

## **Child and Adolescent Day Treatment (MH/SA) Medicaid Billable Service**

**Draft October 15, 2009**

### **Service Definition and Required Components**

Day Treatment is a structured treatment service in a licensed facility for children or adolescents and their families that builds on strengths and addresses identified needs. This medically necessary service directly addresses the child's diagnostic and clinical needs, which are evidenced by the presence of a diagnosable mental, behavioral, and/or emotional disturbance (as defined by the DSM-IV-TR and its successors), with symptoms and effects documented in a comprehensive clinical assessment and the Person Centered Plan.

This service is designed to serve children who, as a result of their mental health and/or substance abuse treatment needs, are unable to benefit from participation in academic or vocational services at a developmentally appropriate level in a traditional school or work setting. Therapeutic interventions must be coordinated with the child's academic or vocational services available through enrollment in an educational setting through the establishment of a mandatory Memorandum of Agreement (MOA) among the Day Treatment provider, the Local Management Entity, and the Local Education Agency.

These interventions are designed to reduce symptoms, improve behavioral functioning, increase the individual's ability to cope with and relate to others, promote recovery, and enhance the child's capacity to function in an educational setting, an inclusive setting or to be maintained in community based services. It is available for children 5 to 17 years of age (20 or younger for those who are eligible for Medicaid). Day Treatment must address the age, behavior, and developmental functioning of each child to ensure safety, health and appropriate treatment interventions within the program milieu.

Day Treatment provides mental health and/or substance abuse interventions in the context of a therapeutic treatment milieu. This service should be focused on achieving functional gains, be developmentally appropriate, culturally relevant and sensitive, child and family centered, and focus on integrating the individual into an educational setting or transitioning into employment. Each Child and Adolescent Day Treatment provider must follow a clearly identified clinical model or evidence-based treatment that is consistent with best practice. The selected model(s) must be included in the provider's program description. This clinical model or Evidence-Based Practice (EBP) should be expected to produce positive outcomes for this population.

The selected clinical model or EBP(s) must address the clinical needs of the recipient as identified in the comprehensive clinical assessment and on the Person Centered Plan. All criteria (program, staffing, clinical and other) for the Day Treatment service definition and all criteria for the chosen clinical model or EBP(s) must be followed. Where there is any incongruence between the service definition and the clinical model or EBP(s), the more stringent requirements must be met.

Providers of Day Treatment must have completed the required certification or licensure of the selected model (as required by the developer of the clinical model or EBP) and must document ongoing supervision and compliance within the terms of the clinical model or EBP to assure model fidelity.

All staff participating in the delivery of the clinical model or EBP(s) are expected to complete the training requirements of that practice within the first 30 days of each staff member's date of employment to provide this service. This is in addition to the 20 hours of staff training that are minimally required for the delivery of the Day Treatment. All follow up training or ongoing continuing education requirements for fidelity of the clinical model or EBP(s) must be followed.

Intensive services are designed to reduce symptoms and improve level of functioning including but not limited to:

- Functioning in an appropriate educational setting;
- Maintaining residence with a family or community based non-institutional setting (foster home, Therapeutic Family Services); and
- Maintaining appropriate role functioning in community settings.

Day Treatment implements developmentally appropriate direct preventive and therapeutic interventions to accomplish the goals of the Person Centered Plan, as related to the mental health or substance abuse diagnosis. These interventions shall include, but are not limited to, the following:

- Development of therapeutic relationships between the provider, child, and family/caregiver;
- Development of skills and replacement behaviors which can be practiced, applied, and continually addressed with treatment staff in a therapeutic and educational environment;
- Monitoring of psychiatric symptoms in coordination with the appropriate medical care provider;
- Identification and self-management of symptoms/behaviors;
- Development/improvement of social and relational skills;
- Enhancement of communication and problem-solving skills;
- Relapse prevention and disease management strategies;
- Individual, group and family counseling;
- Provision of strengths-based positive behavior supports; and
- Psychoeducation, and training of family, unpaid caregivers, and/or others who have a legitimate role in addressing the needs identified in the Person Centered Plan. Psychoeducation services and training furnished to family members and/or caregivers must be provided to, or directed exclusively toward the treatment of, the eligible individual. Psychoeducation imparts information to children, families, caregivers, and/or other individuals involved with the child's care about the child's diagnosis, condition, and treatment for the express purpose of fostering developmentally appropriate coping skills. These skills will support recovery and encourage problem solving strategies for managing issues posed by the child's condition. Psychoeducational activities are performed for the direct benefit of the Medicaid recipient and help the child develop increasingly developmentally appropriate coping skills for handling problems resulting from their condition. The goal of psychoeducation is to reduce symptoms, improve functioning, and meet the goals outlined in the Person Centered Plan.

