

# Government Business Division

## Policies and Procedures

<b>Section (Primary Department)</b> Health Care Management – Utilization Management	<b>SUBJECT (Document Title)</b> Psychiatric Residential Treatment Facility Requirements - LA
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<b>Effective Date</b> 11/02/2022	<b>Date of Last Review</b>	<b>Date of Last Revision</b>	<b>Dept. Approval Date</b> 11/02/2022
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### Department Approval/Signature:

Policy applies to health plans operating in the following State(s). Applicable products noted below.

<b>Products</b>	<input type="checkbox"/> Arkansas	<input type="checkbox"/> Iowa	<input type="checkbox"/> Nevada	<input type="checkbox"/> Tennessee
<input checked="" type="checkbox"/> Medicaid/CHIP	<input type="checkbox"/> California	<input type="checkbox"/> Kentucky	<input type="checkbox"/> New Jersey	<input type="checkbox"/> Texas
<input type="checkbox"/> Medicare/SNP	<input type="checkbox"/> Colorado	<input checked="" type="checkbox"/> Louisiana	<input type="checkbox"/> New York – Empire	<input type="checkbox"/> Virginia
<input type="checkbox"/> MMP/Duals	<input type="checkbox"/> District of Columbia	<input type="checkbox"/> Maryland	<input type="checkbox"/> New York (WNY)	<input type="checkbox"/> Washington
	<input type="checkbox"/> Florida	<input type="checkbox"/> Minnesota	<input type="checkbox"/> North Carolina	<input type="checkbox"/> Wisconsin
	<input type="checkbox"/> Georgia	<input type="checkbox"/> Missouri	<input type="checkbox"/> South Carolina	<input type="checkbox"/> West Virginia
	<input type="checkbox"/> Indiana	<input type="checkbox"/> Nebraska		

### POLICY:

To outline the utilization management and review functions required for completing referrals and authorization for a member to receive services at a Psychiatric Residential Treatment Facility. Healthy Blue is required to have sufficient staff with clinical expertise and training to apply service authorization medical management criteria and practice guidelines. Healthy Blue shall use the Louisiana Department of Health's (LDH's) definition of medical necessity as defined in LAC 50:I.1101 (Louisiana Register, Volume 37, Number 1) for medical necessity determinations. Medical necessity determinations are consistent with the LDH's definition and made by qualified and trained practitioners in accordance with state and federal regulations. The qualifications of staff who determine medical necessity are identified in 42 CFR 441.153(a).

### DEFINITIONS:

~~Psychiatric Residential Treatment Facility (PRTF) – any non-hospital facility with a provider agreement with a State Medicaid Agency to provide the inpatient services benefit to Medicaid-eligible individuals under the age of 21 (psych under 21 benefit). The facility must be accredited by JCAHO or any other accrediting organization with comparable standards recognized by the State. PRTFs must also meet the requirements in §441.151 through 441.182 of the CFR.~~

**Certification of Need (CON)** – According to 42 CFR 441.152(a), a team (specified in §441.154) must certify that -

- (1) Ambulatory care resources available in the community do not meet the treatment needs of the beneficiary;
- (2) Proper treatment of the beneficiary's psychiatric condition requires services on an inpatient basis under the direction of a physician; and
- (3) The services can reasonably be expected to improve the beneficiary's condition or prevent further regression so that the services will no longer be needed.

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**Fiscal Intermediary (FI)** – LDH’s contractor responsible in the current delivery model for an array of support services including MMIS development and support, claims processing, pharmacy support services, provider support services, financial and accounting systems, prior authorization and utilization management, fraud and abuse systems, and decision support.

