

CHAMPVA POLICY MANUAL

CHAPTER: 2
SECTION: 18.15
TITLE: SUBSTANCE USE DISORDER REHABILITATION FACILITIES -
GENERAL

AUTHORITY: 38 USC 1713; 38 CFR 17.270(a), 17.272(a)(63-65) and 17.273

RELATED AUTHORITY: 32 CFR 199.4(e)(4) and (h) and PPI # 95-8

TRICARE POLICY MANUAL: Chapter 8, Section 21.2.

I. EFFECTIVE DATE

Effective with the mental health contract modification of July 1, 1996, the procedures outlined herein are applicable to claims for treatment of substance use disorders occurring on or after October 1, 1995.

II. DESCRIPTION

Emergency and inpatient hospital care for complication of alcohol and drug abuse or dependency and detoxification are covered as for any other medical condition. Specific coverage for the treatment of substance use disorders includes detoxification, rehabilitation and outpatient care provided in authorized substance use disorder rehabilitation facilities.

III. POLICY

Specific coverage for the treatment of substance use disorders including detoxification, rehabilitation, and outpatient care provided in authorized substance use disorder rehabilitation facilities in accordance with the policy below, may be cost shared.

A. Emergency and inpatient hospital services.

1. Emergency and inpatient hospital services are covered when medically necessary for the active medical treatment of the acute phases of substance abuse withdrawal (detoxification), for stabilization, and for treatment of medical complications of substance use disorders.

2. Emergency and inpatient hospital services are considered medically necessary only when the patient's condition is such that the personnel and facilities of a hospital are required.

3. Stays provided for substance use disorder rehabilitation in a hospital-based facility are covered when provided as outlined in B. below.

4. Inpatient hospital services are subject to the provision regarding the limit on inpatient mental health services (see [Chapter 2, Section 18.11](#), *Limit on Acute Inpatient Mental Health Care*).

5. Inpatient hospital services are subject to the statutory requirement for preauthorization (see [Chapter 2, Section 18.16](#), *Preauthorization Requirements For Substance Use Disorders Detoxification And Rehabilitation*).

B. Authorized substance use disorder treatment.

1. Only those services provided by authorized institutional providers are covered. Such a provider must be either an authorized hospital, or an organized substance use disorder treatment program in an authorized freestanding or hospital-based substance use disorder rehabilitation facility.

2. A qualified mental health provider (physicians, clinical psychologists, clinical social worker, psychiatric nurse specialists, certified clinical social workers, mental health counselors, marriage and family counselors and pastoral counselors), shall prescribe the particular level of treatment.

3. Each beneficiary is entitled to three substance use disorder treatment benefit periods in his or her lifetime. A waiver may be extended in accordance with the criteria in paragraph B under "Limitations."

a. A benefit period begins with the first date of covered treatment and ends 365 days later, regardless of the total services actually used within the benefit period.

b. Emergency and inpatient hospital services as described under paragraph A.1. do not constitute substance abuse treatment for the purpose of establishing the beginning of a benefit period.

c. Unused benefits cannot be carried over to subsequent benefit periods.

C. Covered services.

1. Rehabilitative care in an authorized hospital or substance use disorder facility, whether freestanding or hospital-based, is covered on either a residential or partial care (day, evening or weekend) basis.

a. Residential care is subject to the following:

(1) Care must be preauthorized (see [Chapter 2, Section 18.17.2](#), *Preauthorization Requirement For Residential Treatment Center Care*).

(2) Coverage during a single benefit period is limited to no more than one inpatient stay (exclusive of stays classified in DRG 433) in hospitals subject to DRG-based payment system or 21 days in a DRG-exempt facility for rehabilitation care, unless the limit is waived in accordance with the criteria in paragraph B. under "Limitations".

(3) If the patient is medically in need of chemical detoxification, but does not require the personnel or facilities of a general hospital setting, detoxification services are covered in addition to rehabilitative care, but in a DRG-exempt facility detoxification services are limited to 7 days, unless the limit is waived in accordance with the criteria in paragraph B. under "Limitations".

(4) The medical and psychological necessity of the detoxification must be documented. Any detoxification services provided in the substance use disorder rehabilitation facility must be under general medical supervision.

b. Partial care is subject to the following:

(1) Care must be preauthorized.

(2) Coverage during a single benefit period is limited to 21 days unless the limit is waived in accordance with the criteria in paragraph B. under "Limitations."

NOTE: The beneficiary may have either 21 days of rehabilitation on a residential (inpatient) basis or 21 days of rehabilitation in a partial hospital setting, or a combination of both, as long as the 21-day limit for the total rehabilitation period is not exceeded.

