



**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR MEDICAID SERVICES**

**Steven L. Beshear**  
Governor

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Frankfort, KY 40621  
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**Audrey Tayse Haynes**  
Secretary

**Lawrence Kissner**  
Commissioner

May 10, 2013

RE: Deferred Diagnosis

Dear Community Mental Health Center Providers:

This letter is in response to a request for clarification regarding the use of deferred diagnoses by the Community Mental Health Centers (CMHC).

Pursuant to the Community Mental Health Center Services Manual Section IV – Covered Services, January 2008 (Revision), Page 4.10, requirements established in 201 KAR 20:057, Section 2(1)C Limitations, "Recording of the diagnosis in the client's record by the third visit shall be a requisite for Medicaid payment" and in Section III - Conditions of Participation, Page 3.12, Section (C) Diagnosis or Clinical Impression- "Diagnoses shall be recorded in the health record within three visits, in order to receive Medicaid payment". To be compliant with this regulation:

Effective June 1, 2013 the deferred diagnosis code can be used for billing purposes for the first and second visits. The individual's third visit documentation must include a diagnosis (terminology of the American Psychiatric Association Diagnostic and Statistical Manual of Mental Disorders) to qualify for reimbursement by the Department for Medicaid Services. This letter supersedes the Cabinet for Health and Family Services clarification letter dated November 21, 1995 regarding this subject.

Sincerely,

A handwritten signature in cursive script that reads "Karen Martin".

Karen Martin, Director  
Division of Community Alternatives

KM/hv

