



## ADMINISTRATIVE POLICY STATEMENT INDIANA MARKETPLACE

Policy Name	Policy Number	Date Effective
Partial Hospitalization Program – Mental Health	AD-0968	01/01/2021-12/31/2021
Policy Type		
Medical	<b>ADMINISTRATIVE</b>	Pharmacy Reimbursement

Administrative Policy Statements 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.

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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 on a continuum of care where the level of care varies dependent on the type and intensity of services provided. This policy addresses the Partial Hospitalization Program (PHP) level of care.

Treatment of mental health conditions is dependent on a diagnosis based on the Diagnostic and Statistical Manual of Mental Disorders.

## C. Definitions

- **Partial Hospitalization** – Treatment in a setting with an intensive structured setting providing three (3) or more hours of treatment or programming per day or evening, in a program that is available five (5) days a week. The intensity of services must be similar to Inpatient settings where skilled nursing care and daily psychiatric care are available and treatment is provided by a multidisciplinary team of Behavioral Health Care Services professionals.
- **Inpatient Services** – Health care services relating to a patient admitted to a Hospital, Skilled Nursing Facility, or Inpatient Rehabilitation Facility. Reimbursement for the service is by a diagnosis-related group system.
- **Health Care Services** – Services, supplies, devices, or pharmaceutical products for the diagnosis, prevention, treatment, cure, or relief of health condition, sickness, injury, or disease.
- **Outpatient Services** – Health care services other than inpatient services. Reimbursement for the service is per diem; and does not include room and board.

## D. Policy

- I. Prior Authorization is required.
  - A. CareSource follows MCG Health for medical necessity.
- II. Billing
  - A. H0035 is the CPT code for Behavioral Health partial hospitalization, less than 24 hours, per diem.
  - B. Reimbursement is considered a bundled service payment and 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.
  - E. Payments are made at the group level; not at the individual rendering provider level.
    1. Rendering provider is not necessary on either a UB04 or CMS1500 forms.
  - F. For UB04 billing, the following revenue codes should be used with identified procedure code:
    1. 0912 for partial hospitalization – less intensive (3-5 hours – half day).



- 2. 0913 for partial hospitalization – intensive (6+ hours – full day).

NOTE: The goal is to align with Medicaid billing requirements. CareSource will be transitioning to CMS1500 billing in 2022.

E. Conditions of Coverage

F. Related Policies/Rules

Partial Hospitalization – Substance Use Disorder  
Evidence of Coverage And Health Insurance Contract Indiana

G. Review/Revision History

DATES		ACTION
<b>Date Issued</b>	11/11/2020	
<b>Date Revised</b>		
<b>Date Effective</b>	01/01/2021	
<b>Date Archived</b>	12/31/2021	This Policy is no longer active and has been archived. Please note that there could be other Policies that may have some of the same rules incorporated and CareSource reserves the right to follow CMS/State/NCCI guidelines without a formal documented Policy

H. References

1. American Psychiatric Association. (2013). *Diagnostic and statistical manual of mental disorders* (5th ed.). <https://doi.org/10.1176/appi.books.9780890425596>
2. MCG Health. (2020). Care Guidelines. Retrieved November 5, 2020 from [www.mcg.com](http://www.mcg.com)

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