

## ***Chemical Dependency and/or Substance Abuse Services***

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### **IMPORTANT REMINDER**

*The Medicare Advantage Medical Policy manual is not intended to override the member Evidence of Coverage (EOC), which defines the insured's benefits, nor is it intended to dictate how providers are to practice medicine. Physicians and other health care providers are expected to exercise their medical judgment in providing the most appropriate care for the individual member.*

*The Medicare Advantage Medical Policies are designed to provide guidance regarding the decision-making process for the coverage or non-coverage of services or procedures in accordance with the member EOC and the Centers of Medicare and Medicaid Services (CMS) policies, when available. In the event of a conflict, applicable CMS policy or EOC language will take precedence over the Medicare Advantage Medical Policy. In the absence of CMS guidance for a requested service or procedure, the health plan may apply their Medical Policy Manual or MCG™ criteria, both of which are developed with an objective, evidence-based process using scientific evidence, current generally accepted standards of medical practice, and authoritative clinical practice guidelines.*

*Medicare and EOCs exclude from coverage, among other things, services or procedures considered to be investigational, cosmetic, or not medically necessary, and in some cases, providers may bill members for these non-covered services or procedures. Providers are encouraged to inform members in advance when they may be financially responsible for the cost of non-covered or excluded services.*

## **DESCRIPTION**

Substance abuse services treat patients with drug addictions or who have a history of drug overutilization. Treatment options include, but may not be limited to, inpatient services (e.g., rehabilitation or detoxification), psychotherapy, behavior modification techniques, aversion therapy, medication, and patient education.

## MEDICARE ADVANTAGE POLICY CRITERIA

### Procedure(s):

**CMS Coverage Manuals, National Coverage Determinations (NCDs), Noridian Healthcare Solutions (Noridian) Local Coverage Determinations (LCDs) and Articles (LCAs), and MCG™ (formerly Milliman) Guidelines:**

### **Non-Covered Services (this list is NOT all-inclusive):**

- Activity therapies, group activities or other services/programs which are solely recreational or diversional activities (*Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered Under Part B, [§70.1.C.2 – Noncovered Services](#) and [§70.3.B.4 – Partial Hospitalization Services](#)*)
- Meals, transportation and recreational/social activities for outpatient hospital services (*NCD for Outpatient Hospital Services for Treatment of Alcoholism [[130.2](#)]*)
- Methadone maintenance for the treatment of opioid dependence (*Medicare B Newsline Article Education from Provider Relations Research Specialist – [Methadone Coverage](#)<sup>[1]</sup> and Medicare Prescription Drug Benefit Manual, Chapter 6 – Part D Drugs and Formulary Requirements, [§10.8 - Drugs Used to Treat Opioid Dependence](#)*)
- Multiple seizure electroconvulsive therapy (*NCD for Multiple Electroconvulsive Therapy [[160.25](#)]*)
- Outpatient psychiatric day treatment programs that consist entirely of activity therapies (*Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered Under Part B, [§70.1.C.2 – Noncovered Services](#) and [§70.3 – Partial Hospitalization Services](#)*)
- Outpatient psychosocial activities (*Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered Under Part B, [§70.1.C.2 – Noncovered Services](#) and [§70.3.B.4 – Partial Hospitalization Services](#)*)
- Programs that only monitor the management of medication for members who are otherwise psychiatrically stable or diversional activities (*Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered Under Part B, [§70.3 – Partial Hospitalization Services](#) and [§70.3.B.4 – Partial Hospitalization Services](#)*)
- Vocational training services solely related to specific employment opportunities, work skills or work settings (*Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered*

**Procedure(s):**

***CMS Coverage Manuals, National Coverage Determinations (NCDs), Noridian Healthcare Solutions (Noridian) Local Coverage Determinations (LCDs) and Articles (LCAs), and MCG™ (formerly Milliman) Guidelines:***

*Under Part B, [§70.1.C.2 – Noncovered Services](#) and [§70.3.B.4 – Partial Hospitalization Services](#))*

