

Payment Policy | Behavioral Health Services Inpatient and Intermediate Levels of Care



EFFECTIVE DATE: 02|05|2024

POLICY LAST REVIEWED: 12/17/2025

OVERVIEW

This documents the program requirements and payment policy for inpatient and intermediate behavioral health services. Inpatient care services consist of inpatient mental health and substance use disorder treatment, residential mental health and substance use disorder treatment, and crisis stabilization. Intermediate care services consist of partial hospitalization programs (PHP), intensive outpatient programs (IOP), adult intensive services (AIS), child and family intensive services (CFTI), and transcranial magnetic stimulation (TMS).

MEDICAL CRITERIA

Not applicable

NOTIFICATION OF ADMISSION

Medicare Advantage Plans

For all participating and non-participating providers, notification to Blue Cross and Blue Shield of Rhode Island (BCBSRI) within 48 hours of admission and within 48 hours after discharge is required for the following levels of care to ensure correct claims processing.

- Inpatient mental health and substance use disorder treatment
- Inpatient withdrawal management (detoxification)
- Partial hospitalization - mental health and substance use disorder treatment

Commercial Products

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- Inpatient mental health and substance use disorder treatment
- Inpatient withdrawal management (detoxification)
- Crisis Stabilization (CSU)
- Residential mental health and substance use disorder treatment
- Partial hospitalization - mental health and substance use disorder treatment

For more information, please contact BCBSRI Behavioral Health Utilization Management at 1-800-274-2958

POLICY STATEMENT

Medicare Advantage Plans

The following Inpatient and Intermediate levels of care are bundled in the per diem or treatment program codes:

- Inpatient mental health and substance use disorder treatment
- Inpatient withdrawal management (detoxification)
- Intensive outpatient programs (IOP)

- Transcranial magnetic stimulation (TMS)

Payment for the program itself includes all professional and facility services performed when a member is enrolled in a program. This includes all laboratory services performed on site. Confirmatory and quantitative laboratory services not able to be performed on site that are sent for performance and analysis to an outside facility must be ordered by a prescribing clinician directly providing care for the involved member and will be covered only according to the BCBSRI policy for Drug Testing. This includes all labs and point-of-care drug screening and drug confirmation tests when these tests are performed and/or ordered as part of a patient's treatment program or treatment plan.

Bundled services include but not limited to:

- Psychiatric treatment
- Therapy (group/individual)
- Any lab testing (that is part of program requirements)
- Any other testing related to treatment

The following Intermediate level of care is bundled in the per diem or treatment program codes, except for Physician/CNS/PA/NP prescribing which can be billed separately.

- Partial hospital programs (PHP)

Commercial Products

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- Inpatient mental health and substance use disorder treatment
- Inpatient withdrawal management (detoxification)
- Crisis Stabilization Unit (CSU)
- Residential mental health and substance use disorder treatment
- Intensive outpatient programs (IOP)
- Adult intensive services (AIS)
- Child and family intensive services (CFIT)
- Transcranial magnetic stimulation (TMS)

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COVERAGE

Benefits may vary between groups/contracts. Please refer to the appropriate Evidence of Coverage or Subscriber Agreement for applicable mental health services and/or chemical dependency treatment coverage/benefits.

BACKGROUND

Inpatient Mental Health and Substance Use Services

Inpatient services are provided in either a locked or staff-secured 24-hour clinical setting (general hospital or specialty hospital) which offers full behavioral health management to individuals who are unable to be safely treated in a less restrictive environment. These individuals may be experiencing an acute mental health crisis or require substance use detoxification. Facilities must be licensed by the state in which the services are provided, hold Joint Commission accreditation, and must meet BCBSRI credentialing/qualification requirements.

Residential Mental Health and Substance Use Services

Residential treatment facilities provide non-hospital-based 24-hour level of care for acute substance use and/or mental health disorders.

Minimum requirements for residential facilities include:

- Active license with the state in which the services are rendered.
- OR
- If no license is offered by the state, provider must be accredited by CARF or the Joint Commission for mental health services or meet standards established by ASAM for Substance Use Disorders.
 - Mental Health providers without Joint Commission/CARF Accreditation but meeting Joint Commission/CARF standards would be reviewed and considered by the BCBSRI Behavioral Health Department.

Crisis Stabilization Services

Crisis stabilization services are provided in a 24-hour community-based clinical setting and is an alternative to, or a diversion from, inpatient hospitalization for individuals who may be experiencing an exacerbation in symptoms, may be at risk for harm to self or others, and/or lack available supports.

