

PROCEDURE #13.4A	EFFECTIVE DATE	REVISED DATE
TITLE: OUT-OF-STATE RESIDENTIAL PLACEMENT	5/19/22	6/1/26
<u>ATTACHMENT TO</u>	REVIEW DATES	
POLICY #: 13.4		
POLICY TITLE: OUT OF STATE PLACEMENT		
CHAPTER: SERVICE DELIVERY		

I. PURPOSE

To establish the process for the placement of Michigan Medicaid-eligible adult beneficiaries (age 18 and older) outside of the state of Michigan into a community-based residential dependent living setting.

The policy and procedure do not address out-of-state residential placements for children or youth under age 18. Placements for children and youth are governed by the Interstate Compact on the Placement of Children (ICPC) and applicable Michigan Department of Health and Human Services (MDHHS) policy, including ICM 140 – Interstate Residential Care Procedures, and are expressly excluded from the scope of LRE’s policy and procedures.

II. PROCEDURES

- A. Community Mental Health Service Programs (CMHSPs) shall notify Lakeshore Regional Entity (LRE) of the intent to place a Michigan Medicaid-eligible adult into an out of state residential setting and will keep LRE apprised of the status of the placement approval from the Michigan Department of Health and Human Services (MDHHS).
 1. Determination of Need
 - a. Only voluntary placements shall be considered for out-of-state residential services. The Provider will be the CMHSP, and act in accordance with state requirements for such placements.
 - b. When considering residential placement of an individual outside the state of Michigan, the CMHSP must determine that the placement is clinically appropriate.
 - c. All efforts to serve the needs of individuals within the state of Michigan should be made prior to considering out of state placement.
 2. CMHSP notification to LRE of its intentions to place an individual out of state must include a detailed history of the individual, services that have been provided, and clinical determination that needed services are not available within the state for that individual.

- i. LRE shall submit to the State of Michigan a treatment summary, current assessment and PCP summary, discharge plan and monitoring of placement plan.
 - ii. Discharge planning documentation must identify transportation responsibility, timeframe for return, and responsible parties to ensure compliance with required return-to-Michigan timeframes.
- a. Placement shall not occur until written approval is received from MDHHS. Retroactive approval is not permitted, and placement based on anticipated or verbal approval does not meet MDHHS requirements.
- b. The CMHSP shall meet the requirements of the Mental Health Code and the Michigan Administrative Rules in seeking provision of out-of-state services. These requirements include, but may not be limited to:
 - i. The CMHSP may contract as provided under this section with a public or private agency located in a state bordering Michigan to secure services under this act for an individual who receives services through the county program.
 - ii. The CMHSP may contract as provided under this section with a public or private agency located in a state bordering Michigan to provide services under this act 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.
 - iii. An individual does not establish legal residence in the state where the receiving agency is located while the individual is receiving services pursuant to a contract executed under this section.
 - iv. If an individual receiving treatment on a voluntary basis pursuant to a contract executed under this section requests discharge, the receiving agency shall immediately notify the CMHSP and shall return the individual to the sending state 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.
 - v. An individual may be transferred between facilities of the receiving state if transfers are permitted by the contract executed under this section providing for the individual's care.
- c. A contract executed for out-of-state residential services shall contain all of the following:
 - i. 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.
 - ii. Establish the responsibility for the transportation of individuals to and from the residential facility.
 - iii. Provide reports by the receiving agency to the CMHSP on the condition of each individual covered by the contract.

- iv. 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.
- v. A provision ensuring the nondiscriminatory treatment, as required by law, of employees, individuals receiving services, and applicants for employment and services.
- vi. 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.
- vii. Include provisions concerning the length of the contract and the means by which the contract can be terminated.
- viii. 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.
- ix. 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
- x. Specify the circumstances under which an individual will be permitted a home visit or granted a pass to leave the facility, or both.

III. CHANGE LOG

Date of Change	Description of Change	Responsible Party
6/1/26	NEW Procedure (language from Policy)	COO, Clinical Manager

