

Clinical Policy: Psychiatric Residential Treatment Facilities (PRTF Level I and II)

Reference Number: KY.CP.BH.503

Last Review Date: 04/24

[Coding Implications](#)

[Revision Log](#)

See [Important Reminder](#) at the end of this policy for important regulatory and legal information.

Description

This policy describes the medical necessity requirements for Psychiatric Residential Treatment Facilities Levels I and II.

Policy/Criteria

- I. It is the policy of WellCare of Kentucky that services at a Level I PRTF are **medically necessary** when the following criteria is met:²
 - A. Enrollee is age 6 through 20 years of age and one of the following:
 1. Medicaid payment status criteria is met;
 2. May continue based on medical necessity, for an enrollee who is receiving active treatment in a Level I PRTF on the enrollee's 21st birthday if the enrollee has not reached their 22nd birthday.

- II. It is the policy of WellCare of Kentucky that services at a Level II PRTF are **medically necessary** when all of the following criteria are met:²
 - A. Prior authorization has been secured;
 - B. Enrollee is age 4 through 21 years of age;
 - C. Meets Medicaid payment status criteria;
 - D. Has a severe emotional disability in addition to at least one of the following:
 1. Severe and persistent aggressive behaviors;
 2. An intellectual disability;
 3. Sexually acting out behaviors;
 4. A developmental disability.
 - E. Does not meet the medical necessity criteria for an acute care hospital, private psychiatric hospital, or state mental hospital;
 - F. Treatment needs cannot be met in an ambulatory care setting, Level I PRTF, or in any other less restrictive environment.

Note: Coverage may continue, based on medical necessity, if the enrollee is receiving active treatment in a Level II PRTF on the enrollee's 21st birthday and the enrollee has not reached their 22nd birthday.

- III. It is the policy of WellCare of Kentucky that Psychiatric Residential Treatment Facilities Levels I and II services are considered **not medically necessary** for the following indications:
 - A. Outpatient services;
 - B. Pharmacy services;
 - C. Durable medical equipment;
 - D. Hospital emergency room services;

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- E. Acute care hospital inpatient services;
- F. Laboratory and radiology services;
- G. Dental services;
- H. Hearing and vision services;
- I. Ambulance services;
- J. Chemical dependency treatment services if the need for the services is the enrollee's primary diagnosis. (Note: Chemical dependency treatment services are covered as incidental treatment if minimal chemical dependency treatment is necessary for successful treatment of the *primary* diagnosis).¹
- K. Level I or II PRTF services if appropriate alternative services are available in the community.

IV. It is the policy of WellCare of Kentucky that Level I or II PRTF is considered not **medically necessary** for the following indications:

- A. Services for an individual:
 - 1. With a major medical problem;
 - 2. With minor symptoms;
 - 3. Who might only require a psychiatric consultation rather than an admission to a PRTF;
 - 4. Who might need only adequate living accommodations, economic aid, or social support services.

*PRTF Covered Services*²

An Enrollee's treatment plan shall specify the amount and frequency of services needed and the number of therapeutic pass days for a recipient (if the treatment plan includes any therapeutic pass days). The following services shall be available to an enrollee:

- Diagnostic and assessment services;
- Treatment plan development, review, or revision;
- Psychiatric services;
- Nursing services;
- Medication;
- Evidence-based treatment interventions;
- Individual therapy;
- Family therapy or attempted contact with family;
- Group therapy;
- Individual and group interventions that shall focus on additional and harmful use or abuse issues and relapse prevention if indicated;
- Substance abuse education;
- Activities that:
 - Support the development of an age-appropriate daily living skill including positive behavior management or support; OR
 - Support and encourage the parent's ability to re-integrate the child into the home.
- Crisis intervention; which shall comply with:
 - 42 C.F.R. 483.350 through 376; AND

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- 902 KAR 20:320.
- Consultation with other professionals including case managers, primary care professionals, community support workers, school staff, or others;
- Educational activities;
- Non-medical transportation services as needed to accomplish objectives.
- Discharge planning, to begin at the time of admission.

