

CHAMPVA POLICY MANUAL

CHAPTER: 3
SECTION: 8.2
TITLE: PSYCHIATRIC PARTIAL HOSPITALIZATION PROGRAM
REIMBURSEMENT

AUTHORITY: 38 USC 1713; 38 CFR 17.270(a) and 38 CFR 17.272(a)

RELATED AUTHORITY: 32 CFR 199.4(b)(10) and 199.14(a)(2)(ix)

TRICARE POLICY MANUAL: Chapter 13, Section 6.7

I. EFFECTIVE DATE

July 14, 1993

II. POLICY

A. Per diem payment for psychiatric partial hospitalization services authorized are reimbursed on the basis of prospectively determined, all-inclusive per diem rates. The per diem payment amount must be accepted as payment in full for all institutional services provided. The following services and supplies are included in the per diem rate approved for an authorized partial hospitalization program and are not covered even if separately billed by an individual professional provider.

1. Board. Includes use of the partial hospital facilities such as food service, supervised therapeutically constructed recreational and social activities and other general services as considered appropriate by the Director, Health Administration Center (HAC) (or designee).

2. Patient assessment. Includes the assessment of each individual accepted by the facility, and must, at a minimum, consist of a physical examination; psychiatric examination; psychological assessment; assessment of psychological, biological and cognitive processes; developmental assessment; family history and assessment; social history and assessment; educational or vocational history and assessment; environmental assessment; and recreational/activities assessment. Assessments conducted within 30 days prior to admission to a partial program may be used if approved and deemed adequate to permit treatment planning by the partial hospital program.

3. Psychological testing and assessment.

4. Treatment services. All services including routine nursing services, group therapy, supplies, equipment and space necessary to fulfill the requirements of each patient's individualized diagnosis and treatment plan (with the exception of the psychotherapy as indicated in B.1. below).

5. Ancillary therapies. Includes art, music, dance, occupational and other such therapies.

6. Overhead and any other services for which the customary practice among similar providers is included as part of the institutional charges.

B. Services which may be billed separately. The following services are not considered as included within the per diem payment amount and may be separately billed when provided by an authorized individual professional provider:

1. Psychotherapy sessions. Professional services provided by an authorized individual professional provider (who is not employed by or under contract with the partial hospitalization program) for purposes of providing clinical patient care to a patient in the partial hospitalization program may be cost shared when billed by the individual professional provider. Professional mental health benefits are limited to a maximum of one session (60 minutes individual, 90 minutes family, etc.) per authorized treatment day not to exceed five sessions in any calendar week in any combination of individual and family therapy. Five sessions per week is an absolute limit, and additional sessions are not covered.

Note: Group therapy is strictly included in the per diem and cannot be paid separately even if billed by an individual professional provider.

2. Primary/Attending Provider. When a patient is approved for admission to a partial hospitalization program, the primary or attending provider (if not contracted or employed by the partial program) may provide psychotherapy only when the care is part of the treatment environment that is the therapeutic partial program. That is why the patient is there--because that level of care and that program have been determined as medically necessary. The therapy must be adapted toward the events and interactions outlined in the treatment plan and are part of the overall partial treatment plan. Involvement as the primary or attending is allowed and covered only if he/she is part of the coherent and specific plan of treatment arranged in the partial setting. The treatment program must be under the general direction of the psychiatrist employed by the program to ensure medication and physical needs of the patients are met and the therapist must be part of the treatment team and treatment plan. An attending provider must come to the treatment plan meetings and his/her care must be coordinated with the treatment team and as part of the treatment plan. Care given independent of this is not covered.

3. Non-mental health related medical services. Those services not normally included in the evaluation and assessment of a partial hospitalization patient and not related to care in the partial hospitalization program. These medical services are those services medically necessary to treat a broken leg, appendicitis, heart attack, etc., which may necessitate emergency transport to a nearby hospital for medical attention. No separate billing for medical services is allowed from the partial hospitalization program. Ambulance services may be cost shared when billed for by an authorized provider if determined medically necessary for emergency transport.

C. Per diem rate.

1. For any full day partial hospitalization program (minimum of 6 hours), the maximum per diem payment amount is 40 percent of the average inpatient per diem amount per case paid to both high and low volume psychiatric hospitals and units by Federal census region during fiscal year 1990. A partial hospitalization program of less than 6 hours (with a minimum of three hours) will be paid a per diem rate of 75 percent of the rate for full day program. Programs treating children and adolescents must ensure the provision of a state certified educational component which assures that patients do not fall behind in educational placement while receiving partial hospital treatment. HAC will not fund the cost of educational services separately from the per diem rate. The hours devoted to education do not count toward the therapeutic half or full day program. No adjustments are necessary other than applying the beneficiary cost share and updating annually using the annual update factor.

2. Claims priced by day of service. All claims reimbursed under the partial mental health per diem payment system are to be priced for each day of service (using the rate in effect on the day of service) regardless of when the claim is submitted. Any adjustments to such claims will also be priced as of the day of service.

D. Cost sharing. Cost sharing for partial hospitalization is on an inpatient basis. The inpatient cost share also applies to the associated psychotherapy billed separately by the individual professional provider. These providers will have to identify on the claim form that the psychotherapy is related to a partial hospitalization stay so the proper inpatient cost sharing can be applied. For beneficiaries, the cost share is 25% of the allowed amount. Since inpatient cost sharing is being applied, no deductible is to be taken for partial hospitalization.

E. Other requirements.

1. No payment is due for leave days, for days in which treatment is not provided, for days in which the patient does not show up or for days in which the duration of the program services was less than three hours.

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2. No payment is due for care for which authorization has not been issued by the Director, HAC (or designee) regardless of whether the claim is from the partial hospitalization program or an individual professional provider rendering services in the partial program. No payment is due for care in excess of the 60-day partial hospitalization limit, unless a waiver is issued by the Director, HAC (or designee) for care beyond the limit.

3. Any situation in which fee-for-service claims are received which should have been included in the per diem, such as ancillary services (includes art, music, dance, occupational and other such therapies), psychological testing and assessments, overhead and any other services for which the customary practice among similar providers is included as part of the institutional charges will be denied and the claimant advised that these services were included in a previously processed claim.

END OF POLICY