Facility-Based Substance Abuse and Behavioral Health Programs

Quick Reference Guide

For VA CCN Providers

Key Points

- Under the Department of Veterans Affairs (VA) Community Care Network (CCN), there are several types of facility-based behavioral health services VA considers eligible for reimbursement.
- Services must be authorized/appointed to a facility/clinic National Provider Identifier (NPI).
- VA can authorize and appoint Acute Care and Psychiatric Hospital services to a credentialed facility/clinic.
- Providers/facilities billing on an UB-04 claim form should use the applicable bill code for their taxonomy (11X, 86X, 76X).
- Claims must contain appropriate Current Procedural Terminology/Healthcare Common Procedural Coding System (CPT/HCPCS), revenue codes, and/or Type of Bill (TOB) codes to avoid claim denials.
- There must be inclusion of an International Classification of Diseases (ICD) mental health diagnosis code (F01-F99)
- Visit VA's Mental Health Residential Rehabilitation Treatment web page for more guidance and requirements on the claim reimbursement process.
- Claims billed with dates of service on or after 12/1/2024 must follow these billing guidelines.
- Refer to the TriWest Materials Instruction document for questions about layout and text styles.
- Learn more at CMS.gov.

Overview

This guide provides an overview of key billing requirements for providers submitting claims for behavioral health services, including Residential Treatment Centers (RTC), Acute Care Hospitals, and Psychiatric Hospitals.

Policy Description

The Department of Veterans Affairs (VA), Veterans Health Administration (VHA), Office of Integrated Veteran Care (IVC), releases the following guidance to align billing submission requirements and the claim reimbursement process for Residential Rehabilitation Treatment Program (RRTP) claims to industry standards. VA IVC will implement functional payment controls to standardize RRTP reimbursement. This guidance describes how RRTP claims will be reimbursed aligning to:

1. An all-inclusive per diem payment model
2. Identified, specific, and industry standard RRTP services to be included in a per diem reimbursement rate
3. VA billing requirements and respective guidelines (i.e., inclusion of procedure code(s) and appropriate revenue code(s) on all RRTP claim submissions)

It is important to note that withdrawal management/acute detox per diem services rendered in an RRTP setting with the **sole** intent of providing withdrawal management are not in scope for this payment policy.

Reimbursement Guidance

Services included in an all-inclusive per diem reimbursement rate for claims related to RRTP and withdrawal management in an RRTP are described in detail below.

RRTP Claims

1. Per Diem Facility Rates - RRTP rates are reimbursed on a per diem basis at the lesser of:
   - VA Fee Schedule, or
   - Billed charges
2. Services included in the Per Diem Payment (but not limited to):
   - Room and board/accommodations
   - Individual and group psychotherapy
   - Family therapy
   - Activity/recreational therapy
   - Occupational therapy
   - Nursing, medical, and other ancillary care provided by RRTP facility
   - Case/care management
   - Medication management
   - Drugs necessary for treatment, to include medical needs during admission

- Testing and other diagnostics
- Substance use disorder and mental health assessment
- Alcohol/drug screening and counseling
- Vocational rehabilitation
- Psychoeducation
- Peer support services

3. The all-inclusive rate includes charges for the routine medical management of a patient while under the care of the RRTP facility. Services provided by medical and non-medical professionals employed by or contracted with the RRTP facility are included in the per diem rate and cannot be billed separately. These routine medical services shall be made available at no additional charge to all patients admitted to the facility and are designed to maintain the general health and welfare of the patient population. Examples of this type of care are:
   - Routine health and physical examinations provided by RRTP staff
   - In-house pharmaceuticals and associated medication management services
   - Other routine medical and mental health services provided under RRTP programs
4. Since VA's reimbursement methodology does not provide a direct payment mechanism for professional providers, reimbursement cannot be extended for professional services rendered outside of the VA-authorized RRTP.
5. Services NOT included in the per diem payment (separately reimbursable):
   - Non-Mental Health Services. Otherwise covered, non-routine medical services related to a non-mental health condition, and rendered by an independent provider outside the RRTP, are payable in addition to the all-inclusive per diem rate when approved on a VA Request for Service (RFS).
6. Reimbursement will be denied for days that Veterans are on authorized absence status (i.e., on leave from the RRTP).