The following Level I PRTF and Level II PRTF services shall be provided by a qualified mental health professional, behavioral health professional or behavioral health professional under clinical supervision:

- Individual therapy;
- Family therapy or attempted contact with family;
- Group therapy;
- Substance abuse education;
- Crisis intervention.

A Level II PRTF service listed above shall be:

- Provided under the direction of a physician;
- If included in the Enrollee's initial treatment plan, services shall also be described in the Enrollee's current treatment plan;
- Services are medically necessary and clinically pursuant to above criteria;
- Services are provided at least once a week:
 - Unless the service is necessary twice a week, in which case the service shall be provided at least twice a week; or
 - Except for diagnostic and assessment services which shall have no weekly minimum requirement.

Durational Limit, Re-evaluation, and Continued Stay^{2,4}

Level I PRTF

- Discharge planning should begin at time of admission.
- An enrollee in a Level I PRTF shall be re-evaluated at least once every 30 days to determine if the recipient continues to meet Level I PRTF patient status criteria;⁴
- An enrollee's treatment plan should be reviewed by the Level I PRTF at least once every three days and shall include signatures (dated) of appropriate staff and parent(s), guardian(s), legal custodian(s), or conservator(s) if present for the treatment plan meeting;⁴
- An assessment of progress toward each treatment plan goal and objective with revisions indicated;
- A statement of justification for the level of services needed including suitability for treatment in a less-restrictive environment and continued services.

Note: If an Enrollee no longer meets Level I PRTF patient status criteria, the department shall only reimburse through the last day of the individual's current approved stay.⁴

Level II PRTF

A Level II PRTF shall complete by no later than the third business day following an admission, an initial review of services and treatment provided to an enrollee.

Continued Review For Enrollees Aged Four (4) to Five (5) Years. After the initial review of services (noted above), a review shall be completed of the Enrollee's treatment plan of care at least once every fourteen (14) days after the initial review.

Continued Review For Enrollee Aged Six (6) to Twenty-Two (22) Years. After the initial review of services (noted above), a review shall be completed of the Enrollee's treatment plan of care at least once every 30 days after the initial review.

ALL reviews shall include:

- Discharge planning;
- Dated signatures of appropriate staff, parent, guardian, legal custodian, or conservator;
- An assessment of progress toward each treatment plan goal and objective with revisions indicated;
- A statement of justification for the level of services needed including suitability for treatment in a less-restrictive environment and continued services.

Determining Patient Status

- A review and evaluation of the health status and care needs of a recipient in need of Level I or II PRTF care using the criteria identified in 907 KAR 3:130 to determine if a service or benefit is clinically appropriate shall be completed.²
- The care needs of a recipient shall meet the patient status criteria for:
 - Level I PRTF care if the recipient requires:
 - Long term inpatient psychiatric care or crisis stabilization more suitably provided in a PRTF than in a psychiatric hospital;
 - Level I PRTF services on a continuous basis as a result of a severe mental or psychiatric illness, including a severe emotional disturbance;
 - Level II PRTF care if the recipient:
 - Is a child with a severe emotional disability;
 - Requires long term inpatient psychiatric care or crisis stabilization more suitably provided in a PRTF than a psychiatric hospital;
 - Requires Level II PRTF services on a continuous basis as a result of a severe emotional disability in addition to a severe and persistent aggressive behavior, an intellectual disability, a sexually acting out behavior, or a developmental disability;
 - Does not meet the medical necessity criteria for an acute care hospital or a psychiatric hospital and has treatment needs which cannot be met in an ambulatory care setting, Level I PRTF, or other less restrictive environment.

Background

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Psychiatric residential treatment facilities (PRTF) services serve children who need long-term, more intensive treatment and a more highly structured environment than they can receive in a family or other community-based alternatives to hospitalization. Less restrictive and more homelike than hospitals, these facilities also serve children transitioning from hospitals, but who still are not ready for the demands of living at home or in a foster home.¹

For a listing of the Provider Directory in the State of Kentucky, click [here](#).

