



ADMINISTRATIVE POLICY STATEMENT

Arkansas PASSE

Policy Name & Number	Date Effective
Therapeutic Communities-AR PASSE-AD-1365	02/01/2025-04/30/2026
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
Therapeutic Communities

B. Background

In 2017, therapeutic communities (TC) were introduced in Arkansas Medicaid as a system to deliver multiple behavioral health (BH) services throughout the day supporting a complex, adult Serious Mental Illness (SMI) population, many of whom lived in provider-owned residential settings. The program allowed providers to focus on treating members with more flexibility in service delivery. With the creation of the Provider-led Arkansas Shared Savings Entity (PASSE), TCs are provided under the 1915(i) waiver and are available to members with complex BH needs, as well as members with intellectual disabilities. This service is provided by Outpatient Behavioral Health (OBH) agencies or a Community Support System Provider (CSSP) with program certification from the Division of Provider Services and Quality Assurance (DPSQA).

TCs are highly structured residential environments that employ earned privileges and community-imposed consequences as part of the recovery and growth process. Members are assigned responsibilities while acting as facilitators, emphasizing personal responsibility for one's own life, self-improvement, and integration within a community. Two levels of care are available, permitting more frequent and intensive interventions depending on symptoms. Level 1 provides the most supervision, support, and treatment and ensures community safety in a facility, while Level 2 provides a lower level of care and is often used as a stepdown to begin member transition into a community setting. TCs have specific staffing ratios, training requirements for staff, and provide 24/7 care. Additional information is published by the Arkansas Department of Human Services (DHS) in the *Therapeutic Communities or Community Support System Provider (CSSP) Certification or Licensure Manual*.

C. Definitions

- **Activities of Daily Living (ADL)** – Fundamental skills required to independently care for oneself, including the following:
 - **Basic** – Skills required to manage basic physical needs (eg, ambulation, feeding, dressing, personal hygiene, continence, toileting).
 - **Instrumental** – Skills requiring complex thinking skills (eg, transportation, shopping, finance management, meal preparation, house cleaning and home maintenance, communication management, medication management).
- **Daily Living Activities-20 (DLA-20)** – A standardized, functional assessment tool providing a 30-day snapshot of 20 domains enabling the measurement of impacts of illness or disability on an individuals' daily living functioning (ie, summary of strengths/needs at a specific point in time related to whole health).
- **Intellectual and Developmental Disorder (IDD) Diagnosis** – Chronic disability of an individual in accordance with ARK. CODE ANN. § 20-48-101.
- **Mental Health Professional (MHP)** – An Arkansas-licensed provider of clinical behavioral health services.

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- **Person-Centered Service Plan (PCSP)** – A member’s total plan of care made in accordance with 42 C.F.R. § 441.301(c)(1) that indicates services necessary for the member, specific member needs, member strengths and a crisis plan.
- **Serious Persistent Mental Illness (SPMI)** – An individual 18 years of age or older with symptoms or difficulty in life domains and meeting specific criteria established by the State.
- **Therapeutic Individualized Plan of Care (POC)** – A plan developed with the member for specific services to restore, improve, or stabilize a BH condition.
- **Trauma Informed** – Recognition of and response to the presence of past and current traumatic experiences and effects on the lives of members.

D. Policy

Eligibility for any service will be determined by a clinical review of documentation that establishes medical necessity and/or nonmedical community supports and services (NCSS), including determinations from an Arkansas Independent Assessment (ARIA).

- I. Providers must be certified as a TC provider or as a CSSP provider at the Enhanced Level. Provisions and provider requirements can be located in the *Therapeutic Communities* or *CSSP Certification Manual* on the Arkansas DHS website.
- II. CareSource will review requests for TC services on a case-by-case basis. General guidelines and basic authorization criteria include **all** the following:
 - A. Member must be 18 years of age or older and have an SPMI or IDD diagnosis(-es) as outlined in the most recent *Diagnostic and Statistical Manual of Mental Disorders, 5th edition, Text Revised (DSM-5-TR)*.
 - B. Member must have an individualized POC and PCSP specifying medically necessary services and/or NCSS provided in the least restrictive setting and within, or as close to, the community in which the member resides.
 - C. A positive behavior support plan (PBSP) is required for any IDD member with behavioral issues. PBSPs will be reviewed at least quarterly, and the member will be referred to an appropriately licensed professional if the plan is not achieving the desired results.
 - D. Member benefit is possible when there is evidence of no benefit from other services across multiple providers that results in a greater risk of hospitalization, homelessness, substance use, victimization, and/or incarceration.
 - E. Documented behaviors and functional impairments would likely lead to a more restrictive level of care without TC services.
 - F. Member can be approved up to 90 units (1 unit = 1 day).
 - G. Provider will complete the TC Prior Authorization Form found on the CareSource PASSE website at www.caresource.com>Providers>Prior Authorization.