***Ineligible Providers***

Providers ineligible to participate in the Medicare program, and therefore, ineligible for Medicare reimbursement, include - but are not limited to - the following<sup>[3]</sup>:

- Certified Alcohol and Drug Counselor
- Certified Social Worker
- Drug and Alcohol Rehabilitation Counselor
- Licensed Alcoholic and Drug Counselor
- Licensed Practical Nurse
- Licensed Professional Counselor
- Marriage Family Therapist
- Master of Social Work
- Mental Health Counselor
- National Certified Counselor
- Substance Abuse Facility (*i.e., residential substance abuse facility*)

Medicare coverage guidelines are the primary resources for medical necessity decision-making. However, decisions regarding the medical reasonableness and necessity of treatment may also be made based on accepted medical practice with the advice of a medical director. To aid with “accepted medical practice” decisions, applicable MCG™ criteria may be used to supplement the Medicare references. You may visit the MCG™ Web Site for information on purchasing their criteria, or you may contact us and we will provide a copy of the specific guideline. Based on the services rendered and the condition being treated, possible MCG™ guidelines include, but may not be limited to, those listed below.

***Inpatient Services***

For ***inpatient hospital stays for the treatment of alcoholism:***

- ✓ NCD for *Inpatient Hospital Stays for the Treatment of Alcoholism* ([130.1](#))

***Active Treatment:***

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According to NCD 130.1, “Since alcoholism is classifiable as a psychiatric condition the “active treatment” criteria must also be met in order for alcohol rehabilitation services to be covered under Medicare.” Therefore, the following are references regarding “active treatment”:

"Payment for IPF services is to be made only for 'active treatment' that can reasonably be expected to improve the patient's condition... For services in an IPF to be designated as active treatment, they must be:

- Provided under an individualized treatment or diagnostic plan (*for further details regarding individualized treatment plans, see Sections 30.3 and 30.3.1 in the following link: [§30.3 – Treatment Plan and 30.3.1 - Individualized Treatment or Diagnostic Plan](#)*);
- Reasonably expected to improve the patient's condition or for the purpose of diagnosis (*for further information about patient condition improvement, see Section 30.3.2 in the following link: [§30.3.2 - Services Expected to Improve the Condition or for Purpose of Diagnosis](#)*); and
- Supervised and evaluated by a physician (*for further information about physician supervision requirements, see Sections 30.2.2 and 30.2.2.1 in the following link: [§30.2.3 – Services Supervised and Evaluated by a Physician](#)*).

*(Medicare Benefit Policy Manual. Chapter 2 - Inpatient Psychiatric Hospital Services, [§30.2.2 – Active Treatment and §30.2.2.1 - Principles for Evaluating a Period of Active Treatment](#))*

**Note:** Please read all applicable sections and subsections, in their entirety, for complete criteria details, including what may or may not be considered “active treatment” or a reasonable and necessary Medicare-covered IPH service.

For the ***Treatment of Drug Abuse (Chemical Dependency)***:

- ✓ NCD for *Treatment of Drug Abuse (Chemical Dependency)* ([130.6](#))

According to the NCD 130.6:

**Procedure(s):**

***CMS Coverage Manuals, National Coverage Determinations (NCDs), Noridian Healthcare Solutions (Noridian) Local Coverage Determinations (LCDs) and Articles (LCAs), and MCG™ (formerly Milliman) Guidelines:***

“...the intensity and duration of treatment for drug abuse may vary (depending on the particular substance(s) of abuse, duration of use, and the patient’s medical and emotional condition) from the duration of treatment or intensity needed to treat alcoholism.

