care.
- 9) Each contract executed for out of state services shall contain all of the following:
 - a) Establish the responsibility for payment for each service to be provided under the contract. Charges shall not be more or less than the actual cost of providing the service.
 - b) Establish the responsibility for the transportation of individuals to and from the receiving agency.
 - c) Provide for reports by the receiving agency to the CMHSP on the condition of each individual covered by the contract.
 - d) Provide for arbitration of disputes arising out of the contract that cannot be settled through discussion between the contracting parties and specify how the arbitrators will be chosen.
 - e) Include provisions ensuring the nondiscriminatory treatment, as required by law, of employees, individuals receiving services, and applicants for employment and services.
 - f) Establish the responsibility for providing legal representation for an individual receiving services in a legal proceeding involving the legality of admission and the conditions of involuntary inpatient treatment.
 - g) Establish the responsibility for providing legal representation for an employee of a contracting party in legal proceedings initiated by an individual receiving treatment pursuant to the contract.
 - h) Include provisions concerning the length of the contract and the means by which the contract can be terminated.

- i) Establish the right of the CMHSP and the State of Michigan to inspect, at all reasonable times, the records of the Provider and its treatment facilities to determine if appropriate standards of care are met for individuals receiving services under the contract.
- j) Require the sending CMHSP to provide the receiving agency with copies of all relevant legal documents authorizing involuntary inpatient treatment of an individual who is admitted pursuant to the laws of Michigan.
- k) Require each individual who seeks treatment on a voluntary basis to agree in writing to be returned to the State of Michigan upon making a request for discharge and require an agent or employee of the sending CMHSP to certify that the individual understands that agreement.
- l) Establish the responsibility for securing a reexamination for an individual and for extending an individual's period of involuntary inpatient treatment.
- m) Include provisions specifying when a receiving facility can refuse to admit or retain an individual.
- n) Specify the circumstances under which an individual will be permitted a home visit or granted a pass to leave the facility, or both.

Applies to:

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows:
 - MSHN CMHSP Participants: Policy Only Policy and Procedure
 - Other: Sub-contract Providers

Definitions:

CMHSP: Community Mental Health Service Program responsible for requesting and managing the Out-of-State placement

MDHHS: Michigan Department of Health and Human Services

MSHN: Mid-State Health Network

Receiving Agency: Organization accepting the out of state placement

Responsible Mental Health Agency: Agency responsible for payment

Other Related Materials:

References/Legal Authority:

Michigan Mental Health Code

Michigan Medicaid Provider Manual

Change Log:

Date of Change	Description of Change	Responsible Party
01.2015	New Policy	C. Mills, PNMC
05.2016	Annual Review	Director of Provider Network Management Systems, Provider Network Management Committee
02.2018	Annual Review	Director of Provider Network Management Systems, Provider Network Management Committee
03.2019	Annual Review	Director of Provider Network Management Systems, Provider Network Management Committee
07.2022	Biennial Review	Chief Behavioral Health Officer Clinical Leadership Committee
02.2023	Edited to clarify that approval is not needed for out of state inpatient psychiatric hospitalization	Chief Behavioral Health Officer, Director of Utilization & Care Management
06.2024	Biennial Review	Chief Behavioral Health Officer, Chief Population Health Officer