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State of California—Health and Human Services Agency
California Department of Public Health



ARNOLD SCHWARZENEGGER
Governor

November 18, 2008

AFL 08-31

TO: Intermediate Care Facility/Developmentally Disabled-Habilitative (ICF/DD-H)
Intermediate Care Facility/Developmentally Disabled-Nursing (ICF/DD-N)

SUBJECT: Specialized Contractual Services

The following is information designed to give providers and surveyors an understanding of the use of specialized contractual services in the Intermediate Care Facility/Developmentally Disabled-Habilitative (ICF/DD-H) and Intermediate Care Facility/Developmentally Disabled-Nursing (ICF/DD-N) facility types.

It is the responsibility of each facility to assure the health and safety of each consumer under their care. Therefore, the facility shall be required to ensure that the services assessed, planned, and requested by the interdisciplinary staff/team and/or ordered by the attending physician are provided.

Federal regulations mandate that each facility shall provide, as appropriate, “Services Under Agreements With Outside Sources” [**§483.410(d)**].

Further, “If a service required is not provided directly, the facility must have a written agreement with an outside program, resource or service to furnish the necessary service, including emergency and other health care” [**§483.410(d)(1)**].

The service agreement must contain the responsibilities, functions, objectives, and other terms agreed to by both parties and must provide that the facility is responsible for assuring that the outside services meet the standards for quality of services [**§483.410(d)(2)(i)(ii)**] and the facility must assure that outside services meet the needs of each client. Outside service providers must meet the needs of each individual as identified by the Interdisciplinary staff/team. Programs and services must be coordinated, integrated and consistent with those provided by the facility [**§483.410(d)(3)**].

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An ICF/MR provider may contract for specialized healthcare services with a Home Health Agency; however, the rate paid to the ICF/MR provider is inclusive for all services.
[CCR § 51515.1 (a) (b)]

Therefore, the ICF/MR provider may contract with a Home Health Agency for additional or specialized services that may not be adequately provided by employed facility staff, but must not bill for these contracted services. Any duplication and payment for such services rendered by an outside contractor is not allowed.

Should you have questions about this informative bulletin, please contact Ms. Elaine Rawes, RN, California Department of Public Health, Licensing and Certification Program, at (916) 552-8750, or e-mail via at Elaine.Rawes@cdph.ca.gov.

Sincerely,

Original Signed by Kathleen Billingsley, R.N.

Kathleen J. Billingsley, R.N.
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