“...when it is medically necessary for a patient to receive detoxification and/or rehabilitation for drug substance abuse as a hospital inpatient, coverage for care in that setting is available. Coverage is also available for treatment services that are provided in the outpatient department of a hospital to patients who, for example, have been discharged from an inpatient stay for the treatment of drug substance abuse or who require treatment but do not require the availability and intensity of services found only in the inpatient hospital setting. The coverage available for these services is subject to the same rules generally applicable to the coverage of outpatient hospital services. [See the [Medicare Benefit Policy Manual \(BPM\), Chapter 6, “Hospital Services Covered Under Part B,” §§20.](#)] The services must also be reasonable and necessary for treatment of the individual’s condition. [See the [Medicare BPM, Chapter 16, “General Exclusions from Coverage,” §90.](#)] Decisions regarding reasonableness and necessity of treatment, the need for an inpatient hospital level of care and length of treatment, should be made by A/B Medicare Administrative Contractors (MACs) based on accepted medical practice with the advice of their medical consultant.”

*The above Medicare criteria may be supplemented by the following MCG™ guideline(s). However, MCG™ guidelines are not required for use. Visit the MCG™ Web Site for information on purchasing their criteria, or you may contact us and we will be happy to provide you with a copy of the specific guideline:*

- Substance Use, Inpatient Behavioral Health Level of Care, Adult, ORG: B-903-IP (BHG)
- Substance-Related Disorders: Inpatient Care, ORG: B-015-IP (BHG)

***Partial Hospitalization Program (PHP)***

***What is a Partial Hospitalization Program (PHP)?***

“Partial hospitalization is a distinct and organized

“Partial hospitalization programs (PHPs) are structured to provide intensive psychiatric care through active treatment that utilizes a combination of the clinically recognized items and services described in [§1861\(ff\) of the Social Security Act](#) (the Act). The treatment program of a PHP closely resembles that of a highly structured, short-term hospital inpatient program. It is

**Procedure(s):**

**CMS Coverage Manuals, National Coverage Determinations (NCDs), Noridian Healthcare Solutions (Noridian) Local Coverage Determinations (LCDs) and Articles (LCAs), and MCG™ (formerly Milliman) Guidelines:**

intensive treatment program for patients who would otherwise require inpatient psychiatric care.” (Medicare Benefit Policy Manual, Chapter 6, [§70.1.B – Partial Hospitalization](#))

treatment at a level more intense than outpatient day treatment or psychosocial rehabilitation.” (Medicare Benefit Policy Manual, Chapter 6, [§70.3 - Partial Hospitalization Services](#))

**General Criteria:**

Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered Under Part B, §70 - Outpatient Hospital Psychiatric Services

See Sections 70.3 and 70.3.A in the following links:

- [§70.3 - Partial Hospitalization Services](#)
- [§70.3.B - Patient Eligibility Criteria](#)

**Note:** Please review all of Section 70.3, in its entirety, for complete criteria details, including what may or may not be considered Medicare-covered PHP services.

*The above Medicare criteria may be supplemented by the following MCG™ guideline(s). However, MCG™ guidelines are not required for use. Visit the MCG™ Web Site for information on purchasing their criteria, or you may contact us and we will be happy to provide you with a copy of the specific guideline:*

- Substance-Related Disorders: Partial Hospital Program ORG: B-015-PHP (BHG)

**Detoxification Services (inpatient or outpatient)**

For **opioid dependence**:

- Medicare Prescription Drug Benefit Manual, Chapter 6 – Part D Drugs and Formulary Requirements, [§10.8 - Drugs Used to Treat Opioid Dependence](#) (See Section 10.8 in the link provided)<sup>[1,2]</sup>

For **alcoholism (inpatient detoxification)**:

- ✓ Inpatient Hospital Stays for Treatment of Alcoholism ([130.1](#))

For **other drug abuse or chemical dependency issues**:

**Procedure(s):**

**CMS Coverage Manuals, National Coverage Determinations (NCDs), Noridian Healthcare Solutions (Noridian) Local Coverage Determinations (LCDs) and Articles (LCAs), and MCG™ (formerly Milliman) Guidelines:**

- ✓ Treatment of Drug Abuse (Chemical Dependency) ([130.6](#))

*The above Medicare criteria may be supplemented by the following MCG™ guideline(s). However, MCG™ guidelines are not required for use. Visit the MCG™ Web Site for information on purchasing their criteria, or you may contact us and we will be happy to provide you with a copy of the specific guideline:*

