Mental Health Partial Hospitalization

Policy Number: SC14P0034A

Effective Date: May 1, 2018

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“Payment Policies assist in administering payment for UCare benefits under UCare’s health benefit plans. Payment Policies are intended to serve only as a general reference resource regarding UCare’s administration of health benefits and are not intended to address all issues related to payment for health care services provided to UCare members. In particular, when submitting claims, all providers must first identify member eligibility, federal and state legislation or regulatory guidance regarding claims submission, UCare provider participation agreement contract terms, and the member-specific Evidence of Coverage (EOC) or other benefit document. In the event of a conflict, these sources supersede the Payment Policies. Payment Policies are provided for informational purposes and do not constitute coding or compliance advice. Providers are responsible for submission of accurate and compliant claims. In addition to Payment Policies, UCare also uses tools developed by third parties, such as the Current Procedural Terminology (CPT®), InterQual guidelines, Centers for Medicare and Medicaid Services (CMS), the Minnesota Department of Human Services (DHS), or other coding guidelines, to assist in administering health benefits. References to CPT or other sources in UCare Payment Policies are for definitional purposes only and do not imply any right to payment. Other UCare Policies and Coverage Determination Guidelines may also apply. UCare reserves the right, in its sole discretion, to modify its Policies and Guidelines as necessary and to administer payments in a manner other than as described by UCare Payment Policies when necessitated by operational considerations.”

*CPT® is a registered trademark of the American Medical Association*
PAYMENT POLICY OVERVIEW

PRODUCT SUMMARY

This Policy applies to the following UCare products:

- Minnesota Senior Care Plus (MSC Plus)
- UCare Connect (Special Needs Basic Care – SNBC)
- Prepaid Medical Assistance Program (PMAP)
- MinnesotaCare

PROVIDER SUMMARY

To furnish partial hospitalization services an outpatient hospital or a Community Mental Health Center must:

- Be certified by Medicare to provide partial hospitalization
- Receive approval from DHS

Providers must follow Medicare guidelines related to physician certification requirements.

POLICY STATEMENT

This Policy outlines the payment and billing guidelines associated with Partial Hospitalization.

PATIENT ELIGIBILITY CRITERIA

In order for services to be covered by UCare the patient must:

- Be actively enrolled in an UCare MSC Plus, Connect, PMAP, or MinnesotaCare product;
- Be experiencing an acute episode of mental illness that meets the criteria for an inpatient hospital admission;
- Have appropriate family or community resources needed to support and enable the patient to benefit from less than 24-hour care;
- Have a referral by a physician for an outpatient hospital program, or by a physician, LICSW, or licensed psychologist for a community mental health center program; and
- Have a LOCUS assessment with Level 4 indication for adults age eighteen (18) and older.
## DEFINITIONS

<table>
<thead>
<tr>
<th>TERM</th>
<th>NARRATIVE DESCRIPTION</th>
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</table>
| Essential Community Provider             | Means a health care provider that serves high-risk, special needs, and underserved individuals that demonstrates the ability to integrate appropriate supportive and stabilizing services with medical services. In order to be designated as an ECP, a provider must demonstrate that it meets the requirements of Minnesota Statutes 62Q.19 and Minnesota Rules Chapter 4688. Those regulations require that ECPs:  
  ▪ Provide or coordinate supportive and stabilizing services, such as transportation, child care, linguistic services, and culturally sensitive and competent services to its patients;  
  ▪ Serve all patients, regardless of their financial limitations; and  
  ▪ Charge patients for their services based on a sliding fee schedule, if the ECP is a non-profit organization. |
| Level of Care Utilization System (LOCUS) Assessment | Means a level of care tool to help determine the resource intensity needs of individuals who receive adult mental health services along a continuum of care. The assessment is used to ensure and support that an accurate level of care is being utilized for the considerations of an individual’s needs. All LOCUS recording forms must be reviewed and signed by a clinical supervisor, unless it is completed by a mental health professional or a Mental Health Rehabilitative Professional. The assessment form is not valid without all necessary signatures. |
| Partial Hospitalization                   | Means a time-limited, structured program of multiple and intensive psychotherapy and other therapeutic services provided by a multidisciplinary team as defined by Medicare, providing services in an outpatient hospital facility or community mental health center (CMHC), meeting Medicare requirements to provide partial hospitalization program services. The goal of a partial hospitalization program is to resolve or stabilize an acute episode of mental illness. |
| Notification                              | Means the process of informing UCare or their delegates of a specific medical treatment or service prior to billing for certain services. Services that require notification are not subject to review for medical necessity, but must be medically necessary and covered within the member’s benefit set. Services submitted prior to notification will be denied by UCare. |
| Prior Authorization                       | Means an approval by UCare or their delegates prior to the delivery of a specific service or treatment. Prior authorization requests require a clinical review by qualified, appropriate professionals to determine if the service or treatment is medically necessary. UCare requires certain services to be authorized before services begin. Services provided without an authorization will be denied. |
MODIFIERS