III. Level 1 Additional Requirements

In addition to meeting the general requirements in D.II above, Level 1 individualized POCs will include a minimum of 35 hours a week and **all** the following:

- A. minimum of 2 medical service encounters per month to address member psychiatric needs

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- B. minimum of 5 encounters per week for professional services with at least 1 encounter on an individual basis for each member
 - C. functional impairments displayed includes **either**
 - 1. Regression and/or exacerbation of symptoms require inpatient care, but the member does not need the full support of a hospital setting.
 - 2. The member has multisystem involvement and complex needs for the highest-level of 24/7 supervision, support, and treatment to ensure community safety and includes **any** of the following:
 - a. documented hospitalizations or emergency department visits within the last year related to primary BH diagnoses
 - b. symptoms, characterized by a degree of intensity, require a locked residence, medication administration supervision, and co-occurring medical or SUD impacts stability
 - c. no demonstration of extended periods of positive community integration in the last 2 years or stability in Level 2 after documented interventions and strategies by the treating team to prevent transition to Level 1
 - D. comorbid conditions for members who are under a 911, 310, or 180 commitment status and pose a high level of community safety risk
- IV. Level II Additional Requirements
- In addition to meeting the general requirements in D.II above, Level 2 individualized POCs will include a minimum of 30 hours a week and the following:
- A. minimum of 1 medical service encounter per month to address member psychiatric needs
 - B. minimum of 3 encounters per week for professional services with at least 1 encounter on an individual basis for each member
 - C. functional impairments require supervision, support, and treatment at a lower level than Level 1 with at least 3 functional impairments present
 - D. member presents with 3 or more high service needs or comorbid conditions
- V. Continuing stay reviews (CSRs) for Levels 1 and 2 can be approved up to 90 additional units and should include any criteria already established in other sections of this policy. Submission of the following is required for any CSR:
- A. most recent treatment plan
 - B. most recent psychiatric evaluation
 - C. prescriber/MD notes
 - D. counseling notes
 - E. daily notes/logs showing that treatment hour requirements have been met for the previous 30 days
- VI. Treatment plan reviews will address the member's BH and/or IDD symptoms and needs. Providers must utilize the DLA-20 during treatment plan reviews and conduct reviews more frequently if the member is admitted to the hospital and/or has a significant change in status. Level 1 and 2 reviews must include progress reports on treatment goals at the following intervals and be adjusted accordingly for lack of member progress:

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- A. Level 1 reviews: a minimum of every 90 days.
- B. Level 2 reviews: a minimum of every 180 days.

VII. Discharge Criteria

Members will be considered for discharge considering the DLA-20 score completed at each treatment plan review in addition to meeting **5** of the criteria listed below:

- A. decreased acuity level
- B. displayed stabilization and improvement of symptoms
- C. absence of significant impairment to level of functioning
- D. member understanding of follow-up treatment and crisis plan
- E. availability of outpatient setting supports and providers
- F. acceptable risk status
- G. member participation in monitoring at lower level, if available
- H. lower level of care treatable or absent medical needs
- I. achieved treatment goals

E. Conditions of Coverage

NA

F. Related Policies/Rules

Non-Medical Community Supports and Services
Person-Centered Service Plans

G. Review/Revision History

DATE		ACTION
Date Issued	11/08/2023	Approved at Committee.
Date Revised	10/23/2024	Annual review. Updated references. Approved at Committee.
Date Effective	02/01/2025	
Date Archived	04/30/2026	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. Community support system provider. Arkansas Dept of Human Services. Accessed October 2, 2024. www.humanservices.arkansas.gov
2. De Leon G, Unterrainer HF. The therapeutic community: a unique social psychological approach to the treatment of addictions and related disorders. *Front Psychiatry*. 2020;11:786. doi:10.3389/fpsy.2020.00786
3. Definitions, ARK. CODE ANN. § 6-18-2403 (2023).
4. Definitions, ARK. CODE ANN. § 20-47-202 (2023).
5. Definitions, ARK. CODE ANN. § 20-48-101 (2023).
6. *Home and Community Based Services for Client with Intellectual Disabilities and Behavioral Health Needs Provider Manual, Section II*. Arkansas Dept of Human Services. Updated January 1, 2023. Accessed October 2, 2024, 2023.

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- www.humanservices.arkansas.gov
7. Iturralde E, Fazzolari L, Shia M, et al. Closing the care gap for people with severe and persistent mental illness: collaborative care, telehealth, and clinical pharmacy. *NEJM Catal Innov Care Deliv*. 2022;3(5):10. doi:10.1056/CAT.21.0417
 8. *Rules for the Division of Medical Services Licensure Manual for Community Support System Providers*. Arkansas Department of Human Services. Updated January 1, 2023. Accessed October 2, 2024. www.humanservices.arkansas.gov
 9. Staiger PK, Liknaitzky P, Lake AJ, et al. Longitudinal substance use and biopsychosocial outcomes following therapeutic community treatment for substance dependence. *J Clin Med*. 2020;9(1):118. doi:10.3390/jcm9010118
 10. *Therapeutic Communities Certification Manual*, Arkansas Dept of Human Services; 2017. Accessed October 2, 2024. www.humanservices.arkansas.gov
 11. Zumstein N, Riese F. Defining severe and persistent mental illness-a pragmatic utility concept analysis. *Front Psychiatry*. 2020;11:648. doi:10.3389/fpsy.2020.00648