

CHAMPVA POLICY MANUAL

CHAPTER: 2
SECTION: 18.17.2
TITLE: PREAUTHORIZATION FOR RESIDENTIAL TREATMENT CENTER
(RTC) CARE

AUTHORITY: 38 CFR 17.272(a), 17.272(a) and 38 CFR 17.273

RELATED AUTHORITY: 32 CFR 199.4(b)(4)(viii), P.L. 101-510, P.L. 101-511

I. EFFECTIVE DATE

RTC services provided on and after October 1, 1991.

II. POLICY

A. Preadmission and continued stay authorization is required for care in a residential treatment center. Admission to a Residential Treatment Center (RTC) is considered elective and not of an emergency nature. For admissions to a RTC, a psychiatrist or clinical psychologist shall recommend admission and direct the treatment plan.

B. Treatment provided at a RTC may be cost shared for children and adolescents under 21 years of age.

III. POLICY CONSIDERATIONS

A. Treatment of Mental Disorders. In order to qualify for admission to a RTC, a psychiatrist or other physician (M.D. or D.O.) shall recommend that the child or adolescent be admitted to the RTC. A psychiatrist or a clinical psychologist shall direct the development of the patient's treatment plan. The patient must be diagnosed as suffering from a mental disorder, according to the criteria listed in the most current edition of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association. Benefits are limited for certain mental disorders, such as specific developmental disorders. In order for treatment of a mental disorder to be medically or psychologically necessary, the patient must, as a result of a diagnosed mental disorder, be experiencing both physical or psychological distress and an impairment in his or her ability to function in appropriate occupational, educational or social roles. It is generally the degree to which the patient's ability to function is impaired that determines the level of care (if any) required to treat the patient's condition.

B. Criteria for Determining Medical or Psychological Necessity. In determining the medical or psychological necessity of services and supplies provided by RTC's, the evaluation conducted by the Director, Health Administration Center (or designee), shall consider the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care. RTC services and supplies shall not be considered medically or psychologically necessary unless, at a minimum, all the following criteria are clinically determined in the evaluation to be fully met:

1. patient has a diagnosable psychiatric disorder, and
2. patient exhibits patterns of disruptive behavior with evidence of disturbances in family functioning or social relationships and persistent psychological and/or emotional disturbances.
3. RTC services involve active clinical treatment under an individualized treatment plan that provides for:
 - a. specific level of care, and measurable goals/objectives relevant to each of the problems identified,
 - b. skilled interventions by qualified mental health professionals to assist the patient and/or family,
 - c. time frames for achieving proposed outcomes, and
 - d. evaluation of treatment progress to include timely reviews and updates as appropriate of the patient's treatment plan that reflects alterations in the treatment regimen, the measurable goals/objectives, and the level of care required for each of the patient's problems, and explanations of any failure to achieve the treatment goals/objectives.
4. Unless therapeutically contraindicated, the family and/or guardian must actively participate in the continuing care of the patient either through direct involvement at the facility or geographically distant family therapy. (In the latter case, the treatment center must document that there has been collaboration with the family and/or guardian in all reviews.)

C. Preauthorization Requirements. All admissions to a RTC care are elective and must be certified as medically/psychologically necessary prior to admission. The criteria for preauthorization is identified in Paragraph B under Policy Considerations. In applying this criteria, special emphasis is placed on the development of a specific diagnosis and treatment plan that is expected to be effective for the patient.

1. The timetable for development of the individualized treatment plan shall be as follows:
 - a. the plan must be under development at the time of the admission,

b. a preliminary treatment plan must be established within 24 hours of admission, and

c. a master treatment plan must be established within ten calendar days of the admission.

2. The elements of the individualized treatment plan must include:

a. the diagnostic evaluation that establishes the necessity for the admission,

b. an assessment regarding the inappropriateness of services at a less intensive level of care,

c. a comprehensive, biopsychosocial assessment and diagnostic formulation,

d. a specific individualized treatment plan that integrates measurable goals/objectives and their required level of care for each of the patient's problems that are a focus of treatment,

e. a specific plan for involvement of family members, unless therapeutically contraindicated, and

f. a discharge plan, including an objective of referring the patient to further services, if needed, at less intensive levels of care within the benefit limit period.

3. Preauthorization requests should be made not less than **three** business days prior to the planned admission. In general, the decision regarding preauthorization shall be made within one business day of receipt of all information for a request for preauthorization, and shall be followed with written confirmation. Preauthorization's are valid for 90 days.

D. Services for which payment is disallowed for failure to obtain preauthorization may not be billed to the patient (or the patient's family).

E. Concurrent Review. Concurrent review of the necessity for continued stay will be conducted no less frequently than every 30 days. The criteria for concurrent review is set forth in Paragraph B, under "Policy Considerations," of this chapter. In applying this criteria, special emphasis is placed on evaluating the progress being made in the active individualized clinical treatment being provided and on developing appropriate discharge plans.

IV. EXCLUSIONS

A. Admission to a RTC primarily for substance abuse rehabilitation.

|| B. Admission to a RTC for conditions not attributable to a mental disorder. ||

END OF POLICY