POLICY/Criteria

Note: Mental health residential treatment criteria does not apply to Medicaid/Healthy Michigan Plan members. Services are managed through the local community mental health authority.

I. Residential Admission Criteria – Severity of Need (All criteria must be met):
   A. The patient is manifesting mental illness symptoms and behaviors which represent a deterioration from their usual status and include either self injurious or high risk taking behaviors that risk serious harm without imminent suicidal or homicidal risk and cannot be managed in a partial hospitalization setting or other appropriate outpatient setting; AND
   B. There is a high degree of potential of the condition leading to acute psychiatric hospitalization in the absence of residential treatment; AND
   C. The social environment is characterized by significant psychosocial stressors or limitations that would undermine treatment that could potentially be improved with treatment while the patient is in the residential facility; AND
   D. There should be a reasonable expectation that the illness, condition or level of functioning will be stabilized and improved and that a short term, residential treatment service will have a likely benefit on the behaviors/symptoms required for this level of care, and that the patient will be able to return to outpatient treatment; AND
   E. Without this intervention, there is clear evidence that the patient will likely decompensate and represent a proximal risk of serious harm to self or others as less restrictive or intensive levels of treatment have been tried and were unsuccessful, or are not appropriate to meet the individual’s needs.

II. Residential Treatment – Core Components (All components must be met):
   A. Residential treatment takes place in a structured facility-based setting (see residential treatment definition described in description section below); AND
   B. Program will have the ability to order blood or urine drug screens and there is evidence through program documentation that a blood or urine drug screen was completed on admission and during treatment if indicated; AND
   C. Evaluation by a qualified, board-certified physician completed within 24 hours of admission, physical exam and lab tests completed upon admission (unless completed and received prior to admission), and 24 hour on-site nursing (RN/LVN/LPN) with 24 hour medical on-call availability within 30 minutes to manage medical problems; AND
D. Within 72 hours, a multidisciplinary assessment delivered or supervised by licensed health care professionals with an individualized problem-focused treatment plan completed, addressing psychiatric, academic, social, medical, family and substance use needs that includes structure, goals, and outcome measures; AND

E. Coordination of care with other clinicians, such as the outpatient psychiatrist, therapist, and PCP, providing treatment to the patient, and where indicated, clinicians providing treatment to other family members, is documented; AND

F. Group treatment would include community/milieu group therapy, group psychotherapy, and activity group therapy at least once a day and each lasting 60-90 minutes; AND

G. Observation and assessment by a board-certified psychiatrist at least two times per week or more frequently and access to medical care, including medication management if indicated; AND

H. Individual treatment with a licensed behavioral health clinician at least once a week; AND

I. Unless contraindicated, the patient’s primary support system will participate in development of the treatment plan, participate in family program and groups and receive family therapy with the identified patient at least once a week; AND

J. A discharge plan is completed within one week that includes who the outpatient providers will be as well as linkage/coordinating with the patient’s community resources with the goal of returning the patient to his/her regular social environment as soon as possible, unless contraindicated; AND

K. The treatment is individualized and not determined by a programmatic timeframe. It is expected that patients will be prepared to receive the majority of their treatment in a community setting; AND

L. Medication evaluation and documented rationale if no medication is prescribed.

III. Continuing Care Criteria (All must be met to recommend continuing care):

A. Admission criteria are still met above and the likelihood of benefit and return to outpatient (OP) treatment is shown by adherence to the treatment plan and by progress in treatment; if progress is not occurring then the treatment plan is being amended in a timely and medically appropriate manner with treatment goals still achievable which is documented in weekly progress notes, written and signed by the provider; AND

B. The disposition planning and/or attempts at therapeutic re-entry into the community have resulted in, or would result in exacerbation of the psychiatric illness to the degree that would necessitate continued residential treatment.

C. There is evidence of objective, measureable, and time-limited therapeutic clinical goals that must be met before the patient can return to a new or previous living situation. There is evidence that attempts are being made to
secure timely access to treatment resources and housing in anticipation of discharge, with alternative housing contingency plans also being addressed.

IV. Exclusion Criteria (Any of the following criteria is sufficient for exclusion from this level of care):

A. The patient does not voluntarily consent to admission or treatment; OR
B. The patient exhibits severe suicidal, homicidal or acute mood symptoms/thought disorder, which requires a more intensive level of care; OR
C. The patient has medical conditions or impairments that would prevent beneficial utilization of services, or is not stabilized on medications; OR
D. The primary problem is social, economic, (i.e. housing, family conflict, etc.), or one of physical health without concurrent major psychiatric episode meeting criteria for this level of care; OR
E. The admission is being used for purposes of convenience or as an alternative to incarceration or housing.

