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**NYS Medicaid Managed Care Plan Resource Guide:
OASAS Certified Title14 NYCRR Part 820 Residential Services Programs**

October 5, 2020

Dear Colleague:

The New York State Office of Addiction Services and Supports (OASAS) and the NYS Department of Health, Office of Health Insurance Programs (OHIP) are releasing the attached guidance: “NYS Medicaid Managed Care Plan Resource Guide: OASAS Certified Title14 NYCRR Part 820 Residential Services Programs”. This guidance has been updated to reflect the Chapter 57 of the Laws of 2019.

The guidance provides Medicaid Managed Care Plans with information related to the inclusion of OASAS Certified Title14 NYCRR Part 820 Residential Services Programs within plan networks including:

- Network Requirements
- Plan Responsibility for Part 820 Services Covered by the Benefit Package
- Plan Reimbursement Requirements
- Plan and Provider Notification Requirements.

Questions related to this attachment should be directed to: PICM@oasas.ny.gov

Sincerely,

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Attachment

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**NYSDOH Office of Health Insurance Programs
NYS Office of Addiction Services and Supports**

Medicaid Managed Care Plans and OASAS Certified Title 14 NYCRR Part 820 Residential Services Programs –

A Resource for Plans

OASAS Certified Title 14 NYCRR Part 820 Residential Services Programs

- Non - Hospital, community based residential services programs certified by OASAS, pursuant to [Part 820 Residential Services](#)
- Authorization for the inclusion of the Part 820 programs in the Medicaid managed care benefit package and payment of the Part 820 treatment per diem is through the CMS approved New York State Medicaid Redesign Team Section 1115 Waiver as part of the Medicaid Managed Care Program.
- Part 820 Residential Services programs will support the appropriate diversion of individuals from higher levels of care to more appropriate community-based options and to allow bedded programs to provide short-term crisis/respice options.
- Currently, many of these individuals are served in higher levels of care (for example hospital detoxification units) rather than lower levels of care (outpatient) that can be successful. Residential Redesign is a cornerstone to New York State’s ability to respond to this need by strengthening community service access as an alternative to detoxification and providing recovery oriented, supportive residential step downs.
- [Title 14 NYCRR Part 820 Residential Redesign](#) incorporates three elements of treatment: Stabilization; Rehabilitation and Reintegration. Programs may be certified/designated to provide any or all of the elements:

Element	Element Overview
Stabilization	Individuals will receive medically-directed care to stabilize acute medical, mental health and addiction symptoms. For patients who seek services at the emergency department and who are not in need of a hospital-level detox, the stabilization element will offer an alternative and provide these patients a safe place to stabilize and engage in treatment.
Rehabilitation	Individuals will learn to manage cravings and maladaptive behaviors within the safety of the program.
Re-integration	Individuals will further develop recovery skills and begin to re-integrate into the community.

Stabilization / Rehabilitation	Clinical Services	Medical Services
Included in Treatment Per Diem	All - group; individual; and routine care. Mental Health assessment and routine care, including treatment for co-occurring addiction/MH disorders	Medical Assessments and Physical Exams
Not included in Treatment Per Diem	Medical specialists and Psychiatric care that is specialized and not able to be provided within the facility.	Buprenorphine Induction Acute Medical Care

Reintegration	Clinical Services	Medical Services
No Per Diem	Provided in Community	Provided in Community

Network Requirements: Title 14 NYCRR Part 820 Residential Substance Use Disorder Treatment Services

Effective the date of the integration of behavioral health services (10/1/15 NYC; and 7/1/16 Rest of State) and as programs become available, plans are required to contract with Residential Substance Use Disorder Treatment Services operated Under 14 NYCRR Part 820¹:

- I) For urban counties: The network must include two providers per county;
- II) For rural counties: The network must include two providers per region; and
- III) If an enrollee is mandated to an out of network residential program, the Contractor must enter into either a subcontract or a single case agreement with such program and that program's allied clinical service providers for coverage of medically necessary Benefit Package Services.

Plans Responsibility for Part 820 Services Covered by the Benefit Package.

Medicaid Managed Care/Family Health Plus/HIV SNP Model Contract (Model Contract) Sections 6.8(e) and 8.5

Pursuant to Model Contract section 6.8(e), effective as of the date of enrollment the contractor shall be responsible for services covered by the benefit package. Effective 10/1/15 NYC and 7/1/16 Rest of State, Part 820 programs are a covered benefit.

As discussed above, OASAS Certified Community based programs, including Part 820 Programs, are not hospitals. As such the Model Contract provision at section 6.8 (e)(ii), removing plan liability for hospital stays where the individual was admitted prior to effective date of enrollment and the admission continues after the effective date of enrollment, **does not apply to** Part 820 Programs.

¹ " New York Request for Qualification for Adult Behavioral Health Administration" page 27 and 56

Associated guidance document " Transition of Behavioral Health Benefit into Medicaid Managed Care and Health and Recovery Program Implementation" page 16

Therefore, coverage of Part 820 per diem services are the plan responsibility upon the effective date of enrollment and plans are responsible for payment of the Part 820 per diem as follows:

Managed Care Enrollment Status	Plan Responsibility for Part 820 Per Diem
Service recipient enrolled in plan <u>prior to or on</u> date of admission	Commensurate with date of admission
Service recipient enrolled in plan <u>after</u> date of admission	Commensurate with effective date of plan enrollment.

Similarly, the provision in the Model Contract at section 8.5 does not apply to continuing OASAS Certified Community based programs, and the plan is not responsible for coverage of service days after the enrollee’s effective date of disenrollment.