The modifiers listed below are not intended to be a comprehensive list of all modifiers. Instead, the modifiers that are listed are those that must be appended to the CPT / HCPCS codes listed below. Based on the service(s) provided and the circumstances surrounding those services it may, based on correct coding, be appropriate to append an additional modifier(s) to the CPT / HCPCS code. When a service requires multiple modifiers the modifiers must be submitted in the order listed below. If it is necessary to add additional modifiers they should be added after the modifiers listed below.

<table>
<thead>
<tr>
<th>MODIFIER</th>
<th>NARRATIVE DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>HA</td>
<td>Child or Adolescent</td>
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CPT® / HCPCS CODES

<table>
<thead>
<tr>
<th>CPT® or HCPCS CODES</th>
<th>MODIFIER</th>
<th>NARRATIVE DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>H0035</td>
<td></td>
<td>Partial Hospitalization – age 18 and older</td>
</tr>
<tr>
<td>H0035 HA</td>
<td></td>
<td>Partial Hospitalization – under the age of 18</td>
</tr>
</tbody>
</table>

One of the HCPCS code listed above should be appended to one of the Revenue Codes listed below.

REVENUE CODES

<table>
<thead>
<tr>
<th>REVENUE CODE(S)</th>
<th>NARRATIVE DESCRIPTION</th>
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<tbody>
<tr>
<td>0912</td>
<td>Partial Hospitalization, Less Intensive</td>
</tr>
<tr>
<td>0913</td>
<td>Partial Hospitalization, Intensive</td>
</tr>
</tbody>
</table>

PAYMENT AND BILLING INFORMATION

General Information

Partial hospitalization may be used as a step down from an inpatient mental health hospitalization or in lieu of an inpatient psychiatric stay, when medically appropriate.
Covered Services

At a minimum partial hospitalization includes one session of individual, group, or family psychotherapy and two or more other services (e.g., activity therapy, training, and education)

Facility Services

- Providers must follow Medicare guidelines for partial hospitalization program content, physician certification, and documentation criteria.
- Partial hospitalization includes, at a minimum:
  - One session of individual, group or family psychotherapy, or family psychotherapy and two (2) or more additional services such as activity therapy or training or education; and,
  - To be consistent with Medicare recommended standards includes:
    - At least four (4) days but not more than five (5) out of seven (7) calendar days of partial hospitalization program;
    - A minimum of twenty (20) service components and a minimum of twenty (20) hours in a seven (7) day calendar timeframe;
    - A minimum of five (5) to six (6) hours of services per day for an adult age eighteen (18) years or older; or
    - A minimum of four (4) to five (5) hours of service per day for a child under the age of eighteen (18.)

Professional Services

- Professional therapy services outside those included in the partial hospitalization program are covered only for physician services and medication management. Refer to UCare’s Psychotherapy Policy for specific payment and billing information.
- Prior authorization and threshold requirements are applicable to psychotherapy services furnished outside of those included in the partial hospitalization program. Refer UCare’s Psychotherapy Services Policy for more detailed information.

Payment Decreases and Increases Impacting Mental Health Services

Based on MHCP guidelines when certain mental services are furnished by a Master’s level provider a twenty percent (20%) reduction is applied to the allowed amount. Master’s level providers are:

- Clinical Nurse Specialist (CNS-MH)
- Licensed Independent Clinical Social Worker (LICSW)
- Licensed Marriage and Family Therapist (LMFT)
Licensed Professional Clinical Counselor (LPCC)
Licensed Psychologist (LP) Master’s Level
Psychiatric Nurse Practitioner
Master’s Level enrolled provider

UCare follows MHCP guidelines when applying Master’s level provider reductions to eligible mental health services. Impacted services are identified by indicator “(a)” in the DHS MH Procedure CPT or HCPC Codes and Rates Chart. A link to this chart is available in the References and Sources section of this Policy.

Master’s level provider reductions are not applied to mental health services when they are furnished in a Community Mental Health Center (CMHC).

In addition to the Master’s level provider reduction, UCare also applies a 23.7% increase to mental health services identified with a “b” in the DHS MH Procedure CPT or HCPC Codes and Rates Chart. A link to this chart is available in the References and Sources section of this Policy. This increase is applied to behavioral health services when performed by:

- Psychiatrists;
- Advance Practice Nurses;
  - Clinical Nurse Specialist
  - Nurse Practitioner
- Community Mental Health Centers;
- Mental health clinics and centers certified under Rule 29 and designated by the Minnesota Department of Mental Health as an essential community provider;
- Hospital outpatient psychiatric departments designated by the Minnesota Department of Mental Health as an essential community provider; and
- Children’s Therapeutic Services and Supports (CTSS) providers for services identified as CTSS in the DHS mental health procedure CPT or HCPCs codes and rates chart.