In partnership with the youth, his or her family, the legally responsible person (as applicable), and other service providers, a Child and Adolescent Day Treatment Qualified Professional is responsible for convening the Child and Family Team, which is the vehicle for the person-centered planning process. The Child and Family Team, are those persons relevant to the child's successful achievement of service goals

including, but not limited to, family members, mentors, school personnel, primary medical care provider, and members of the community who may provide support, structure, and services for the child. The Day Treatment provider works with other behavioral health service providers, as well as with identified medical (including primary care and psychiatric) and non-medical providers (for example, the county department of social services, school, the Department of Juvenile Justice and Delinquency Prevention), engages community and natural supports, and includes their input in the person-centered planning process. A Day Treatment Qualified Professional is responsible for developing, implementing, monitoring the Person Centered Plan, which shall include a crisis plan. The Day Treatment provider is also responsible for documenting the status of the child's progress and the effectiveness of the strategies and interventions outlined in the Person Centered Plan.

As part of the crisis plan of the Person Centered Plan, the Day Treatment provider shall coordinate with the Local Management Entity and recipient to assign and ensure "first responder" coverage and crisis response, as indicated in the Person Centered Plan, 24 hours a day, 7 days a week, 365 days a year to recipients of this service.

Day Treatment provides case management services including, but not limited to, the following:

- Assessing the child's needs for comprehensive services
- Linking the child and/or family to needed services and supports (such as medical or psychiatric consultations)
- Monitoring the provision of services and supports
- Assessing the outcomes of services and supports
- Collaborating with other treatment providers (i.e., primary care provider, psychiatrist, psychologist, outpatient therapist)
- Convening Child and Family Team meetings to coordinate the provision of multiple services and ensure appropriate modification of the PCP over time.

For Medicaid-funded Day Treatment services, a signed service order shall be completed by a physician, licensed psychologist, physician assistant, or nurse practitioner according to his or her scope of practice and shall be accompanied by other required documentation as outlined elsewhere in this policy (DMA Clinical Coverage Policy 8A, *Enhanced Mental Health and Substance Abuse Services*). Each service order shall be signed and dated by the authorizing professional and shall indicate the *date* on which the service was ordered. A service order shall be in place *prior to* or on the day that the service is initially provided in order to bill Medicaid for the service. The service order shall be based on a comprehensive clinical assessment of the recipient's needs. For State-funded services, it is recommended that a service order be completed prior to or on the day that the service is initially provided.

### **Provider Requirements**

Day Treatment services shall be delivered by practitioners employed by mental health or substance abuse provider organizations that

- meet the provider qualification policies, procedures, and standards established by the DMA;
- meet the provider qualification policies, procedures, and standards established by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS); and
- fulfill the requirements of 10A NCAC 27G.

These policies and procedures set forth the administrative, financial, clinical, quality improvement, and information services infrastructure necessary to provide services. Provider organizations shall

demonstrate that they meet these standards by being endorsed by the Local Management Entity (LME). Additionally, within one year of enrollment as a provider with DMA, the organization shall achieve national accreditation with at least one of the designated accrediting agencies. (Providers who were enrolled prior to July 1, 2008, shall have achieved national accreditation within three years of their enrollment date.) The organization shall be established as a legally constituted entity capable of meeting all of the requirements of the Provider Endorsement, Medicaid Enrollment Agreement, Medicaid Bulletins, and service implementation standards.

For Medicaid services, the organization is responsible for obtaining authorization from Medicaid's approved vendor for medically necessary services identified in the Person Centered Plan. For State-funded services, the organization is responsible for obtaining authorization from the LME. The Day Treatment provider organization shall comply with all applicable federal and state requirements. This includes but is not limited to North Carolina Department of Health and Human Services (DHHS) statutes, rules, policies, and Implementation Updates; Medicaid Bulletins; and other published instruction.

A facility providing Day Treatment services shall be licensed under 10A NCAC 27G .1400.

### Staffing Requirements

All staff working in a Day Treatment Program must have the knowledge, skills and abilities required by the population and age to be served.

This service is delivered by the following staff:

- One (1) full time program director who meets the requirements specified for a Qualified Professional and has a minimum of two years experience in child and adolescent mental health/substance abuse treatment services who must be actively involved in program development, implementation, and service delivery;

AND

- a minimum of one (1) FTE Qualified Professional, per six children, who has the knowledge, skills, and abilities required by the population and age to be served, who must be actively involved in service delivery

AND

- a minimum of one (1) additional FTE (Qualified Professional, Associate Professional, or Paraprofessional) for every 18 enrolled recipients.