Chapter 71 of the Laws of 2016; Chapter 57 of the Laws of 2019:

Pursuant to Chapter 71 of the Laws of 2016, and subsequent revisions in Chapter 57 of the Laws of 2019 plans are prohibited from requiring prior authorization or conducting concurrent review for medically necessary inpatient stay, including Part 816 detoxification, Part 818 inpatient rehabilitation or Part 820 Stabilization and/or , Rehabilitation Elements of care, for the first 28 days of such stay. The plan is not obligated to retroactively cover all days from date of admission to date of enrollment where the enrollee enrolls after admission. In that situation, the plan will be required to cover that portion of the 28 days which remain upon date of enrollment into the plan. The plan’s coverage obligation does not begin until date of enrollment and does not go retro to date of admission.

Model Contract 15.6 Service Continuation and Public Health Law Section 4403

NYS Department of Health (DOH) previously released guidance titled “Medicaid Managed Care and Family Health Plus Coverage Policy: – New Managed Care Enrollees in Receipt of an Ongoing Course of Treatment”. The guidance affirmed that, in accordance with Public Health Law, Section 4403 and the corresponding section 15.6 Service Continuation of the Model Contract, health plans must permit a new enrollee to continue an ongoing course of treatment during a transitional period of up to 60 days from the effective date of enrollment if the new enrollee has an existing relationship with a non –participating health care provider. The guidance also affirmed that plans should ensure that reimbursement issues do not interfere with the continuity of care.

NOTE: for Part 820 reimbursement requirements see section below titled “Plan Reimbursement Requirements”

Program Responsibility to Notify Plan of Enrollee Admission to Part 820 Program:

OASAS has directed programs that a notice of an admission and an initial treatment **plan must be provided to the insurer within 2 business days of the admission**. Where a member is admitted to a program prior to enrollment, a provider must provide notice to the managed care plan as soon as possible upon plan enrollment:

Enrollment Status at time of Admission	Program Notification Requirements
Individual enrolled in plan at time of admission	Within 2 business days of admission, programs must inform the plan / insurer the enrollee has been admitted to the Part 820 program and provide initial treatment plan
Individual enrolled in plan after admission	Effective the date of enrollment into the plan the program must inform the plan / insurer the enrollee has been admitted to/ receiving treatment at the Part 820 program and provide the initial or most current treatment plan.

Please also see related:
[OASAS issued guidance](#) and,
[NYS Department of Financial Services Circular Letter](#)

Program / Plan Use of LOCADTR 3.0:

Programs and Medicaid Managed Care Plans are required to utilize [LOCADTR 3.0](#) for level of care determinations

Plan Reimbursement Requirements:

Effective the date of the inclusion of the Part 820 programs in the Medicaid managed care benefit package, 10/1/15 NYC; and 7/1/16 Rest of State, plans are required to pay the Part 820 per diem for plan enrollees.

The Part 820 per diem treatment rates are listed below and reflect reimbursement for clinical treatment services provided within a Part 820 residential setting for the Stabilization and Rehabilitation elements. Note: There is no Medicaid per diem for reintegration. Individuals in the reintegration element receive SUD treatment services from a provider located within the community (e.g. from an OASAS certified Part 822 program).

Title 14 NYCRR Part 820 Residential Program Type	Upstate Payment	Downstate Payment
Stabilization	\$151.53	\$165.27
Rehabilitation	\$142.01	\$163.56
Upstate Includes:	All counties not listed in the Downstate Peer Group	
Downstate Includes:	Five counties comprising New York City (Bronx, Kings, New York, Queens, and Richmond counties), and the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.	

Claiming Components. Managed Care Claiming for Part 820 Stabilization and Treatment Per Diem

In addition to the general information required on an 837i, Title 14 NYCRR Part 820 Residential Programs will include the following rate; HCPCS and modifier codes on the 837i claim form.

Rate codes would be entered in the claim header; the following CPT / HCPCS / Modifier codes should be used at the line level; and the plan should assign the indicated specialty code. This information is included in the Online: [New York State Health and Recovery Plan \(HARP\) / Mainstream Behavioral Health Billing and Coding Manual](#). The manual was released September 1, 2015.

Title 14 NYCRR Part 820 Residential Program Type	Rate Code	CPT / HCPCS Code
Stabilization	1144 (clinical treatment services in a residential setting)	H2036 and modifiers: TG; and, HF. May also submit E/M claims for ancillary withdrawal services.
Rehabilitation	1145 (treatment services in a residential setting)	H2036 and HF modifier
Note: The HF modifier is requested to be added on all OASAS claims types including, but not limited to residential addiction treatment services. The modifier does not impact pricing but will support data collection. Plans should not deny a claim for failure to include the HF modifier.		

Q. What Bill Type and revenue codes may be used to submit the Part 820 Per diem claims to the Enrollee’s Managed Care Plan?

Health Plans have discretion regarding revenue code / bill type combinations. The table below lists reported revenue codes and bill type options for Part 820. This is not an exhaustive list but reflects reported codes.

Revenue Code and Bill Type Options for Part 820 Stabilization and Rehabilitation Treatment Per Diems
Reported Bill Types: None Required; None Prescribed; 731; 762; 763; 861; 086; 891
Reported Revenue Codes: None Required; None Prescribed; 900; 902; 911, 914, 944, 945 1002

Plans are required to inform programs which bill type / revenue code options will be accepted for Part 820 claiming; and, to ensure that required bill type / revenue codes will pass clearinghouse edits. Programs are advised to contact the plan directly for specific coding.

When considering / advising on acceptable revenue code / bill type options the plans must remember that:

1. The Part 820 Stabilization element of care - IS NOT equivalent to hospital inpatient detoxification.
2. Part 820 Stabilization and Rehabilitation Residential Treatment is not equivalent to / should not be categorized as inpatient levels of care.