Minimum requirements for crisis stabilization facilities include:

- Active license with the state in which the services are rendered. OR
- If no license is offered by the state, provider must be accredited by CARF or the Joint Commission for mental health services or meet standards established by ASAM for Substance Use Disorders.
- Mental Health providers without Joint Commission/CARF Accreditation but meeting Joint Commission/CARF standards would be reviewed and considered by the BCBSRI Behavioral Health Department.

Intermediate Care Services

Intermediate levels of care are intended to offer treatment in alternative settings such as the community, a practitioner's office, and/or in the patient's home for individuals with moderate-to-severe psychiatric symptoms. Intermediate care services provide substantial clinical support for patients who are either in transition from a higher level of care or at risk for admission to a higher level of care. While individuals receiving these services are typically not at risk for serious harm to themselves or others, they may have difficulty performing activities of daily living. Left untreated, they would more likely require more intensive and restrictive inpatient services. The goal in providing intensive intermediary services is to transition the member back to a less restrictive form of outpatient care.

Services consist of, but are not limited to:

- Individual, family, and/or group therapy
- Medication consultation and management
- Case management coordination
- Emergency crisis evaluation available 24 hours a day, 7 days per week
- Psychiatric assessment

Partial Hospitalization Program (PHP)

PHPs are defined as structured and medically supervised day, evening, and/or night treatment programs. The range of services offered is designed to address a mental and/or substance-related disorder through an individualized treatment plan provided by a coordinated multidisciplinary treatment team. Services include, but are not limited to: initial and ongoing assessments, individual therapy, family therapy, group therapy, medication evaluation, medication management, care management, crisis and emergency services, coordination with collateral contacts, etc.

Minimum requirements for Partial Hospital Programs include:

- Active license with the state in which the services are rendered.
- If no license is offered by the state, provider must be accredited by CARF or the Joint Commission for mental health services or meet standards established by ASAM for Substance Use Disorders.
- Mental Health providers without Joint Commission/CARF Accreditation but meeting Joint Commission/CARF standards would be reviewed and considered by the BCBSRI Behavioral Health Department.

Intensive Outpatient Program (IOP)

An IOP provides substantial clinical support for patients who are either in transition from a higher level of care or at risk for admission to a higher level of care. Services include, but are not limited to, initial and ongoing assessments, individual therapy, family therapy, group therapy, medication evaluation, medication management, care management, crisis and emergency services, coordination with collateral contacts, etc.

Minimum requirements for Intensive Outpatient Programs include:

- Active license with the state in which the services are rendered.
- If no license is offered by the state, provider must be accredited by CARF or the Joint Commission for mental health services or meet standards established by ASAM for Substance Use Disorders.
- Mental Health providers without Joint Commission/CARF Accreditation but meeting Joint Commission/CARF standards would be reviewed and considered by the BCBSRI Behavioral Health Department.

Adult Intensive Services (AIS) and Child and Family Intensive Services (CFIT)

These programs offer services primarily based in the home for adults and children with moderate- to-severe psychiatric conditions. AIS/CFIT consists, at a minimum, of ongoing emergency/crisis evaluations, psychiatric assessment, medication evaluation and management, case management, psychiatric nursing services, and individual, group, and family therapy. The program requires the provider to render a minimum of six (6) contact hours per week. (4 face-to-face clinical hours and 2 care coordination/collateral hours with schools, EAP, court, community resources, etc.)

Transcranial Magnetic Stimulation (TMS)

TMS of the brain is generally for individuals over the age of 18 years with major depressive disorder or obsessive-compulsive disorder who have had an inadequate response to pharmacological agents and psychotherapy services. TMS is a noninvasive method of delivering electrical stimulation to the brain stimulating neuronal functioning.

CODING

Medicare Advantage Plans and Commercial Products

Coding is not applicable for this policy.

RELATED POLICIES

Behavioral Health Outpatient Services

Drug Testing

Mental Illness and Substance Use Disorder Mandate

Non-Reimbursable Health Service Codes

Transcranial Magnetic Stimulation (TMS)

PUBLISHED

Provider Update, February 2024

Provider Update, January 2022

Provider Update, May 2020

Provider Update, October 2018

Provider Update, January 2017, December 2017

REFERENCES

None

CLICK THE ENVELOPE ICON BELOW TO SUBMIT COMMENTS

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