Withdrawal Management RRTP Claims

1. **Per Diem Facility Rates -** RRTP rates are reimbursed on a per diem basis at the lesser of:
   - VA Fee Schedule, or
   - Billed charges.
2. **Services Included in Per Diem Payment:**
   - Room and board/accommodations
   - Stabilization
   - Medical and nursing care, including daily medical evaluation provided by withdrawal management facility
   - Physical examination
   - Testing and other diagnostics

- Drugs necessary for treatment, to include medical needs during the course of admission
- Medication management and administration
- Case/care management
- Substance use disorder assessment
- Alcohol/drug screening and counseling
- Individual and group therapy
- Peer recovery support services
- Health education
- Service planning
- Discharge planning

3. The all-inclusive rate includes charges for the routine medical management of a patient while under the care of the withdrawal management facility. Services provided by medical and nonmedical professionals employed by or contracted with the facility are included in the per diem rate and cannot be billed separately. These routine medical services shall be made available at no additional charge to all patients admitted to the facility and are designed to maintain the general health and welfare of the patient population. Examples of this type of care are:
    - Routine health and physical examinations provided by medical staff
    - In-house pharmaceuticals and associated medication management services
    - Other routine medical services provided under withdrawal management programs
4. Since VA's reimbursement methodology does not provide a direct payment mechanism for professional providers, reimbursement cannot be extended for professional services rendered outside of the VA-authorized withdrawal management facility.
5. Services NOT included in the per diem payment (separately reimbursable);
    - Non-Mental Health Services. Otherwise covered, non-routine medical services related to nonmental health conditions, and rendered by an independent provider outside the RRTP, are payable in addition to the all-inclusive per diem rate when approved on a VA RFS.
6. Reimbursement will be denied for days that Veterans are on authorized absence status (i.e., on leave from the withdrawal management facility).

RRTP Minimum Standard Requirements and Services

RRTPs RRTPs must adhere to the following minimum standards to qualify for RRTP reimbursement. Furthermore, RRTPs should provide an appropriate level of care to Veterans by offering certain services as described below.

1. RRTP Minimum Standards:
    - RRTP should meet the minimum standards to ensure care is comparable to that provided by VA.
    - The facility must be state-licensed and accredited for the provision of the mental health or

substance use disorders provided.

- RRTP must be accredited under either the Joint Commission Behavioral Health Standards or the Commission on Accreditation of Rehabilitation Facilities (CARF) Behavioral Health Standards Manual (residential treatment).
- RRTP must provide services in a 24-hour setting, capable of providing at a minimum:
  - Clinically managed care, including, rounding, medical monitoring, and med administration
  - 24-hour on-call support from licensed medical and mental health providers, as well as nursing support, to respond to emergent concerns when necessary

2. RRTP Minimum Service Requirements:

- Diagnostic studies relevant to the referred condition
- History and physical, upon admission
- Evaluation, assessment, testing, and treatment planning for the referred condition
- Comprehensive biopsychosocial assessment upon admission
- Individualized care planning that is completed upon admission and reviewed regularly
- Ongoing documentation of sessions
- Care that addresses co-occurring mental health and substance use disorders, as well as other medical concerns on site or through referral
- Individual, family, couple, and group psychotherapy services
- Service that includes individual and group therapy and group psychoeducation
- At a minimum, four hours per day of treatment or rehabilitation services that are diagnostically specific for mental health and/or substance use disorder
- Services are evidence-informed and consistent with current VA/Department of Defense Clinical Practice Guidelines for the primary area of clinical focus.
- Diagnostic labs relevant to the referred condition
- Urine drug screens, at minimum, for Veterans receiving SUD services
- Medication management and monitoring
- Medication for the treatment of opioid use disorder and alcohol use disorder
- Addiction-focused pharmacotherapy for alcohol, opioid, and tobacco use disorders, onsite or through coordination with VA
- Withdrawal medication management for Veterans with mild to moderate withdrawal as part of a broader course of residential treatment
- Case Management and discharge planning
- Individualized services tailored to Veterans' continuing care needs following residential treatment, through coordination with VA for ongoing SUD, mental health, and medical services.
- Provide treatment and discharge information to VA.
- Assist Veteran in care coordination with VA, to include discharge planning and follow up referrals.

Billing Instructions

RRTP claims should be billed in accordance with the guidance below:

1. Proper claim form (UB-04)
2. Inclusion of procedure code (HCPCS)
3. Inclusion of an International Classification of Diseases (ICD) mental health diagnosis code (F01F99)
4. Based on facility type, providers must adhere to the following:
   - Proper revenue code use
   - Revenue codes consistent with services rendered
   - Bill type consistent with taxonomy

Providers should reference the table below to align with VA RRTP billing requirements. It is important to understand that the HCPCS codes referenced below should be used to bill for the RRTP per diem services. If sub-acute withdrawal services are deemed clinically appropriate, then H0010 may be used only on the days for which sub-acute withdrawal services are required.