AND

- a minimum of a .5 of a full time dedicated Licensed Professional for every 18 enrolled recipients. This individual must be actively involved in service delivery. A Provisionally Licensed Professional who fills this position must be fully licensed within 30 months from date of hire. For substance abuse focused programs, the Licensed Professional must be an LCAS.

Although the Licensed Professional is in addition to the program's Qualified Professional to child ratio, he or she may serve as one of the two staff when children are present.

A minimum ratio of one Qualified Professional to every six (6) children is required to be present, with a minimum of two (2) staff present with children at all times. The exception is when only one child is in the program, in which case only one (1) staff member is required to be present. The staffing configuration must be adequate to anticipate and meet the needs of the recipients receiving this service.

If, for additional staffing purposes, the program includes persons who meet the requirements specified for Associate Professional or Paraprofessional status according to 10A NCAC 27G.0104, supervision must be provided according to supervision requirements specified in 10A NCAC 27G.0204 and according to licensure requirements of the appropriate discipline.

Each staff member providing Day Treatment must complete a minimum of 20 hours of training specific to the components of the Day Treatment service definition, as well as crisis response, Person Centered Thinking, and System of Care (SOC) Child and Family Team (parts I and II) training within the first 30 days of each staff member's date of employment to provide this service.

### **Service Type/Setting**

A facility providing Day Treatment services shall be licensed under 10A NCAC 27G .1400.

This is a day/night service that shall be available year round for a minimum of three hours a day during all days of operation. During the school year, the Day Treatment Program must operate each day that the schools in the local education agency are in operation. The Day Treatment provider may not operate solely outside of traditional school hours. During the summer months, the program must remain in operation a minimum of four days a week.

Day Treatment may include time spent off site in places that are related to achieving service goals such as normalizing community activities that facilitate transition/integration with their school setting, visiting a local place of business to file an application for part time employment.

As part of the crisis plan of the Person Centered Plan, the Day Treatment provider shall coordinate with the Local Management Entity and recipient to assign and ensure "first responder" coverage and crisis response, as indicated in the Person Centered Plan, 24 hours a day, 7 days a week, 365 days a year to recipients of this service.

The Day Treatment milieu shall be provided in a licensed facility separate from the child's residence.

This is a facility based service and is provided in a licensed and structured program setting appropriate for the developmental age of children and adolescents. At least 75% of the treatment services per week averaged per month shall be provided in the on-site licensed setting.

### **Program Requirements**

Each Child and Adolescent Day Treatment provider must follow a clearly identified clinical model consistent with best practice. This model must be included in the provider's program description. This clinical model should be expected to produce positive outcomes for this population.

The Day Treatment Program staff collaborates with the school and other service providers prior to admission and throughout service duration. A clear delineation must be made between the educational instruction and therapeutic interventions. Day Treatment staff may only provide therapeutic interventions because educational instruction is not reimbursable under this service definition. These delineations are established through an MOA among the Day Treatment provider, the Local Management Entity, and the Local Education Agency. Day Treatment services may not be provided without this MOA.

Day Treatment is time limited and services are titrated based on the transition plan in the Person Centered Plan. Transition and discharge planning begins at admission and must be documented in the Person Centered Plan.

While Day Treatment addresses the mental health and/or substance symptoms related to functioning in an educational setting, family involvement and partnership is a critical component of treatment as clinically indicated.

### **Eligibility Criteria**

Children five through 17 are eligible for this service when:

- A. There is an Axis I or II MH/SA diagnosis (as defined by the DSM-IV-TR or its successors), other than a sole diagnosis of a developmental disability.

**AND**

- B. For children with a substance abuse diagnosis, the American Society of Addiction Medicine Patient Placement Criteria (ASAM-PPC) are met for Level II.5.

**AND**

- D. Both of the following shall apply:

1. Evidence that less restrictive interventions or services in the educational setting have been unsuccessful as evidenced by documentation from the school (e.g., Functional Behavioral Assessment, Functional Behavioral Plan, Individual Education Plan, 504 Plan, behavior plans).
2. The child is at risk of or has already experienced significant school disruption (multiple suspensions, long term suspensions, expulsion, impaired or destructive peer relationships, etc.).

**AND**

- E. The child is experiencing mental health and/or substance abuse symptoms (not solely those related to an individual's diagnosis of developmental disability) related to his/her diagnosis that severely impair functional ability in an educational setting which may include vocational education.

**AND**

- F. There is no evidence to support that alternative interventions would be equally or more effective, based on North Carolina community practice standards (Best Practice Guidelines of the American Academy of Child and Adolescent Psychiatry, American Psychiatric Association, American Society of Addiction Medicine).