Coding Implications

This clinical policy references Current Procedural Terminology (CPT®). CPT® is a registered trademark of the American Medical Association. All CPT codes and descriptions are copyrighted 2023, American Medical Association. All rights reserved. CPT codes and CPT descriptions are from the current manuals and those included herein are not intended to be all-inclusive and are included for informational purposes only. Codes referenced in this clinical policy are for informational purposes only. Inclusion or exclusion of any codes does not guarantee coverage. Providers should reference the most up-to-date sources of professional coding guidance prior to the submission of claims for reimbursement of covered services.

CPT®* Codes	Description
90785	Interactive complexity (List separately in addition to the code for primary procedure)
90791	Psychiatric diagnostic evaluation
90792	Psychiatric diagnostic evaluation with medical services
90832	Psychotherapy, 30 minutes with patient
90833	Psychotherapy, 30 minutes with patient when performed with an evaluation and management service (List separately in addition to the code for primary procedure)
90834	Psychotherapy, 45 minutes with patient
90836	Psychotherapy, 45 minutes with patient when performed with an evaluation and management service (List separately in addition to the code for primary procedure)
90837	Psychotherapy, 60 minutes with patient
90838	Psychotherapy, 60 minutes with patient when performed with an evaluation and management service (List separately in addition to the code for primary procedure)
90839	Psychotherapy for crisis; first 60 minutes
90840	Psychotherapy for crisis; each additional 30 minutes (List separately in addition to code for primary service)
90845	Psychoanalysis
90846	Family psychotherapy (without the patient present), 50 minutes
90847	Family psychotherapy (conjoint psychotherapy) (with patient present), 50 minutes
90849	Multiple-family group psychotherapy
90853	Group psychotherapy (other than of a multiple-family group)
90863	Pharmacologic management, including prescription and review of medication, when performed with psychotherapy services (List separately in addition to the code for primary procedure)
90865	Narcosynthesis for psychiatric diagnostic and therapeutic purposes (eg, sodium amobarbital (Amytal) interview)
90870	Electroconvulsive therapy (includes necessary monitoring)

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CPT®* Codes	Description
90880	Hypnotherapy
90885	Psychiatric evaluation of hospital records, other psychiatric reports, psychometric and/or projective tests, and other accumulated data for medical diagnostic purposes
90887	Interpretation or explanation of results of psychiatric, other medical examinations and procedures, or other accumulated data to family or other responsible persons, or advising them how to assist patient
90889	Preparation of report of patient's psychiatric status, history, treatment, or progress (other than for legal or consultative purposes) for other individuals, agencies, or insurance carriers
90899	Unlisted psychiatric service or procedure
96101	Psychological testing (includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, eg, MMPI, Rorschach, WAIS), per hour of the psychologist's or physician's time, both face-to-face time administering tests to the patient and time interpreting these test results and preparing the report
96102	Psychological testing (includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, eg, MMPI and WAIS), with qualified health care professional interpretation and report, administered by technician, per hour of technician time, face-to-face
96103	Psychological testing (includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, eg, MMPI), administered by a computer, with qualified health care professional interpretation and report
96105	Assessment of aphasia (includes assessment of expressive and receptive speech and language function, language comprehension, speech production ability, reading, spelling, writing, eg, by Boston Diagnostic Aphasia Examination) with interpretation and report, per hour
96110	Developmental screening (eg, developmental milestone survey, speech and language delay screen), with scoring and documentation, per standardized instrument

Bill Type Codes	Description
012x	Hospital inpatient (part B only)
013x	Hospital Outpatient
071x	Clinic-rural health
075x	Clinic comprehensive outpatient rehab facility (CORF)
076x	Clinic-community mental health center
085x	Critical access hospital

REV Codes	Description
0900	Behavioral Health Treatment/Services - General Classification
0901	Behavioral Health Treatment/Services - Electroshock Treatment
0914	Behavioral Health Treatment/Services - Individual Therapy

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REV Codes	Description
0915	Behavioral Health Treatment/Services - Group Therapy
0916	Behavioral Health Treatment/Services - Family Therapy
0918	Behavioral Health Treatment/Services - Testing