Facility Type	Facility Definition	Bill Type	Revenue Codes	HCPCS
Acute Care Hospital	Facility that provides inpatient medical care and other services for patients with acute medical conditions, injuries, or surgery.	11X	0118 0128 0138 0148 0158	H0017 H0010
Psychiatric Hospital	An organization, including a physical plant and personnel, that provides multidisciplinary diagnostic and treatment mental health services to patients requiring the safety, security, and shelter of the inpatient or partial hospitalization settings.			H0017 H0010
Residential Treatment Facility – Psychiatric	A home-like residential facility providing psychiatric treatment and psycho/social rehabilitative services to individuals diagnosed with mental illness. OR A residential treatment facility (RTF) is a facility or distinct part of	86X	1001	H0018 H0010
Residential Treatment Center – Substance Abuse			1002	H0018 H0010
Residential Treatment Facility – Eating Disorders			1001	H0018 H0010

	a facility that provides to children and adolescents, a total, twenty-four hour, therapeutically planned group living and learning situation where distinct and individualized psychotherapeutic interventions can take place. Residential treatment is specific level of care to be differentiated from acute, intermediate, and long-term hospital care, when the least restrictive environment is maintained to allow for normalization of the patient's surroundings. The RTF must be both physically and programmatically distinct if it is a part or sub-unit of a larger treatment program. An RTF is organized and professionally staffed to provide residential treatment of mental disorders to children and adolescents who have sufficient intellectual potential to respond to active treatment (that is, for whom it can reasonably be assumed that treatment of the mental disorder will result in an improved ability to function outside the RTF) for whom outpatient treatment, partial hospitalization or protected and structured environment is medically or psychologically necessary.			
Community Mental Health Center – Psychiatric	CMHCs can be single facilities, or they can be a combination of services that are administratively linked but not physically connected. Community mental health centers have specialized services for serving children; the patients with serious mental health diseases; and people who have recently been discharged from an inpatient psychiatric hospital, drug	76X	1001	H0018 H0010
Community Mental Health Center – Substance Abuse			1002	H0018 H0010

	treatment program, or mental health program.			

Claim denials will be issued for the following, but not limited to:

1. Missing procedure code
2. Procedure code and/or bill type does not represent registered taxonomy
3. Missing revenue code(s) when billing for RRTP services
4. Revenue code(s) does not represent taxonomy
5. Claim lines submitted with more than one (1) unit per day of service
6. Claims submitted without an active referral that aligns with the services rendered and covers the service dates

Pertinent Definitions

Term	Definition
RRTP	RRTP care encompasses intensive services supported by an interdisciplinary team designed to address mental health and/or substance use concerns. RRTP services are distinct from outpatient care (including intensive outpatient services), as well as from acute inpatient mental health services. RRTP care is provided in a 24-hour setting capable of supporting, at a minimum, clinically managed care with trained staff able to respond to emergent concerns. In some locations, the availability of nursing staff in the 24-hour setting may allow for medically monitored care.

Additional Resources

Document Title	Author	Link
VHA Directive 1162.02 Mental Health Residential Treatment Program	Department of Veterans Affairs - Veterans Health Administration	VHA Directive 11.62.02
VHA Directive1160.04(1) VHA Programs for Veterans with Substance Use Disorders	Department of Veterans Affairs - Veterans Health Administration	VHA Directive 1160.04(1)
TRICARE Manuals - Chap 7 Sect 4 (Baseline, Dec 5, 2022) Psychiatric Residential Treatment Center (RTC) Reimbursement	TRICARE	TRICARE Manuals - Display Chap 7 Sect 4 (Baseline, Dec 5, 2022 (health.mil)
VA Definition of Residential Rehabilitation Treatment Programs (RRTP)	Department of Veterans Affairs	VA Definition of Residential Rehabilitation Treatment Programs (RRTP)
TRICARE Manuals - Chap 7 Sect 4 (Baseline, Dec 5, 2022) Psychiatric Residential Treatment Center (RTC) Reimbursement	TRICARE	TRICARE Manuals - Display Chap 7 Sect 4 (Baseline, Dec 5, 2022 (health.mil)
Colorado Medicaid: Provider Manual for Residential and Inpatient Substance Use Disorder (SUD) Services	Colorado Department of Health Care Policy and Financing	SUD Provider Manual for Residential and Inpatient SUD Services Updated July 2021.pdf (colorado.gov)
New Mexico Medicaid: Proposed Schedule for Behavioral Health Providers	New Mexico Health Care Authority	Proposed BH Fee Schedule Rates.pdf (state.nm.us)
Massachusetts Medicaid: Payment Rates for MassHealth Substance Abuse Treatment Hospitals	Massachusetts Executive Office of Health and Human Services	Notice of Proposed Agency Actions Payments for MassHealth Substance Abuse Treatment
Washington Medicaid: Substance Use Disorder Billing Guide	Washington State Health Care Authority	SUD-FFS-bg-20240101.pdf (wa.gov)
Magellan Standard Services Simplified Billing Codes	Magellan Behavioral Health	codingsimplified.pdf (magellanprovider.com)