



Deidre S. Gifford, MD, MPH, Commissioner

Effective Date: April 1, 2022

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**TO: State Operated and Private Psychiatric Hospitals Providing Inpatient Substance Use Disorder (SUD) Treatment as the Primary Inpatient Treatment Service**

**RE: Implementation of Medicaid Reimbursement for SUD Inpatient Treatment at State Operated and Private Psychiatric Hospitals Pursuant to Section 1115 Demonstration Waiver for Services Previously Excluded from Coverage by Federal Law**

Effective for dates of service on or after April 1, 2022, subject to formal approval from the Centers for Medicare and Medicaid Services (CMS) for a substance use disorder (SUD) demonstration waiver under section 1115 of the Social Security Act (Demonstration), the Department of Social Services (DSS) will reimburse SUD inpatient treatment and withdrawal management at psychiatric hospitals for all Medicaid eligible members with no age limitations, inclusive of HUSKY A, C, and D, as well as members eligible for the Children's Health Insurance Program (CHIP), also known as HUSKY B. Except as otherwise specifically provided below, references to Medicaid below also include CHIP.

This bulletin and this coverage are **only applicable to state-operated and private psychiatric hospitals where the primary inpatient treatment is for a substance use disorder**. The Demonstration waives the federal Medicaid and CHIP exclusions, as applicable, on payment for inpatient SUD services for residents of federally-defined Institutions for Mental Diseases (IMDs), subject to applicable requirements, including those referenced below. Accordingly, subject to federal approval of the Demonstration, the previous age limits on inpatient SUD services to residents of a psychiatric hospital no longer apply.

**Psychiatric Hospital Enrollment:**

DSS will provide each psychiatric hospital an addendum to its provider enrollment agreement and an acknowledgement form that must be signed and returned to Gainwell Technologies by March 31, 2022. The acknowledgement must be signed by the hospital's Chief Executive Officer (CEO) or Executive Director. Specific instructions and the purpose of the addendum and acknowledgement form will be included on the documents. After this initial enrollment, the addendum and acknowledgement will be part of the re-enrollment application process.

**ASAM Treatment and Withdrawal Management Requirements:**

All psychiatric hospital SUD services must be provided in accordance with the American Society of Addiction Medicine (ASAM) guidelines that have been adopted by the state, which is currently the ASAM 3<sup>rd</sup> edition. All references to ASAM criteria below refer to the edition of ASAM adopted by the state. The amount, frequency, and duration of covered SUD services must be provided in accordance with the member's individualized treatment plan and ASAM criteria and must also comply with the Medicaid program's statutory definition of medical necessity in section 17b-259b(a) of the Connecticut General Statutes. The applicable levels of care for the provision of SUD services and the service components covered within each setting, each of which aligns with the ASAM levels of care, are as detailed below.

For dates of service from April 1, 2022 through March 31, 2024, which is the interim period where the hospital is actively working to ensure full compliance with ASAM criteria specific to that level of care, during that period, hospitals may bill for services as they work diligently towards meeting applicable compliance requirements beginning April 1, 2022. **The psychiatric hospital must fully comply with ASAM criteria on or before March 31, 2024. Beginning with dates of service on and after April 1, 2024, Medicaid will pay the hospital for inpatient SUD services only if the hospital fully complies with ASAM criteria and maintains such compliance on an ongoing basis.**

Medicaid payment for psychiatric hospital inpatient SUD services is all-inclusive and includes payment for all of the following activities: assessment and individualized treatment plan development; therapy; health assessments, health monitoring, daily assessment of patient progress, health education requiring a medical license (in one of the categories of qualified practitioners for this service) for an individual or group session with members to learn specific ways of coping and progressing in their recovery; peer support; service coordination; skill building; and psycho-education. Psychotropic and other medication management (including prescribing, monitoring, administration and observation of self-administration, as applicable) are included to the extent medically necessary and as permitted under state law.

Each provider must obtain and maintain all required licenses and certifications applicable to all age cohorts (children, adults, or both) that it serves and all levels of care that it provides.

#### **Psychiatric Hospital Monitoring:**

DSS, through its behavioral health administrative services organization (ASO),

Beacon Health Options (“Beacon”), will monitor hospitals’ compliance with the edition of ASAM guidelines adopted by the state for SUD inpatient services referenced above through authorization and utilization management processes, as well as other applicable monitoring performed by or on behalf of the state.

