



## Residential Treatment for Chemical Dependence

### **I. Policy**

University Health Alliance (UHA) will reimburse for Residential Treatment for Chemical Dependence when determined to be medically necessary and when they meet the Medical Criteria Guidelines (subject to limitations and exclusions) indicated below.

UHA employs the following philosophy for residential treatment for chemical dependence, and assistance from the staff at UHA Health Care Services is available to all members in an effort to follow this doctrine:

1. UHA believes in the value of a committed therapist-patient relationship. This requires continuity of care and in-state services are, for obvious reasons, much more likely to further that goal and relationship.
2. Substance abuse cannot be solved with any sort of “silver bullet.” Treatment is not necessarily continuous, but it is often episodic and longitudinal, meaning that it might be required for years to prevent relapse and afford security and comfort. Again, having a local physician or therapist who is intimately aware of current problems and status is optimal.
3. Many substance abuse facilities advertise on the internet and elsewhere. Many are for-profit organizations which might be accredited by one organization or another, but the nature of treatment, the level of documentation of therapy, and the ability to coordinate subsequent care vary tremendously. Accordingly, UHA believes that out of state referrals should be made only as necessary and by providers with genuine understanding of the patient’s needs and the specific nature of the referring facility.
4. Our members should know that we are guided by an interest in quality of care and likelihood of success. A patient or family might not have a clear grasp of the importance of a coherent care plan which allows for different levels of treatment in and outside of residential or other facilities.

### **II. Criteria/Guidelines**

- A. A residential treatment facility for chemical dependence is a facility that offers treatment for patients that require close monitoring of their behavioral and clinical activities related to their addiction to drugs or alcohol. The facility must:
  1. Provide a comprehensive, individualized, and intensive program that addresses potential withdrawal symptoms/behaviors and which incorporates psychotherapeutic treatments and education through a multidisciplinary team approach.
  2. Develop a comprehensive assessment and treatment plan within seven days of admission and throughout the duration of the admission to demonstrate continued medical necessity. In addition, changes in the treatment plan must be documented to reflect changes in recipient’s most current clinical condition and response to treatment. Upon request, such written documentation must be made available to UHA.
  3. Be a 24 hour treatment facility that is not a hospital, and not designed to provide housing, custodial care or a structured environment whose use is simply to change the patient’s environment.
  4. Not be a wilderness camp, or stand-alone outdoor treatment program. Outdoor components of residential chemical dependency treatment programs are covered only if these services are used as an adjunct to an addiction treatment.

5. Therapeutic boarding schools are not covered unless the program is licensed for chemical dependency residential treatment.
- B. UHA covers residential treatment for chemical dependence when medically necessary and the severity of need and intensity of services criteria are met. Structured professional outpatient treatment and rehabilitation in the individual's normal setting is the treatment of choice, however residential treatment, when indicated, should meet the following criteria:
1. Service must be individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness under treatment; and
    - a. Must consist of a standard, projected number of days; and
    - b. Should be the lowest level of care where treatment can safely and effectively be provided, given the severity of the individual's condition.
  2. When patients have multiple psychiatric diagnoses which include chemical dependence, they should be cared for in facilities licensed appropriately (i.e., dual diagnosis).
- C. Chemical dependency residential treatment services are not covered unless all of the following facility conditions are met:
1. Residential treatment must be the least intensive level of care to meet the therapeutic needs of the recipient. It is expected that residential treatment is subsequent to adequate and appropriate treatment trials in alternative levels of care as appropriate.
  2. Care provided is consistent with the most current edition of the American Society of Addiction Medicine (ASAM) Patient Placement Criteria for the Treatment of Substance-Related Disorders and/or Milliman Care Guidelines.
  3. The facility holds current national accreditation by one of the following: Joint Commission on Accreditation of Healthcare Organizations (JCAHO), Commission on Accreditation of Rehabilitation Facilities (CARF), or the Council on Accreditation (COA).
  4. Facility must be within the state of Hawaii, and if possible, within the island home of the member.
    - a. Treatment in out-of-state facilities or programs that has not been pre-approved may be denied on retrospective review. Referrals should be made only as necessary and by providers with genuine understanding of the patient needs and the specific nature of the referring facility.
    - b. Need based on convenience or a change in environment may be denied. Treatment which is received close to home may be more effective with respect to applying newly learned behaviors and coping skills. Rapport with local professional support and enrollment in aftercare programs while working toward long term sobriety with family and community support is facilitated by local care.
    - c. Out-of-State facilities or programs, if approved, must meet all criteria within this policy for residential treatment services.
    - d. Failure to comply with the approval process may result in ineligibility for reimbursement.
- D. Services provided while a member is a resident in a chemical dependence rehabilitation program must be reasonable, follow standard guidelines, and meet criteria for medical necessity. Services that do not meet the scope or frequency for appropriate care will be denied payment.
1. Urine drug testing (qualitative screening) in residential setting is covered on admission. Additional testing while a member is participating in a residential program must show documentation for necessity and in no instance will be covered more than once per week.
  2. Quantitative drug testing is not covered in this setting.

