**Section 148.110 Reimbursement Methodologies for Inpatient Psychiatric Services**

Effective for dates of discharge on or after July 1, 2014:

a) Inpatient psychiatric services not excluded from the DRG PPS pursuant to 89 Ill. Adm. Code 149.50(b) shall be reimbursed through the DRG PPS.

b) Inpatient psychiatric services excluded from the DRG PPS shall be reimbursed a hospital-specific rate paid per day of covered inpatient care, determined pursuant to subsection (c), (d) or (g), as applicable. The total payment for an inpatient stay will equal the sum of:

1) the payment determined in this Section; and

2) any applicable adjustments to the payment specified in Section 148.290.

c) Psychiatric Hospital. Effective January 1, 2024, payment for inpatient psychiatric services provided by a psychiatric hospital, as defined in Section 148.25(d)(1):

1) For psychiatric hospitals not enrolled with the Department on December 31, 2023, shall be the product of:

A) 90% of the minimum rate in subsection (d)(3); and

B) The length of stay, as defined in 89 Ill. Adm. Code 149.100(i).

2) For psychiatric hospitals enrolled with the Department on December 31, 2023, shall be the product of:

A) The greater of:

i) The hospital's psychiatric rate in effect on December 31, 2023 multiplied by 1.1; or

ii) 90% of the minimum rate in subsection (d)(3);

B) The length of stay, as defined in 89 Ill. Adm. Code 149.100(i).

d) Distinct Part Psychiatric Unit. Effective January 1, 2024, payment for psychiatric services provided by a distinct part psychiatric unit, as defined in Section 148.25(c)(1):

1) Distinct part psychiatric units that were not enrolled with the Department on December 31, 2023 shall be the product of the following:

A) 90 percent of the minimum rate in subsection (d)(3); and

B) The length of stay, as defined in 89 Ill. Adm. Code 149.100(i).

2) Distinct part psychiatric units that were enrolled with the Department on December 31, 2023, shall be the product of the following:

A) The greater of:

i) The rate in effect on December 31, 2023 multiplied by 1.1, or;

ii) 90 percent of the minimum rate in subsection (d)(3).

B) The length of stay, as defined in 89 Ill. Adm. Code 149.100(i).

3) For Safety Net Hospitals, as defined in 305 ILCS 5/5-5e.1(a), effective January 1, 2024, the per diem rate for psychiatric services is the greater of:

A) the rate in effect on December 31, 2023 multiplied by 1.1; or

B) the minimum rate of $693.

4) For general acute care hospitals that provide more than 9,500 inpatient psychiatric days in a calendar year, effective January 1, 2024, the per diem rate for psychiatric services is as follows:

A) The greater of

i) The hospital's per diem rate for psychiatric services as of December 31, 2021; or

ii) $693.

e) Psychiatric hospital adjustors for dates of service beginning July 1, 2014. For Illinois freestanding psychiatric hospitals, defined in Section 148.25(d)(1), that were not children's hospitals as defined in Section 148.25(d)(3) in FY 2013 and whose Medicaid covered days were 90% or more for individuals under 20 years of age in FY 2013, the Department shall pay a per day add-on of $48.25.

f) Effective January 1, 2022, payment for long-acting injectable antipsychotic drugs and long-acting injectable substance use disorder drugs administered in the inpatient psychiatric setting will be reimbursed at the Department's rate.

1) All rates are published on the Department's website in the Practitioner Fee Schedule.

2) Regarding long-acting injectable antipsychotics, the following criteria shall be adhered to regardless of whether the individual is enrolled with a Medicaid Managed Care Organization or fee-for-service:

A) The prescriber must be a board-certified psychiatrist or a board-eligible psychiatrist. For the purposes of this subsection, a "board-eligible psychiatrist" is a physician who has, within the past 7 years, successfully completed residency training accredited by the Accreditation Council for Graduate Medical Education or approved by the American Board of Psychiatry and Neurology in a psychiatric primary specialty or subspecialty;

B) The injectable atypical antipsychotic agents (AAPI) prior approval will follow the Food and Drug Administration (FDA) approved labeling for the indication for each medication; and

C) The prescriber agrees to coordinate a follow up outpatient appointment for administration of the next recommended dose of the AAPI and provide documentation of the follow up appointment with request for prior authorization.

(Source: Amended at 49 Ill. Reg. 2024, effective February 10, 2025)