- Substance-Related Disorders: Inpatient Care ORG: B-015-IP (BHG)
- Substance Use, Inpatient Behavioral Health Level of Care, Adult, ORG: B-903-IP (BHG)

**Outpatient Services**

**Alcoholism:**

- ✓ Chemical Aversion Therapy for Treatment of Alcoholism ([130.3](#))
- ✓ Electrical Aversion Therapy for Treatment of Alcoholism ([130.4](#))
- ✓ Outpatient Hospital Services for Treatment of Alcoholism ([130.2](#))
- ✓ Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered Under Part B, [§20 - Outpatient Hospital Services](#) (See Section 20 in the link provided)
- ✓ Treatment of Alcoholism and Drug Abuse in a Freestanding Clinic ([130.5](#))

**Drug Abuse and Narcotic Addiction:**

- ✓ Treatment of Drug Abuse (Chemical Dependency) ([130.6](#))
- ✓ Withdrawal Treatments for Narcotic Addictions ([130.7](#))

*The above Medicare criteria may be supplemented by the following MCG™ guideline(s). However, MCG™ guidelines are not required for use. Visit the MCG™ Web Site for information on purchasing their criteria, or you may contact us and we will be happy to provide you with a copy of the specific guideline:*

- Substance Use, Acute Outpatient Behavioral Health Level of Care, Adult, ORG: B-903-AOP (BHG)
- Substance Use, Intensive Outpatient Program Behavioral Health Level of Care, Adult, ORG: B-903-IOP (BHG)

**Procedure(s):**

***CMS Coverage Manuals, National Coverage Determinations (NCDs), Noridian Healthcare Solutions (Noridian) Local Coverage Determinations (LCDs) and Articles (LCAs), and MCG™ (formerly Milliman) Guidelines:***

- Substance-Related Disorders: Intensive Outpatient Program, ORG: B-015-IOP (BHG)
  - Substance-Related Disorders: Acute Outpatient Care, ORG: B-015-AOP (BHG)
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## POLICY GUIDELINES

### REQUIRED DOCUMENTATION

The information below **must** be submitted for review to determine whether policy criteria are met. If any of these items are not submitted, it could impact our review and decision outcome:

- Description of requested treatment plan, and if will be rendered on an inpatient or outpatient basis;
- If inpatient, type of facility services will be rendered in;
- Admitting diagnosis, as well as the diagnosis of any comorbid disease(s); and,
- Short-term and long-term goals;
- *See the applicable specific criteria reference for any additional documentation that may be required depending on the type of treatment requested.*

### CROSS REFERENCES

[Behavioral Health \(Psychiatric\) Services](#), Behavioral Health, Policy No. M-19

### REFERENCES

1. Medicare B News online Article Education from Provider Relations Research Specialist – Methadone Coverage at <http://www.cms.gov/Outreach-and-Education/Outreach/Partnerships/Downloads/determine.pdf>
2. Medicare [Part D Drugs/Part D Excluded Drugs](#)
3. Medicare Program Integrity Manual, Chapter 15 - Medicare Enrollment, [§15.4.8 - Suppliers Not Eligible to Participate](#)
4. MLN Matters® Number: SE1604: [Medicare Coverage of Substance Abuse Services](#)

### CODING

**NOTE:** HCPCS codes H0020, H0033, and S0109 are not payable by Medicare, and therefore, are not valid for Medicare Advantage use.

Codes	Number	Description
CPT	None	
HCPCS	H0020	Alcohol and/or drug services; methadone administration and/or service (provision of the drug by a licensed program) <i>(Not payable by Medicare)</i>
	H0033	Oral medication administration, direct observation; use for induction <i>(Not payable by Medicare)</i>
	S0109	Methadone, 5 mg, oral <i>(Not payable by Medicare)</i>

**\*IMPORTANT NOTE:** Medicare Advantage medical policies use the most current Medicare references available at the time the policy was developed. Links to Medicare references will take viewers to external websites outside of the health plan's web control as these sites are not maintained by the health plan.