**NOTE:**

*This UHA payment policy is a guide to coverage, the need for prior authorization and other administrative directives. It is not meant to provide instruction in the practice of medicine and it should not deter a provider from expressing his/her judgment.*

*Even though this payment policy may indicate that a particular service or supply is considered covered, specific provider contract terms and/or member's individual benefit plans may apply, and this policy is not a guarantee of payment. UHA reserves the right to apply this payment policy to all UHA companies and subsidiaries.*

*UHA understands that opinions about and approaches to clinical problems may vary. Questions concerning medical necessity (see Hawaii Revised Statutes §432E-1.4) are welcome. A provider may request that UHA reconsider the application of the medical necessity criteria in light of any supporting documentation.*

### **III. Limitations/Exclusions**

Criteria for admission require that all the criteria below under "Severity of Need" and "Intensity of Service" must be met.

**A. Severity of Need:**

1. The provider must be able to document that the member has a history of chemical dependence but is mentally competent and cognitively stable enough to benefit from admission to the residential treatment program at this point in time. Individual days during any part of the stay where the patient does not meet this criterion cannot be certified as medically necessary.
2. Any one of the following:
  - a. The individual exhibits a pattern of severe alcohol and/or drug abuse as evidenced by continual inability to maintain abstinence and recovery despite recent (within the past three months) appropriate, professional outpatient intervention.
  - b. The patient is residing in a severely dysfunctional living environment which would undermine effective outpatient treatment, or in the case of a child or adolescent the living environment does not provide the support and access to therapeutic services necessary for recovery.
  - c. There is actual evidence for, or clear and reasonable inference of, serious imminent physical harm to self or others directly attributable to the continued abuse of substances which would prohibit treatment in an outpatient setting.
3. For individuals with a history of repeated relapses and treatment history involving multiple treatment attempts, there must be evidence of the restorative potential for the proposed admission.

**B. Intensity of Service:**

1. Due to significant impairment in social, familial, scholastic or occupational functioning, the individual requires intensive individual, group and family education and therapy in an inpatient rehabilitative setting.
2. In the case of a child or adolescent, the individual treatment plan must include at least weekly family involvement or identified valid reasons why such a plan is not clinically appropriate.

#### **IV. Administrative Guidelines**

- A. Prior authorization is required.
- B. When the criteria of this policy are met, residential services for chemical dependence will be paid exclusively per diem.
- C. Residential treatment for chemical dependence is not covered when:
  - 1. The recipient does not meet the eligibility requirements in section II or III.
  - 2. The facility does not meet the requirements in section II.
  - 3. Treatment is mandated, ordered or suggested by the court, parole officer or probation officer, where in the absence of this Agreement the member would not be charged.
- D. Claims submitted as medical detoxification services require clear and complete clinical documentation to support such classification (such as VS, CIWA, COWS, medication tapers). Without clear documentation to show that the services rendered would NOT be more appropriately classified as social detoxification, the claim may be denied.
- E. To request prior authorization, please submit via UHA's online portal. If a login has not been established, you may contact UHA at 808-532-4000 to establish one.

#### **V. Policy History**

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