

REQUEST TO PROVIDE A NEW “IN LIEU OF SERVICE OR SETTING”

This form is to be used by a Missouri HealthNet Division (MHD) health plan to request approval from the State of Missouri (State) for a proposed new “In Lieu of Service or Setting” (ILOS) it seeks to substitute for a covered Medicaid State Plan service or setting. An ILOS is an alternative service or setting that is a medically appropriate and cost-effective substitute for a covered service or setting under the Medicaid State Plan. In completing this form, health plans should reference federal regulations (42 CFR 438.3(e)(2) and 42 CFR 438.6(e)), SMD 23-001, and the MHD health plan contract (sections 2.8.10 and 2.8.11).

MHD Health Plan Information	
MHD Health Plan:	
MHD Health Plan Staff Contact:	
Telephone:	Email:
Proposed ILOS Information	
The MHD health plan must respond to the following questions with documentation and other information that supports the response. Supporting information may be attached to this form.	
The proposed ILOS is a: <input type="checkbox"/> Service <input type="checkbox"/> Setting The ILOS proposed in this document is: <input type="checkbox"/> New <input type="checkbox"/> Existing, as of 1/4/2023	
Name and describe the proposed ILOS, including reference to relevant billing codes to be used on claims and encounter data. If the proposed ILOS includes any payments for room and board, explain the nature and duration of these payments in detail.	
1. An ILOS must be a substitute for an existing State Plan service. It may be an immediate or longer term substitute for a state plan service or setting, or it may be proposed when the ILOS can be expected to reduce or obviate the future need to utilize state plan-covered services or settings. Indicate the State Plan service or setting proposed for substitution with the ILOS and its associated service code, and indicate whether it is immediate, longer term, or an indirect substitute to obviate future utilization. In citing the State Plan service, please refer to provider manuals and bulletins, which can be found at the following links: <ul style="list-style-type: none">• http://manuals.momed.com/manuals/• https://dss.mo.gov/mhd/providers/pages/bulletins.htm	
2. What is the proposed effective date for the ILOS?	
3. An ILOS must be medically appropriate for the target population(s) for which it is being proposed. Demonstrate how the proposed ILOS is medically appropriate for the intended population, including a clinically oriented definition of this population, and provide supporting information (e.g., evidence in medical research journals, from health associations, from the plan’s own pilot data, etc.) supporting the claim that the service or setting is medically appropriate.	
4. Health plans must utilize a consistent process to ensure that a provider (either the plan’s licensed clinical staff or a contracted network provider), using their professional judgment, determines and documents that the ILOS is medically appropriate for the specific enrollee, based upon the target population indicated in (3). Describe the process that will be utilized.	

<p>5. An ILOS must be a cost-effective substitute (i.e., the ILOS service or setting must not cost more than the service or setting for which it was substituted and must produce equal or better health outcomes). Explain how the proposed ILOS is likely to be a cost-effective substitute for the service or setting and provide supporting information for this assertion. Articulate a plan for ongoing monitoring of cost-effectiveness which includes the following:</p> <ul style="list-style-type: none"> • The health outcome(s) being measured in the aggregate over the target population, and the source of data for measurement • The cost of providing the ILOS setting or service in the aggregate over the target population, and the source of data for measurement. Also, include the anticipated service cost and utilization rate for the services. • The health outcomes and costs of an appropriate comparison group, including a precise definition of the comparison group and the time horizon for comparison • A preliminary estimate of the projected cost of offering the ILOS in the first SFY. <p>Note that in cases where multiple health plans apply to offer the same ILOS, MHD may require the health plan to use certain health outcome measures and data sources in order to better aggregate results and reduce provider burden.</p>
<p>6. An ILOS must be optional to members. Is the proposed ILOS optional for members? Explain how the health plan will ensure that the ILOS remains optional (e.g., updates to member handbooks, notices to members, etc.).</p>
<p>7. An ILOS must be provided in a manner that preserves member rights and protections. Outline a plan for including member grievances associated with this ILOS within the grievance and appeal system.</p>

A proposed ILOS must be requested by the CEO or someone with the delegated authority to sign for the CEO. By signing this form, the CEO or delegated authority attests to the accuracy of the information provided.

Signature: _____ Date: _____

Submission Process
<p>Once completed, this form and supporting information should be submitted to the MHD at the Missouri Department of Social Services via email at MHD.MCReporting@dss.mo.gov, with the subject title "ILOS application."</p> <p>It is a federal requirement that the ILOS is authorized and identified in the health plan contract. The utilization and actual cost of an ILOS will also be considered in capitated payment calculations. Upon submission of this form, the State will review the ILOS request and make a determination whether it meets the federal and state standards. If approved, the State will amend the health plan contract. A health plan may not provide the ILOS until these processes have been completed.</p> <p>Questions about the ILOS application may be directed to Kathryn Dinwiddie via email at MHD.MCReporting@dss.mo.gov</p>