2. Outpatient care is subject to the following:

a. Outpatient care (substance use disorders) must be provided by an approved substance use disorder rehabilitation facility, whether freestanding or hospital-based. Certified addiction rehabilitation counselors or certified alcohol counselors employed by the Substance Use Disorder Rehabilitation Facility (SUDRF) may provide the care.

b. Coverage is up to 60 visits in a benefit period unless the limit is waived in accordance with the criteria in paragraph B. under "Limitations" (see [Chapter 2, Section 18.11](#), *Limit on Acute Inpatient Mental Health Care*).

3. Outpatient care is covered in a group setting only. Individual outpatient care will be denied. For patients with a primary diagnosis of a mental disorder (DSM IV) that coexists with an alcohol and other drug abuse disorder refer to [Chapter 2, Section 18.3](#), *Psychotherapy*.

4. Family Therapy

a. Family therapy provided on an outpatient basis by an approved substance use disorder rehabilitation facility, whether freestanding or hospital-based, is covered beginning with the completion of the patient's rehabilitative care as outlined in this policy. The family therapy is covered for up to 15 visits in a benefit period unless the limit is waived in accordance with the criteria in paragraph B. under "Limitations". Services provided on an outpatient basis will be reimbursed under the appropriate CMAC for the procedure code(s) billed.

b. Family therapy must be provided by a qualified mental health provider psychiatrists or other physicians, clinical psychologists, certified psychiatric nurse specialists or clinical social workers. Certified marriage and family therapists, pastoral, and mental health counselors, must be under a physician's supervision.

IV. LIMITATIONS

A. Coverage limitations.

1. Detoxification. Admissions to all facilities (includes DRG and non-DRG facilities) for detoxification are covered if preauthorized as medically/psychologically necessary. Days of detoxification must be counted toward the statutory day limit, limiting care for adults (age 19 and over) to 30 days in a fiscal year or 30 days in an admission and to 45 days for children (age 18 and under).

2. Rehabilitation. Rehabilitation stays are subject to a limit of 3 periods in a lifetime unless this limit is waived by the Director, HAC, or a designee. Preadmission and continued stay authorization is required for substance use disorder detoxification and rehabilitation (see [Chapter 2, Section 18.16](#), *Preauthorization Requirements For Substance Use Disorders Detoxification And Rehabilitation*). Rehabilitation stays are covered if preauthorized as medically/psychologically necessary. Days of rehabilitation must be counted toward the statutory day limit, restricting care for adults (age 19 and over) to 30 days in a fiscal year or 30 days in an admission and to 45 days for children (aged 18 and under). The concept of an emergency admission does not apply to rehabilitative care.

B. Waiver of benefit limits. The specific benefit limits set forth in this section may be waived by the Director, HAC, or a designee in special cases based on a determination that all of the following criteria are met.

1. Active treatment has taken place during the period of the benefit limit and substantial progress has been made according to the plan of treatment.

2. Further progress has been delayed due to the complexity of the illness.
3. Specific evidence has been presented to explain the factors that interfered with further treatment progress during the period of the benefit limit.
4. The waiver request includes specific time frames and a specific plan of treatment which will complete the course of treatment.

V. POLICY CONSIDERATIONS

A. Providers may not hold patients liable for payment for services for which payment is disallowed due to the provider's failure to follow established procedures for preadmission and continued stay authorization. With respect to such services, providers may not seek payment from the patient or the patient's family, unless the patient has agreed to personally pay for the services knowing that payment would not be made.

B. Antabuse® in the treatment of alcoholism may be cost shared.

C. Release of any patient identifying information, including that required to adjudicate a claim, must comply with the provisions of Section 544 of the Public Health Service Act, as amended, (42 U.S.C. 290dd-3), which governs the release of medical and other information from the records of patients undergoing treatment of substance use disorder. If the patient refuses to authorize the release of medical records which are, in the opinion of the Director, HAC, or a designee, necessary to determine benefits on a claim for treatment of substance use disorder the claim will be denied.

D. Related policies:

1. [Chapter 2, Section 18.16](#), *Preauthorization Requirements For Substance Use Disorders Detoxification And Rehabilitation*.
2. [Chapter 2, Section 18.14](#), *Alcoholism Prior To October 1, 1995*.

VI. EXCLUSIONS

A. Aversion therapy. The programmed use of physical measures, such as electric shock, alcohol or other drugs (except Antabuse®) as negative reinforcement, even if recommended by a physician. All professional and institutional charges associated with a rehabilitation treatment program that uses aversion therapy.

B. Domiciliary settings. Domiciliary facilities generally referred to as halfway or quarterway houses, are not authorized providers.

END OF POLICY