### **Entrance Process**

A comprehensive clinical assessment that demonstrates medical necessity shall be completed prior to provision of this service. If a substantially equivalent assessment is available, reflects the current level of functioning, and contains all the required elements as outlined in community practice standards as well as in all applicable federal and state requirements, it may be used as part of the current comprehensive clinical assessment. Relevant diagnostic information shall be obtained and included in the Person Centered Plan.

For Medicaid-funded Day Treatment services, a signed service order shall be completed by a physician, licensed psychologist, physician assistant, or nurse practitioner according to his or her scope of practice. Each service order shall be signed and dated by the authorizing professional and shall indicate the *date* on

which the service was ordered. A service order shall be in place *prior to* or on the day that the service is initially provided in order to bill Medicaid for the service. The service order shall be based on a comprehensive clinical assessment of the recipient's needs. For State-funded services, it is recommended that a service order be completed prior to or on the day that the service is initially provided.

Prior authorization is required on the first day of this service.

For Medicaid-funded Day Treatment services, prior authorization by the Medicaid-approved vendor is required. To request the initial authorization, the Day Treatment provider must submit the Person Centered Plan with signatures and the required authorization request form to the Medicaid-approved vendor.

For State-funded Day Treatment services, prior authorization by the LME is required. To request the initial authorization, the Day Treatment provider must submit a Person Centered Plan with signatures and the required authorization request form to the LME.

Medicaid or State funds may cover up to 60 days for the initial authorization period, based on medical necessity. Requests for reauthorization may be submitted by the Day Treatment Program provider.

In partnership with the youth, his or her family, the legally responsible person (as applicable), and other service providers, a Child and Adolescent Day Treatment Qualified Professional is responsible for convening the Child and Family Team monthly.

### **Continued Service Criteria**

The desired outcome or level of functioning has not been restored, improved, or sustained over the time frame outlined in the youth's Person Centered Plan; or the youth continues to be unable to function in an appropriate educational setting, based on ongoing assessments, history, and the tenuous nature of the functional gains.

### **AND**

One of the following applies:

- A. The child has achieved current Person Centered Plan goals, and additional goals are indicated as evidenced by documented symptoms.
- B. The child is making satisfactory progress toward meeting goals and there is documentation that supports that continuation of this service will be effective in addressing the goals outlined in the Person Centered Plan.
- C. The child is making some progress, but the specific interventions in the Person Centered Plan need to be modified so that greater gains, which are consistent with the child's premorbid level of functioning, are possible.
- D. The child fails to make progress, or demonstrates regression, in meeting goals through the interventions outlined in the Person Centered Plan. The child's diagnosis should be reassessed to identify any unrecognized co-occurring disorders, and interventions or treatment recommendations should be revised based on the findings. This includes consideration of alternative or additional services.

### **Discharge Criteria**

Any one of the following applies:

- A. The child has achieved goals and is no longer in need of Day Treatment services.
- B. The child's level of functioning has improved with respect to the goals outlined in the Person Centered Plan, inclusive of a plan to transition to a lower level of care and/or appropriate educational setting.
- C. The child is not making progress or is regressing, and all reasonable strategies and interventions have been exhausted, indicating a need for more intensive services.
- D. The child or legally responsible person no longer wishes to receive Day Treatment services.
- E. The child, based on presentation and failure to show improvement despite modifications in the Person Centered Plan, requires a more appropriate best practice treatment modality based on North Carolina community practice standards (for example, National Institute of Drug Abuse, American Psychiatric Association).

In addition, a completed LME Consumer Admission and Discharge Form must be submitted to the LME.

**Note:** Any denial, reduction, suspension, or termination of service requires notification to the child and/or legally responsible person about their appeal rights in accordance with the Department's recipient notices procedure.

### **Expected Clinical Outcomes**

The expected clinical outcomes for this service are specific to recommendations resulting from clinical assessments and meeting the identified goals in the child's Person Centered Plan.

Expected clinical outcomes may include, but are not limited to the following:

- Improved functioning in an appropriate educational setting;
- Reintegration into an appropriate educational setting or transition into employment;
- Reduced symptomatology;
- Improvement of behavior, anger management, and/or developmentally appropriate coping skills;
- Development/improvement of social and relational skills;
- Enhancement of communication and problem-solving skills;
- Increased identification and self-management of triggers, cues, and symptoms and decreased frequency or intensity of crisis episodes;
- Engagement in the recovery process, for children with substance related disorders,
- Reduction of negative effects of substance use and/or psychiatric symptoms that interfere with the child's daily living
- Maintaining residence with a family or community based non-institutional setting (foster home, Therapeutic Family Services);
- Decreased juvenile justice involvement
- Increased use of available natural and social supports

### **Documentation Requirements**

Refer to DMA Clinical Coverage Policies and the DMH/DD/SAS *Records Management and*

*Documentation Manual* for a complete listing of documentation requirements.