#### **Psychiatric Hospital Training:**

DSS, together with the Department of Mental Health and Addiction Services (DMHAS), Department of Children and Families (DCF), and other state agencies, is committed to initial and ongoing training for providers, although the provider remains responsible for understanding and complying with all applicable requirements. Hospital training topics will be conducted by various entities, including the state agencies, depending on the topic of the training. Hospital training will include, but not be limited to, the following topics, as determined by the state:

- Authorization procedures
- Billing procedures
- Discharge and referral to treatment
- ASAM criteria

#### **Existing Authorizations:**

The only authorizations that exist prior to April 1, 2022 are for non-Medicaid claims for Medicaid/HUSKY D members between the ages of 21 and 64 through Advanced Behavioral Health (ABH) on behalf of DMHAS. All existing authorizations will be honored through the authorization end date given by ABH, even if that date extends beyond April 1, 2022 to facilitate continuity of care and based on the understanding that those previous authorizations ensured that the services met the Medicaid program’s requirements, including, but not limited to, the statutory definition of medical necessity. All authorizations from ABH will be transitioned to Beacon. If a member needs continued

treatment beyond the authorization end date given by ABH, the provider must submit a continued stay / concurrent review authorization request to Beacon on the day that the ABH authorization expires or on the first uncovered day. Beacon will be outreaching to providers to ensure appropriate review of all prior authorization and concurrent review requests for Medicaid members in alignment with medical necessity and ASAM criteria.

**New Authorizations:**

All new admissions on or after April 1, 2022 (subject to CMS approval of the Demonstration effective on that date), for all Medicaid eligible members, will require the provider to seek authorization from Beacon and document that admission to the ASAM level of care (LOC) supports the ASAM patient placement criteria by using multidimensional psychosocial assessment information gained from the criteria’s six dimensions. Treatment plans consistent with the requirements of ASAM criteria based on the multidimensional assessment must be developed and documented for all Medicaid members. This is applicable to all Medicaid eligible members regardless of the referring entity, including other state agencies.

**Psychiatric Hospital Billing Guidelines:**

Providers may bill for every Medicaid member who was in treatment at the facility on the day that the person occupied a bed until the next calendar day. For example, if a member was admitted at any time on April 2<sup>nd</sup> up until 11:59 p.m., and that member still occupies a bed on the morning of April 3<sup>rd</sup>, the hospitals may bill for April 2<sup>nd</sup>. Hospitals may not bill for services on the day of discharge.

**Billing Codes:**

Effective April 1, 2022, the following codes must be used for Medicaid- eligible members. Each code is a per diem rate and may be billed when a member is at the facility for a portion of the day and overnight as outlined in the

billing guidance above. Billing on the day of discharge is not permitted.

Revenue Center Code (RCC)	Description
100	4.0 Medically managed intensive inpatient services; all-inclusive rate- room and board plus ancillary  3.7 Medically monitored intensive inpatient services; all-inclusive rate- room and board plus ancillary
124	4.0 Medically managed intensive inpatient services; semi-private 2 bed (medical or general)-psychiatric  3.7 Medically monitored intensive inpatient services; semi-private 2 bed (medical or general)-psychiatric
126	4.0-WM Medically managed intensive inpatient withdrawal management; semi-private 2 bed (medical or general)-detoxification  3.7-WM Medically monitored inpatient withdrawal management; semi-private 2 bed (medical or general)-detoxification
129	4.0 Medically managed intensive inpatient services; semi-private 2 bed (medical or general)-other  3.7 Medically monitored intensive inpatient services; semi-private 2 bed (medical or general)-other

When billing for withdrawal management, providers must bill RCC126 as outlined in the chart above.

As noted above, the coverage outlined in this bulletin applies only to services where the primary inpatient treatment and withdrawal management is for SUD. Therefore, in order to receive payment for SUD inpatient services, hospitals must properly use an SUD diagnosis in the principal position on the claim. In addition, state institution psychiatric hospitals must use **Condition Code 36** on all claims with an SUD as the principal diagnosis.

**Accessing the Fee Schedule:**

The updated fee schedule can be accessed and downloaded by accessing the Connecticut Medical Assistance Program (CMAP) website: [www.ctdssmap.com](http://www.ctdssmap.com). From this web page, go to “Provider”, then to “Provider Fee Schedule Download.” Click on the “I accept” button and proceed to click on the appropriate fee schedule. To access the CSV file, press the control key while clicking the CSV link, then select “Open.”

**Posting Instructions:**

Policy transmittals can be downloaded from the website at [www.ctdssmap.com](http://www.ctdssmap.com).

**Distribution:**

This policy transmittal is being distributed to providers of the CMAP by Gainwell Technologies.

**Responsible Unit:**

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