MEDICAL NECESSITY REVIEW

☒ Required ☐ Not Required ☐ Not Applicable

APPLICATION TO PRODUCTS

Coverage is subject to member’s specific benefits. Group specific policy will supersede this policy when applicable.

- HMO/EPO: This policy applies to insured HMO/EPO plans.
- POS: This policy applies to insured POS plans.
- PPO: This policy applies to insured PPO plans. Consult individual plan documents as state mandated benefits may apply. If there is a conflict between this policy and a plan document, the provisions of the plan document will govern.
- ASO: For self-funded plans, consult individual plan documents. If there is a conflict between this policy and a self-funded plan document, the provisions of the plan document will govern.
- INDIVIDUAL: For individual policies, consult the individual insurance policy. If there is a conflict between this medical policy and the individual insurance policy document, the provisions of the individual insurance policy will govern.
- MEDICARE: Coverage is determined by the Centers for Medicare and Medicaid Services (CMS); if a coverage determination has not been adopted by CMS, this policy applies.
- MEDICAID/HEALTHY MICHIGAN PLAN: For Medicaid/Healthy Michigan Plan members, this policy will not apply.

DESCRIPTION

Residential Treatment is defined as 24-hour, state-licensed subacute facility with structured, licensed health care professionals. The treatment must be medically-monitored and must include access to the following: (i) medical services twenty-four (24)
hours per day, seven (7) days per week; (ii) nursing services twenty-four (24) hours per day, seven (7) days per week, and (iii) physician emergency on call availability twenty-four (24) hours per day, seven (7) days per week. Residential treatment provides individuals with severe and persistent psychiatric disorders therapeutic intervention and specialized programming in a controlled environment with a high degree of supervision and structure. The services are provided in the context of a comprehensive, multidisciplinary and individualized treatment plan that is frequently reviewed and updated based on the individual’s clinical status and response to treatment. This level of care requires at least twice weekly psychiatrist visits, with more frequent visits warranted as necessary for medication therapy. Active family/social support system involvement through family therapy is a key element of treatment and is required unless contraindicated. Discharge planning must begin at admission, including plans for reintegration into the home, work/school and community. If discharge to a home/family is not an option, alternative placement must be rapidly identified and there must be regular documentation of active efforts to secure such placement. In the event the member resides in a state where admission and discharge criteria are defined under law, the state’s criteria will supersede Priority Health’s medical necessity criteria.

The following services do not meet the definition of residential treatment:

1. Services provided in a licensed foster-care facility that serves as an individual’s residence
2. Care provided in a non-licensed residential or institutional facility
3. Transitional living centers
4. Therapeutic boarding schools
5. Wilderness therapy programs
6. Custodial care
7. Services provided in a Halfway House or other recovery home environment

**NOTE:** Residential Subacute treatment is intended for patients who need 24 hour behavioral care but do not need the high level of physical security available on an inpatient unit. Patients admitted to residential care are usually voluntary and unlikely to need physical restraint or extensive nursing care. The treatment team is generally composed of the same mix of professionals as on an inpatient unit. Although it is sometimes assumed residential care implies a longer length of stay than inpatient care, randomized controlled trials (RCTs) have shown that residential care is an efficacious short-term alternative to inpatient care for voluntary patients with urgent behavioral health conditions.

**CODING INFORMATION**

**Diagnosis Codes:**

*Not specified*

**Revenue Codes:**

1001 Behavioral Health Accommodations – Residential-psychiatric
REFERENCES

AMA CPT Copyright Statement:
All Current Procedure Terminology (CPT) codes, descriptions, and other data are copyrighted by the American Medical Association.

This document is for informational purposes only. It is not an authorization, certification, explanation of benefits, or contract. Receipt of benefits is subject to satisfaction of all terms and conditions of coverage. Eligibility and benefit coverage are determined in accordance with the terms of the member’s plan in effect as of the date services are rendered. Priority Health’s medical policies are developed with the assistance of medical professionals and are based upon a review of published and unpublished information including, but not limited to, current medical literature, guidelines published by public health and health research agencies, and community medical practices in the treatment and diagnosis of disease. Because medical practice, information, and technology are constantly changing, Priority Health reserves the right to review and update its medical policies at its discretion.

Priority Health’s medical policies are intended to serve as a resource to the plan. They are not intended to limit the plan’s ability to interpret plan language as deemed appropriate. Physicians and other providers are solely responsible for all aspects of medical care and treatment, including the type, quality, and levels of care and treatment they choose to provide.

The name “Priority Health” and the term “plan” mean Priority Health, Priority Health Managed Benefits, Inc., Priority Health Insurance Company and Priority Health Government Programs, Inc.

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