**Licensed Mental Health Provider (LMHP)** – An individual who is licensed in the State of Louisiana to diagnose and treat mental illness or substance use disorder acting within the scope of all applicable State laws and their professional license. A LMHP includes individuals licensed to practice independently as:

- Medical Psychologists
- Licensed Psychologists
- Licensed Clinical Social Workers (LCSWs)
- Licensed Professional Counselors (LPCs)
- Licensed Marriage and Family Therapists (LMFTs)
- Licensed Addiction Counselors (LACs)
- Advanced Practice Registered Nurses (APRN) (must be a nurse practitioner specialist in Adult Psychiatric & Mental Health, and Family Psychiatric & Mental Health or a Certified Nurse Specialists in Psychosocial, Gerontological Psychiatric Mental Health, Adult Psychiatric and Mental Health, and Child-Adolescent Mental Health and may practice to the extent that services are within the APRN’s scope of practice)

~~**Fiscal Intermediary (FI)** – LDH’s contractor responsible in the current delivery model for an array of support services including MMIS development and support, claims processing, pharmacy support services, provider support services, financial and accounting systems, prior authorization and utilization management, fraud and abuse systems, and decision support.~~

**Medically Necessary Services** - Those health care services that are in accordance with generally accepted, evidence-based medical standards or that are considered by most physicians (or other independent licensed practitioners) within the community of their respective professional organizations to be the standard of care. In order to be considered medically necessary, services must be: (1) deemed reasonably necessary to diagnose, correct, cure, alleviate or prevent the worsening of a condition or conditions that endanger life, cause suffering or pain, or have resulted or will result in a handicap, physical deformity or malfunction; and (2) those for which no equally effective, more conservative and less costly course of treatment is available or suitable for the beneficiary. Any such services must be individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and neither more nor less than what the beneficiary requires at that specific point in time. Although a service may be deemed medically necessary, it doesn’t mean the service will be covered under the Medicaid Program. Services that are experimental, non-FDA approved, investigational, or cosmetic are specifically excluded from Medicaid coverage and will be deemed “not medically necessary.”

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**Section (Primary Department)**

**Health Care Management – Utilization  
Management**

**SUBJECT (Document Title)**

**Psychiatric Residential Treatment Facility  
Requirements - LA**

**Psychiatric Residential Treatment Facility (PRTF)** – any non-hospital facility with a provider agreement with a State Medicaid Agency to provide the inpatient services benefit to Medicaid-eligible individuals under the age of 21 (psych under 21 benefit). The facility must be accredited by JCAHO or any other accrediting organization with comparable standards recognized by the State. PRTFs must also meet the requirements in §441.151 through 441.182 of the CFR.

**Utilization Management ( UM)** – Refers to the process to evaluate the medical necessity, appropriateness, and efficiency of the use of health care services, procedures, and facilities. UM is inclusive of utilization review and service authorization.

**Utilization Review (UR)** – Evaluation of the clinical necessity, appropriateness, efficacy, or efficiency of core health care benefits and services, procedures or settings, and ambulatory review, prospective review, concurrent review, second opinions, care management, discharge planning, or retrospective review.

~~**Medically Necessary Services** – Those health care services that are in accordance with generally accepted, evidence based medical standards or that are considered by most physicians (or other independent licensed practitioners) within the community of their respective professional organizations to be the standard of care. In order to be considered medically necessary, services must be: (1) deemed reasonably necessary to diagnose, correct, cure, alleviate or prevent the worsening of a condition or conditions that endanger life, cause suffering or pain, or have resulted or will result in a handicap, physical deformity or malfunction; and (2) those for which no equally effective, more conservative and less costly course of treatment is available or suitable for the beneficiary. Any such services must be individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and neither more nor less than what the beneficiary requires at that specific point in time. Although a service may be deemed medically necessary, it doesn't mean the service will be covered under the Medicaid Program. Services that are experimental, non-FDA approved, investigational, or cosmetic are specifically excluded from Medicaid coverage and will be deemed "not medically necessary."~~

### **PROCEDURE:**

#### **Pre-Screen for PRTF:**

When a referring party requests PRTF for an Member, Healthy Blue will perform an initial screen upon receipt of referral including review of records and current clinical information to determine whether PRTF is an appropriate level of care, or if alternate community-based services could meet the referral needs. The screen will be completed within twenty-four (24)

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hours of Healthy Blue's receipt of the referral and all clinical information needed and requested by Healthy Blue to make the determination.