UCare will utilize the above-referenced MHCP list to determine whether the decrease to Master’s level providers or a Mental Health Practitioner working as a clinical trainee should be applied, and/or determine if the 23.7% legislative increase will be applied to behavioral health services. If there is a discrepancy between how DHS adjudicates claims and the chart published in the MHCP provider manual, UCare will adjudicate claims based on the chart published by DHS. When DHS updates the published chart, UCare will update payment requirements within forty (40) business days of receipt of the change. Claims previously paid will not be adjusted. Additional information regarding UCare fee schedule updates can be found in the UCare Provider Manual (Section 10-20 Fee Schedule Updates).
The grid below identifies whether the Master’s level provider reduction and/or 23.7% increase applies to service(s) associated with Mental Health Partial Hospitalization.

The services listed below must be appended to either revenue code 0912 (Partial hospitalization, less intensive), or 0913 (Partial hospitalization, intensive).

<table>
<thead>
<tr>
<th>CPT® or HCPCS CODES</th>
<th>MODIFIER</th>
<th>NARRATIVE DESCRIPTION</th>
<th>UNIT OF SERVICE</th>
<th>APPLY MASTER’S LEVEL REDUCTION</th>
<th>DOES 23.7% INCREASE APPLY</th>
<th>PROVIDERS ELIGIBLE TO PERFORM SERVICE</th>
</tr>
</thead>
</table>
| H0035               |          | Partial Hospitalization – age 18 and older | 1 hour | No | No | ▪ DHS and Medicare approved outpatient hospital or CMHC multidisciplinary team  
▪ Mental Health Professional  
▪ Mental Health Practitioner |
| H0035               | HA       | Partial Hospitalization – under the age of 18 | 1 hour | No | No | ▪ DHS and Medicare approved outpatient hospital or CMHC multidisciplinary team  
▪ Mental Health Professional  
▪ Mental Health Practitioner |

In the event that other government-based adjustments are required, UCare will implement those changes that apply to managed care organizations. The impact will be reflected in the providers’ final payment. When DHS updates the published list of impacted services / fee schedule, UCare will update payment requirements within forty (40) business days of receipt of the change. Claims previously paid will not be adjusted. Additional information regarding UCare fee schedule updates can be found in the UCare Provider Manual (Section 10-20 Fee Schedule Updates).
Billing Guidelines

General Information
Partial hospitalization may be used as a form of step-down care from an inpatient hospital stay or in lieu of an inpatient psychiatric stay, when medically appropriate.

Facility Services
When submitting claims, follow the guidelines outlined below:
- Submit partial hospitalization claims using the MN-ITS 837-I format or the electronic equivalent
- Indicate the patient status information as continuing service
- Enter Type of Bill (TOB) 13X (Outpatient) or 76X (Community Mental Health Center (CMHC))
- Use Revenue Code 0912 or 0913, as appropriate
- Use HCPCs code H0035 or H0035-HA for children / adolescent services

Professional Services
Therapy outside the partial hospitalization program is covered only for physician services and medication management. When billing for these services, follow the guidelines outlined below:
- Submit professional services using the MN-ITS 837-P format or the electronic equivalent
- Use place of service (POS) 22 (outpatient hospital) or 53 (CMHC)

PRIOR AUTHORIZATION, NOTIFICATION AND THRESHOLD LIMITS

UCare’s prior authorization and/or notification requirements and threshold limits may be updated from time to time. The most current information can be found [here](#).

RELATED PAYMENT POLICY DOCUMENTATION

<table>
<thead>
<tr>
<th>POLICY NUMBER</th>
<th>POLICY DESCRIPTION AND LINK</th>
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</thead>
<tbody>
<tr>
<td>SC14P0042A1</td>
<td>Mental Health Medication Management</td>
</tr>
<tr>
<td>SC14P0043A1</td>
<td>Psychotherapy</td>
</tr>
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</table>
**REFERENCES AND SOURCE DOCUMENTS**

**LINKS TO CMS, MHP, MINNESOTA STATUTE AND OTHER RELEVANT DOCUMENTS USED TO CREATE THIS POLICY**

- [DHS MH Procedure CPT or HCPC Codes and Rates Chart](#)
- [MHCP Provider Manual, Mental Health Services, Partial Hospitalization Program](#)
- [MN Rules Parts 9505.0370 to 9505.0372](#)
- [MN 4688.0010 Administrative Rules – Definition of Essential Community Provider](#)