



CABINET FOR HEALTH AND FAMILY SERVICES
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TO: Behavioral Health Service Organizations (PT 03)
Community Mental Health Centers (PT 30)

FROM: Leslie H. Hoffmann *LHH*
Chief Behavioral Health Officer, Department for Medicaid Services

DATE: November 15, 2021

RE: Substance Use Disorder (SUD) Residential Treatment Guidance
PT 03: Provider Letter # A-18
PT 30: Provider Letter# A-118

Assessments and Treatment Planning in Residential Treatment:

Individuals in residential treatment (Level 3.1-3.7) should be assessed regularly. A recipient's individualized treatment plan is guided by a six dimensional biopsychosocial assessment and updated accordingly. The *ASAM Level of Care Certification Manual* indicates, "Patients should be regularly reassessed throughout the process. Reassessments should also be the foundation for changes to the treatment plan." The *ASAM Criteria* states "as a patient moves through treatment in any level of service, his or her progress in all six dimensions should be formally assessed at regular intervals relevant to the patient's severity of illness and level of function, and the intensity of service and level of care".

According to the *ASAM Level of Care Certification Manual*, best practices suggests a recipient's level of care (LOC) should be assessed per the following:

- **Level 3.7:** "Clinical experience suggests that Level 3.7 programs should *review progress at least once a day* more often if the person is quite unstable. *Formal reassessment could be completed once per week*".
- **Level 3.5:** "Level 3.5 care should be *reassessed and treatment plans modified at least weekly*, and should discuss when reassessment may need to occur sooner, such as when a patient is unstable or in response to a significant event."
- **Level 3.1:** "A patient's response to treatment should be assessed regularly (*typically weekly* and in response to major events in a Level 3.1 program)."



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Residential Length of Stay:

Residential length of stay (LOS) is determined based on a recipient’s needs, guided by a six dimensional biopsychosocial assessment to determine the appropriate LOC. LOS should not be determined by a fixed length of stay treatment model (i.e. 30, 60, 90 days). According to the *ASAM Level of Care Certification Manual*, duration of stay in a residential program “should be determined based on patient progress, not predetermined. Individualized treatment plans are developed for every patient. Because treatment plans are individualized, fixed lengths of stay are inappropriate.”

Under the KY SUD 1115 Demonstration authority, residential treatment stays are eligible for statewide average LOS of thirty (30) days. As stated, fixed LOS are not appropriate and the assessment/reassessment should determine the appropriate LOC; therefore not all recipients may meet criteria for a 30 day residential LOS. Per CMS guidance, should the individual receive residential treatment services at different levels of care (3.1, 3.5, 3.7) from a single provider, all levels of care would be considered as one “residential stay”. Individual residential stays may exceed 30 days if medically necessary, though the statewide average may not.

Residential Reimbursement:

Residential services for SUD falls under the Rehabilitative Services of the KY State Plan and should include clinical activities to help the recipient develop and apply recovery skills. The following services are included in the daily per diem reimbursement: screening, assessment, service planning, individual outpatient therapy, group outpatient therapy, family outpatient therapy, psychoeducation, peer support, withdrawal management, and medication assisted treatment.

As needed, Evaluation and Management (E&M) services are reimbursed outside of the residential per diem for the following purposes and should be clearly documented in the recipients service notes accordingly:

- Physical examinations to determine admission to the program and appropriate LOC.
- Medical/Medication components of Medication Assisted Treatment (MAT).
- Medication management related to psychiatric triage and pharmacotherapy.

Physical health and ancillary needs (such as common cold or physical therapy) are not covered in a BHSO. As needed, these services may be provided by the appropriate practitioner outside of the BHSO provider.

DMS does not reimburse for room and board in SUD residential treatment. All other services for the purpose of SUD residential treatment are included in the daily per diem rate listed on the Kentucky Medicaid Behavioral Health Substance Abuse Services Facility Fee Schedule.

Coordination of Services:

Care coordination should be provided to ensure transition to appropriate level of SUD treatment and facilitate community resources needed to continue developing and applying recovery skills following residential treatment. The recipient should be involved in the care planning process and all treatment options provided to the individual to ensure their needs are met as best as possible. According to the *ASAM Level of Care Certification Manual*, in some instances a patient may present at a level of care and “the multidimensional assessment may indicate that the patient would be best served by a more or less intensive level of care. Note that the patient should be matched to the appropriate level of care, even if it means referring them out of the treatment program conducting the initial assessment”.

For questions, please contact DMS.Issues@ky.gov .