Upon completion of the screen, if the PRTF is approved, Healthy Blue will immediately notify the Member and/or guardian and, with consent, the referring party requesting PRTF services and, within forty-eight (48) hours, provide written notification of the approval. Healthy Blue will also then generate a Prior Authorization for each PRTF admission within forty-eight (48) hours of completion of the screen.

#### Locating a PRTF:

1. In consultation with the Member's guardian and referring party, Healthy Blue will locate a PRTF provider appropriate to meet the Member's needs with availability to admit the Member.
2. Given the need to locate an appropriate PRTF provider with bed availability in a Timely manner, Healthy Blue will maintain near real time bed utilization/availability for network PRTFs and out-of-network replacements.
3. When the initial screen results in a determination that the Member is in need of PRTF care, Healthy Blue will secure admission to an appropriate PRTF for the Member within 200 miles, for Rural and Urban Parishes, which is in compliance with access and availability standards for this level of care.

#### Denial of PRTF:

If PRTF placement is denied, Healthy Blue will immediately notify the Member and/or guardian and, with consent, the referring party requesting PRTF services and, within forty-eight (48) hours, provide written notification of the denial. The notification of denial will include information on alternative services that may meet the Member's needs to ensure health and safety, including information on available providers of those services, the right of the Member to Appeal the denial, and the process to do so.

#### Screening of Youth:

For youth pending release from a secure setting for whom a PRTF is being requested, Healthy Blue will complete the screen prior to the youth's release if it is anticipated that the youth will be re-linked to Healthy Blue following release.

#### Certification of Need (CON) for PRTFs:

In conducting Certifications of Need for PRTFs, Healthy Blue will comply with the requirements set forth at 42 CFR Part 441, Subpart D.

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Healthy Blue will ensure LMHPs are included in the team responsible for certification and recertification of PRTF services in Louisiana. This will include a face-to-face assessment by a LMHP or a telephonic/video consultation with a LMHP who has had a face-to-face interview with the child/youth, in addition to the recommendations of the team, as specified at 42 CFR §441.156.

Healthy Blue may use a LMHP/team composed of its own staff or subcontracted LMHPs. To ensure the team has knowledge of the ambulatory resources available to the youth and the youth's situation, Healthy Blue will ensure that the team is assembled by a subcontract in the child's/youth's parish of residence or adjacent parish (if not in State custody) or the child's/youth's parish or adjacent parish of responsibility (if in State custody).

For youth pending release from a secure setting for whom a PRTF is being requested, Healthy Blue is required to coordinate the completion of the CON prior to the youth's release if it is anticipated that the youth shall be re-linked to Healthy Blue following release.

Recertification of the stay will occur every sixty (60) Calendar Days. For the PRTF screens to be complete, the team shall meet and rule out other community based options. This does not apply to other inpatient screens.

#### **Additional Responsibilities:**

In addition to the Pre-Screen and Certification of Need, the LMHP and/or team will:

1. Be responsible for tracking the Member's authorization period for PRTF stays and providing notification to the Authorized Representative when a recertification is due;
2. Ensure that PRTF certification, including the independent certification, are forwarded to the admitting facility;
3. Accurately determine admissions and discharges to PRTFs and perform PRTF-specific eligibility functions; and
4. Work with the FI to determine retroactive eligibility and assignment, when applicable.

#### **REFERENCES:**

- Louisiana Medicaid Managed Care Organization, Attachment A – Model Contract, Section 2.12.11 & Glossary
- GBD- Policies and Procedures Healthcare Management- Utilization Management-

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Associates Performing Utilization Management

- 42 Code of Federal Regulations §441.151(a)

**RESPONSIBLE DEPARTMENTS:**

**Primary Department:**

Health Care Management - Utilization ~~Case~~-Management

**Secondary Department(s):**

Behavioral Health Case Management

**EXCEPTIONS:**

None-

**REVISION HISTORY:**

Review Date	Changes
11/02/2022	• New Policy <u>created for LA Rebid 2023 Readiness</u>
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