Reviews, Revisions, and Approvals	Date	Approval Date
Original approval date	11/21/2018	11/21/2018
Approved by MPC. No changes.	11/7/2019	11/7/2019
Approved by MPC. Updates per KY RA/State contract.	2/17/2020	2/17/2020
Transitioned policy to new state specific template and sent to market for ownership, Policy number changed from HS-342 to KY.CP.MP.503.	12/20	
Annual review. Added Criteria J. to Section III. Minor rewording with no clinical significance. Policy number changed from KY.CP.MP.503 to KY.CP.BH.503. References reviewed and updated.	04/24	

References

1. Kentucky Cabinet for Health and Family Services. Psychiatric Residential Treatment Facilities (PRTF) Level I – PT (4). <https://chfs.ky.gov/agencies/dms/dpo/bpb/Pages/prtf.aspx> Accessed April 17, 2024.
2. Kentucky General Assembly. 907 KAR 9:005. Non-outpatient level I and II psychiatric residential treatment facility service and coverage policies. <https://apps.legislature.ky.gov/law/kar/907/009/005.pdf>. Effective October 6, 1991 (Updated October 21, 2022). Accessed April 17, 2024.
3. Local Coverage Determination (L34353). Centers for Medicare and Medicaid Services. Outpatient Psychiatry and Psychology Services. <https://www.cms.gov/medicare-coverage-database/search.aspx>. Effective October 1, 2015 (revised May 25, 2023). Accessed April 17, 2024.
4. Kentucky Cabinet for Health and Family Services. Department for Medicaid Services. State plan and amendments. Psychiatric residential treatment facility services for Level I and II for individuals under 21 years of age. Attachment 3.1-A; page 7.8.2. <https://www.chfs.ky.gov/agencies/dms/spa/20Att31APg783784Att31BPg332335PsychiatricResidentialTreatmentFacilityServicesforLevelIandIIforIndividualsUnder21YearsofAge.pdf>. Effective October 1, 2015 (approved February 10, 2016). Accessed April 22, 2024.

Important Reminder

This clinical policy has been developed by appropriately experienced and licensed health care professionals based on a review and consideration of currently available generally accepted standards of medical practice; peer-reviewed medical literature; government agency/program approval status; evidence-based guidelines and positions of leading national health professional organizations; views of physicians practicing in relevant clinical areas affected by this clinical

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policy; and other available clinical information. The Health Plan makes no representations and accepts no liability with respect to the content of any external information used or relied upon in developing this clinical policy. This clinical policy is consistent with standards of medical practice current at the time that this clinical policy was approved. “Health Plan” means a health plan that has adopted this clinical policy and that is operated or administered, in whole or in part, by Centene Management Company, LLC, or any of such health plan’s affiliates, as applicable.

The purpose of this clinical policy is to provide a guide to medical necessity, which is a component of the guidelines used to assist in making coverage decisions and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage decisions and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable Health Plan-level administrative policies and procedures.

This clinical policy is effective as of the date determined by the Health Plan. The date of posting may not be the effective date of this clinical policy. This clinical policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this clinical policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. The Health Plan retains the right to change, amend or withdraw this clinical policy, and additional clinical policies may be developed and adopted as needed, at any time.

This clinical policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise professional medical judgment in providing the most appropriate care and are solely responsible for the medical advice and treatment of members. This clinical policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this clinical policy are independent contractors who exercise independent judgment and over whom the Health Plan has no control or right of control. Providers are not agents or employees of the Health Plan.

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Note: For Medicaid members, when state Medicaid coverage provisions conflict with the coverage provisions in this clinical policy, state Medicaid coverage provisions take precedence. Please refer to the state Medicaid manual for any coverage provisions pertaining to this clinical policy.

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Note: For Medicare members, to ensure consistency with the Medicare National Coverage Determinations (NCD) and Local Coverage Determinations (LCD), all applicable NCDs, LCDs, and Medicare Coverage Articles should be reviewed prior to applying the criteria set forth in this clinical policy. Refer to the CMS website at <http://www.cms.gov> for additional information.

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