



Qualified Health Plans offered in North Carolina by CareSource North Carolina Co., d/b/a CareSource

<b>ADMINISTRATIVE POLICY STATEMENT</b>	
<b>North Carolina Marketplace</b>	
Policy Name & Number	Date Effective
Partial Hospitalization Program - Mental Health-NC MP-AD-1285	05/01/2024
Policy Type	
<b>ADMINISTRATIVE</b>	

Administrative Policy Statement prepared by CareSource and its affiliates are derived from literature based on and supported by clinical guidelines, nationally recognized utilization and technology assessment guidelines, other medical management industry standards, and published MCO clinical policy guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

Administrative Policy Statements prepared by CareSource and its affiliates do not ensure an authorization or payment of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced in the Administrative Policy Statement. If there is a conflict between the Administrative Policy Statement and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination.

According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

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## A. Subject

### **Partial Hospitalization Program – Mental Health**

## B. Background

Mental health (MH) services are provided along a continuum of care where the level of care varies dependent on the type and intensity of services provided. These services involve an integrated system of care, ranging from outpatient services to residential treatment, that offers comprehensive services based on member needs and examines factors such as support systems available, prior life experiences, and behavioral, physical, gender, cultural, cognitive, and/or social factors.

Partial Hospitalization Program (PHP) levels of care provide day treatment for members in a setting that is intensively structured, 4 or more hours per day or evening in a program available 20 hours per week. Treatment is provided by a multidisciplinary team of behavioral health (BH) professionals, and daily, skilled nursing and psychiatric care are available.

Treatment of BH conditions is dependent on a diagnosis based on criteria found in the most current edition of the *Diagnostic and Statistical Manual of Mental Disorders (DSM)*. Appropriate assessment and diagnosis ensures that care is delivered consistently with industry-standard criteria and evidence-based treatment measures.

## C. Definitions

- **Inpatient Services** – BH services provided during an inpatient admission or confinement for acute inpatient services in a hospital or treatment setting on a 24-hour basis under the direct care of a physician, including psychiatric hospitalization, inpatient detoxification, and emergency evaluation and stabilization.
- **Intensive Outpatient Services** – Services addressing BH issues provided by BH facilities, group practices, or clinics for at least 4 hours of treatment per day at least 9 hours per week and are usually a step down from acute inpatient care, partial hospitalization care, or residential care but a step up from traditional outpatient services.
- **Outpatient Services** – BH services provided to a member on an ambulatory basis in an office or clinic setting, typically weekly or biweekly, including diagnostic evaluation, psychological testing, and psychotherapy.
- **Partial Hospitalization** – Structured, multimodal, active treatment for BH less than 24 hours including individual, group and/or family psychotherapy, member education and training, and diagnostic services focusing on member reintegration into society.
- **Residential Treatment** – Services for BH issues that can include individual, family and group therapy, nursing services, and pharmacological therapy in a congregate living community with 24-hour support.

## D. Policy

- I. Prior authorization is required after 5 days per calendar year. CareSource follows MCG criteria for all reviews of medical necessity.

The ADMINISTRATIVE Policy Statement detailed above has received due consideration as defined in the ADMINISTRATIVE Policy Statement Policy and is approved.

II. Billing

- A. H0035 is the Healthcare Common Procedure Coding System (HCPCS) code for behavioral health partial hospitalization, less than 24 hours, per diem.
- B. Reimbursement is considered a bundled service payment. Concurrent billing of individual services is not reimbursable.
- C. PHP is an outpatient service.
- D. PHP is not reimbursable for non-participating facilities or providers without a mutually agreed upon need for and negotiated single case agreement (SCA).
- E. Payments are made at the group level, not at the individual, rendering provider level. Rendering provider is not necessary on either UB04 or CMS1500 forms. For UB04 billing, the following revenue codes should be used with identified procedure code:
  - 1. 0912 - Partial hospitalization, less intensive (3-5 hours – half day)
  - 2. 0913 - Partial hospitalization, intensive (6+ hours – full day)
- F. In the event of any conflict between this policy and a provider’s agreement with CareSource, the provider’s agreement will be the governing document.

E. Conditions of Coverage

Reimbursement is dependent on, but not limited to, submitting approved HCPCS and Current Procedural Terminology (CPT) codes along with appropriate modifiers, if applicable.

F. Related Policies/Rules

Medical Necessity Determinations

G. Review/Revision History

DATE		ACTION
<b>Date Issued</b>	11/30/2022	Separated from AD-1263.
<b>Date Revised</b>	06/21/2023	D. I. Changed visits to days to match PA List. Approved at Committee.
	02/14/2024	Annual review. Updated references. Approved at Committee.
<b>Date Effective</b>	05/01/2024	
<b>Date Archived</b>		

H. References

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2. Anxiety Disorders, Partial Hospital Program: B-012-PHP. MCG. 27th ed. Updated September 1, 2023. Accessed February 1, 2024. [www.careweb.careguidelines.com](http://www.careweb.careguidelines.com)
3. Attention-Deficit and Disruptive Behavior Disorders, Partial Hospital Program: B-003-PHP. MCG. 27th ed. Updated September 1, 2023. Accessed February 1, 2024. [www.careweb.careguidelines.com](http://www.careweb.careguidelines.com)
4. Autism Spectrum Disorders, Partial Hospital Program: B-012-PHP. MCG. 27th ed. Updated September 1, 2023. Accessed February 1, 2024. [www.careweb.careguidelines.com](http://www.careweb.careguidelines.com)

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5. Bipolar Disorders, Partial Hospital Program: B-004-PHP. MCG. 27th ed. Updated September 1, 2023. Accessed February 1, 2024. [www.careweb.careguidelines.com](http://www.careweb.careguidelines.com)
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12. *North Carolina Evidence of Coverage*. CareSource; 2024. Accessed February 1, 2024. [www.caresource.com](http://www.caresource.com)
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15. Persistent Depressive Disorder (Dysthymia), Partial Hospital Program: B-009-PHP. MCG. 27th ed. Updated September 1, 2023. Accessed February 1, 2024. [www.careweb.careguidelines.com](http://www.careweb.careguidelines.com)
16. Other Psychiatric Disorders, Partial Hospital Program: B-010-PHP. MCG. 27th ed. Updated September 1, 2023. Accessed February 1, 2024. [www.careweb.careguidelines.com](http://www.careweb.careguidelines.com)
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