For this service, the minimum documentation requirement is a full service note for each date of service, written and signed by the person(s) who provided the service that includes the following:

- Child's name
- Medicaid identification number
- Service provided (for example, Day Treatment services)
- Date of service
- Place of service
- Type of contact (face-to-face, telephone call, collateral)
- Purpose of the contact
- Description of the provider's interventions
- Amount of time spent performing the interventions
- Description of the effectiveness of the interventions in meeting the recipient's specified goals as outlined in the Person Centered Plan
- —
- Signature and credentials of the staff member(s) providing the service

A documented discharge plan must be discussed with the child, family/caregiver, and Child and Family Team and included in the service record.

In addition, a completed LME Consumer Admission and Discharge Form must be submitted to the LME.

### **Utilization Management**

Services are based upon a finding of medical necessity, must be directly related to the child's diagnostic and clinical needs, and are expected to achieve the specific rehabilitative goals specified in the individual's Person Centered Plan. Medical necessity is determined by North Carolina community practice standards as verified by independent Medicaid consultants for Medicaid-funded services, or by the LME for state-funded services.

Medically necessary services are authorized in the most cost-efficient mode, as long as the treatment that is made available is similarly efficacious to services requested by the child's physician, therapist, or other licensed practitioner. Typically, a medically necessary service must be generally recognized as an accepted method of medical practice or treatment. Each case is reviewed individually to determine if the requested service meets the criteria outlined under EPSDT.

For Medicaid, authorization by the Medicaid-approved vendor is required according to published policy. For State-funded Day Treatment services, authorization is required by the LME prior to the first visit.

The Medicaid-approved vendor or the LME will evaluate the request to determine if medical necessity supports more or less intensive services.

Medicaid or State funds may cover up to 60 days for the initial authorization period based on the medical necessity documented in the individual's Person Centered Plan, the authorization request form, and

supporting documentation. Submit the reauthorization request before the initial authorization expires. Medicaid- or State-funded services cover up to 60 days for reauthorization based on the medical necessity documented in the required Person Centered Plan, the authorization request form, and supporting documentation.

If continued Day Treatment services are needed at the end of the initial authorization period, the Day Treatment provider must submit the Person Centered Plan and a new request for authorization reflecting the appropriate level of care and service to the Medicaid-approved vendor for Medicaid services, or to the LME for State-funded services. This should occur before the authorization expires.

Services are billed in one hour increments.

### **Service Exclusions and Limitations**

The child may receive Day Treatment services from only one Day Treatment provider organization during any active authorization period for this service.

The following are not billable under this service:

- Transportation time (this is factored in the rate)
- Any habilitation activities
- Any social or recreational activities (or the supervision thereof)
- Clinical and administrative supervision of staff (this is factored in the rate)

Service delivery to individuals other than the recipient may be covered only when the activity is directed exclusively toward the benefit of that recipient.

Educational skills that are usually taught in primary or secondary school settings; e.g., reading, math, writing, etc. are not reimbursable. Such skills and educational advancement should be coordinated with and provided by the local education agency. The Day Treatment provider may not operate solely outside of traditional school hours. A child may not receive Day Treatment solely outside of traditional school hours with the exception of time-limited transition to another service.

A child receiving Day Treatment services may receive Community Support services for a maximum of eight (8) units per 30-day period, in accordance with the Person Centered Plan, for the purposes of facilitating an admission to a service, making a timely and seamless transition to or from a service, ensuring that the Community Support provider works directly with the Day Treatment Qualified Professional, and/or discharge planning.

Day Treatment services may not be provided during the same authorization period as the following services:

- Intensive In-Home Services;
- Multisystemic Therapy;
- Individual, group and family therapy;
- Substance Abuse Intensive Outpatient Program;
- Child Residential Treatment services—Levels II (Program Type) through IV;
- Psychiatric Residential Treatment Facility (PRTF);
- Substance abuse residential services; or

- Community Support (except as stated in the paragraph immediately above).

The Day Treatment milieu shall be provided in a licensed facility separate from the child's residence.

The Day Treatment provider may not operate solely outside of traditional school hours.

**Note:** For recipients under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary. [See **Section 2.2, EPSDT Special Provision**, in this policy (Clinical Coverage Policy 8A, *Enhanced Mental Health and Substance Abuse Services*).]