

**Subject: Behavioral Health Professional Billing Policy – OHIO ONLY**

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## ***Policy***

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CareSource will directly reimburse physicians for covered clinical psychiatric diagnostic services, evaluative procedures and therapeutic procedures provided to eligible members age 21 and under or age 65 and older residing in a private, free-standing psychiatric hospital or Institution of Mental Disease, when billed by the provider independently of a hospital. CareSource is not responsible for the confinement portion of an eligible member's costs when residing in a private, free-standing psychiatric hospital.

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## ***Definitions***

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An **"Inpatient Psychiatric Facility"** is a facility that provides inpatient psychiatric services for the diagnosis and treatment of mental illness on a 24-hour basis, by or under the supervision of a physician. *(from www.ucare.org)*

An **"Institution of Mental Disease"** (or, **"IMD"**) is a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of persons with mental disease, including medical attention, nursing care, and related services. *(from the Social Security Act §1905(i))*

A **"Psychiatric Diagnostic Interview"** examination consists of elicitation of a complete medical history (to include past, family and social); psychiatric history, a complete mental status exam, establishment of a tentative diagnosis, and an evaluation of the patient's ability and willingness to participate in the proposed treatment plan. *(CareSource internal definition)*

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## ***Provider Reimbursement Guidelines***

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### **Prior Authorization**

When psychiatric care is provided to eligible members on an out-patient basis by participating physicians, prior authorization is not required when the physician bills CareSource independent of a private, free-standing psychiatric hospital or IMD.

Prior authorization is not required for eligible members when psychiatric care is provided on an inpatient basis at a private, free-standing psychiatric hospital or IMD when billed by the physician independent of these settings.

Prior authorization is not required for eligible members when psychiatric care is provided on an inpatient basis at a general hospital when billed by the provider independent of this setting.

## **Reimbursement**

A provider of psychiatric care for eligible members should bill CareSource for such care if the physician is billing independent of a private, free-standing psychiatric hospital or IMD. When being treated on an inpatient basis through a private, free-standing psychiatric hospital or IMD, CareSource is only responsible for psychiatric care for those members age 21 and under or age 65 and older.

## **In-patient Free-standing Psychiatric Centers Services**

CareSource will reimburse physicians for independent psychiatric care for eligible members who are inpatient at a private, free-standing psychiatric facility or Institution of Mental Disease, provided the physician submits a bill using place of service ("POS") 51 [Inpatient Psychiatric Facility] and bills CareSource independent of the private, free-standing psychiatric hospital or IMD. CareSource is not responsible for the confinement portion of member charges while residing in a state or private, free-standing psychiatric hospital or an IMD.

## **In-patient Psychiatric Services [Hospital setting]**

CareSource will reimburse for psychiatric services performed on an in-patient basis in a general hospital setting when billed by the physician independent of the hospital, regardless of the member's age. Separate prior authorization is not required from CareSource, as that authorization would have been obtained for the hospital admission. Physicians must submit a bill using POS 21 [Inpatient Psychiatric Services] and the appropriate CPT code for psychiatric care rendered. When the provider uses POS 21, CareSource will reimburse the provider only if the patient was treated in the hospital setting on a full admission basis.

## **Out-patient Psychiatric Services [Hospital setting]**

CareSource will reimburse physicians for psychiatric services performed for eligible members on an out-patient basis in a general hospital setting when billed by the physician independent of the hospital. Physicians must submit a bill using POS 22 (Outpatient Services) and the appropriate CPT code for psychiatric care rendered. CareSource will reimburse the provider who uses POS 22 if the eligible member was treated in the hospital setting on an observation level of care and not a full admission basis.

## **Inpatient vs. Outpatient**

Independent providers of psychiatric services must ensure that they use the proper POS code when evaluating a patient in a hospital setting. If the provider assumes that a patient was admitted to a hospital on a full admission basis and bills CareSource using POS 21 [Inpatient Psychiatric Services], but the patient's admission status was only observation, then the claim will be denied for incorrect POS.

Likewise, if the provider assumes that a patient was only under observation at the hospital and bills CareSource using POS 22 [Outpatient Services], and the member was fully admitted to the hospital, the claim will also be denied for incorrect POS.

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***Related Policies & References***

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OAC 5160-4-29, "Physician Services, Services provided for the diagnosis and treatment of mental and emotional disorders."

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***State Exceptions***

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This payment policy applies to Ohio only.

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***Document Revision History***

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**10/31/2013** – OAC Rule renumbered from "5101:3-4-29," per Legislative Service Commission Guidelines.

Archived