



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

ADMINISTRATIVE POLICY STATEMENT North Carolina Marketplace	
Policy Name & Number	Date Effective
Partial Hospitalization Program - Substance Use Disorder- NC MP-AD-1286	01/01/2023-08/31/2024
Policy Type	
ADMINISTRATIVE	

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 – Substance Use Disorder (SUD)****B. Background**

Substance Use Disorder (SUD) treatment is dependent on the needs of the member with the type, length, and intensity of treatment determined by the severity of the SUD, types of substances used, support systems available, prior life experiences, and behavioral, physical, gender, cultural, cognitive, and/or social factors. Additional factors include the availability of treatment in the community and coverage for the cost of care.

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

Providers use the American Society of Addiction Medicine's (ASAM) level of care criteria as a basis for the provision of SUD benefits to deliver services for the full continuum of care, which also ensures that care is delivered consistently with industry-standard criteria. ASAM also provides key benchmarks from nationally adopted standards of care and guidelines involving evidence-based treatment measures that guide services.

Treatment of substance use disorders is dependent on an SUD diagnosis based on the Diagnostic and Statistical Manual of Mental Disorders (DSM).

C. Definitions

- **American Society of Addiction Medicine (ASAM)** - A professional medical society dedicated to increasing access and improving the quality of addiction treatment, educating physicians and the public, supporting research and prevention, and promoting the appropriate role of physicians in the care of patients with addiction.
- **ASAM Partial Hospitalization Level of Care (LOC)** - Level 2.5
- **Inpatient Services** - Behavioral health or substance use disorder services provided during an inpatient admission or confinement for acute inpatient services in a hospital or treatment setting on a 24-basis under the direct care of a physician, including psychiatric hospitalization, inpatient detoxification, and emergency evaluation and stabilization.
- **Intensive Outpatient Services** – Services addressing mental health or substance abuse issues provided by behavioral health facilities, group practices or clinics for at least four (4) hours of treatment per day at least nine (9) hours per week and usually a step down from acute inpatient care, partial hospitalization care, or residential care but a step up from traditional outpatient services.
- **Outpatient Services** - Behavioral health or substance use disorder 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 behavioral health or substance use disorders 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 behavioral health or substance use disorder 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

- Prior Authorization is required after five (5) days per calendar year. CareSource follows ASAM Criteria® for all reviews of medical necessity.

II. Billing

- H0035 is the Healthcare Common Procedure Coding System (HCPCS) code for ASAM LOC 2.5 - behavioral health partial hospitalization, less than 24 hours, per diem.
- Reimbursement is considered a bundled service payment. Concurrent billing of individual services is not reimbursable.
- PHP is an outpatient service.
- PHP is not reimbursable for non-participating facilities or providers without a mutually agreed upon need for and negotiated single case agreement (SCA).
- 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:
 - 0912 - Partial hospitalization - less intensive (3-5 hours – half day).
 - 0913 - Partial hospitalization – intensive (6+ hours – full day).
- 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 Healthcare Common Procedure Coding System (HCPCS) and Current Procedural Terminology (CPT) codes along with appropriate modifiers, if applicable.

F. Related Policies/Rules

Medical Necessity Determinations
Evidence of Coverage

G. Review/Revision History

DATE		ACTION
Date Issued	12/14/2022	Separated from MP AD-1264.
Date Revised	06/21/2023	D. I. changed visits to days to match PA List. Approved at Committee.
Date Effective	01/01/2023	
Date Archived	08/31/2024	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.

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

H. References

1. American Psychiatric Association. (2022). Diagnostic and statistical manual of mental disorders, 5th edition, text revised (DSM-5-TR). Retrieved October 31, 2022 from www.doi.org.
2. American Society of Addiction Medicine. The ASAM Criteria. E-Learning Center. Retrieved October 31, 2022 from www.asam.org.
3. CareSource Evidence of Coverage, North Carolina. (2023). Retrieved November 11, 2022 from www.caresource.com.
4. Mee-Lee D, Shulman G, Fishman M, Gastfriend D, Miller, E. The ASAM Criteria: Treatment Criteria for Addictive, Substance-Related, and Co-Occurring Conditions. 3rd ed. Carson City, NV: The Change Companies; 2013. Copyright 2013 by the American Society of Addiction Medicine.