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## North Sound Behavioral Health Organization, LLC

### Section 1500 - Clinical – Inpatient Psychiatric Authorization

Authorizing Source: PIHP; 42 CFR 438; WAC 182-500-0070; 388-865; 246-320; 246-322; 246-322-170; and 182-502-0100

Cancels: 1545.00

See Also: Policy 1582.00; WA Apple Health Billing Guide

Providers must comply with this policy and may develop individualized implementation guidelines as needed

Responsible Staff: Deputy Director

Approved by: Executive Director

Signature:

Date: 1/11/2018

## POLICY #1571.00

### SUBJECT: INPATIENT PSYCHIATRIC AUTHORIZATION

#### PURPOSE

To provide rapid and appropriate access to medically necessary inpatient hospital psychiatric services, voluntary and involuntary, for Medicaid eligible individuals and other individuals eligible for publicly funded inpatient psychiatric services.

#### DEFINITIONS

**Emergency Services** for psychiatric conditions means “covered inpatient and outpatient services needed to evaluate or stabilize an emergency medical condition and are furnished by a provider who is qualified to furnish these services”.

**Emergency Medical Condition (EMC)** for psychiatric conditions; this would include instances where imminent likelihood of serious harm to self or others, or imminent danger due to grave disability has been determined by a Designated Mental Health Professional (DMHP) or treating physician.

**Stabilized** means the treating physician has determined the individual is safe to be discharged or transferred. Psychiatric patients are considered stable when they are protected and prevented from harming themselves or others.

**Post stabilization services** means medically necessary specialty services related to a psychiatric emergency medical condition after the individual's condition is sufficiently stabilized that he or she could alternatively be safely discharged or transferred. Post stabilization care are specialty inpatient services to improve or resolve the enrollees condition.

#### DELIGATION AND ELIGIBILITY

North Sound Behavioral Health Organization (North Sound BHO) contracts with Volunteers of America (VOA) to staff and operate a hospital inpatient utilization management team to review inpatient hospital psychiatric authorization requests on a 24-7 basis for individuals who are Medicaid eligible and eligible for publicly funded inpatient mental health who reside within the North Sound BHO region. This includes individuals eligible for both Medicare and medical assistance who have exhausted their lifetime Medicare benefits at admission or during hospitalization. It also includes individuals with primary commercial or private insurance and who have secondary Medicaid coverage, when their primary insurance has been exhausted at admission or during hospitalization.

The enrollee's income information for uninsured individuals is required to determine if the individual is Medicaid Eligible. If the enrollee is not Medicaid Eligible or in a fee-for-service program who has not opted into BHO enrollment, the request will be referred to the facilities billing department to determine how payment will be sought.

#### **INPATIENT PSYCHIATRIC HOSPITAL LEVEL OF CARE CRITERIA**

Voluntary inpatient hospital psychiatric care for all medical assistance individuals (e.g. those on Title XIX and state programs) must be:

1. Medically necessary as defined in WAC 182-500-0070 and include the following:
  - a. Ambulatory care resources available in the community do not meet the treatment needs of the individual, AND
  - b. Proper treatment based on the acuity of the individual's psychiatric condition requires services on an inpatient basis under the direction of a physician (according to WAC 246-322-170), AND
  - c. The individual's Level of Care Utilization System (LOCUS/CALOCUS) score warrants medically monitored inpatient services, AND
  - d. Services can be reasonably expected to improve the individual's level of functioning or prevent further regression of functioning, AND
  - e. The individual has been diagnosed as having an emotional/behavioral disorder or a severe psychiatric disorder (as defined in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association) which is considered a principal covered diagnosis per the State of Washington's Access to Care Standards and warrants extended care in the most intensive and restrictive setting; OR
  - f. The individual was evaluated and met the criteria for emergency involuntary detention (RCW 71.05 or 71.34) but agreed to inpatient care.
2. Approved (ordered) by the professional in charge of the hospital or hospital unit; and
3. Certified by the BHO's Contractor (VOA). The person making the determination to authorize inpatient care must meet the definition of a Mental Health Professional (MHP) per WAC 388-865-0238 and RCW 71.05.020.

Involuntary inpatient psychiatric care must be in accordance with the admission criteria specified in RCW 71.05 and 71.34.

Services shall be provided that are:

1. Culturally and linguistically competent;
2. Working towards recovery and resiliency; and
3. Appropriate to the age and developmental stage of the individual.

**North Sound BHO and VOA will continue provision of community psychiatric inpatient services through discharge should a community hospital become insolvent including any requirement for transfer.**

## **PROVIDER REQUIREMENTS**

North Sound BHO pays for inpatient psychiatric care, as defined in WAC 246-320 and 246-322, only when provided by one (1) of the following Department of Health (DOH) licensed hospitals or units:

1. Free-standing psychiatric hospitals determined by Division of Behavioral Health and Recovery (DBHR) to meet the federal definition of an Institution for Mental Diseases (IMD), which is: “a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of people with mental diseases, including medical attention, nursing care and related services”;
2. Medicare-certified, distinct psychiatric units, or State-designated pediatric psychiatric units; OR
3. In addition to DOH licensure, hospitals providing involuntary hospital inpatient psychiatric care must be certified by DSHS DBHR in accordance with WAC 388-865-0511 and must meet the general conditions of payment criteria in WAC 182-502-0100.

## **CONSENT FOR TREATMENT**

Individuals 18 years of age and older may be admitted to voluntary treatment only with the Individual’s voluntary and informed written consent, a properly executed advance directive that allows for admission when the individual is unable to consent, or the consent of the individual’s legal representative when appropriate. Individuals 13-17 years of age may be admitted to treatment only with the permission of:

1. The minor and the minor’s parent/legal guardian; or
2. The minor without parental consent; or
3. The minor’s parent/legal guardian without the minor’s consent (Parent-Initiated Treatment [PIT]). (It is treated as a voluntary stay for utilization management purposes); or
4. Consumers 12 years of age and under may be admitted to treatment only with the permission of the minor’s parent/legal guardian.

## **AUTHORIZATION REQUIREMENTS FOR INPATIENT HOSPITAL PSYCHIATRIC CARE**

The hospital must obtain prior authorization (PA) for payment from North Sound BHO for all inpatient hospital psychiatric stays when the agency is the primary payer. Hospitals must request authorization prior to admission unless the stay results from a prudent layperson emergency.

### **Non-Emergent Inpatient Psychiatric Admissions**

A request for psychiatric inpatient hospital care where emergency services have not been rendered by the hospital seeking prior authorization or a planned inpatient psychiatric hospital admission for a specialized psychiatric service requires prior authorization before admission.

1. Please see North Sound BHO Policy 1582.00 for Voluntary Inpatient Psychiatric Authorization for Electroconvulsive Therapy (ECT);
2. Outpatient providers can consult with VOA for any anticipated inpatient psychiatric plan of care.

Outpatient provider requests to hospitalize an enrollee will require prior authorization before admission unless the enrollee's condition requires or receives emergency services prior to admission to a psychiatric inpatient facility.

### **Emergent Psychiatric Inpatient Admissions**

For psychiatric admissions resulting from emergency services, the North Sound BHO will authorize, for Medicaid or Medicaid eligible individuals, the first 24 hours at a DOH licensed psychiatric inpatient hospital to provide a thorough clinical assessment and establish medical necessity for ongoing care.

1. Providers who admit individuals for psychiatric emergency services necessary to evaluate and stabilize a psychiatric Emergency Medical Condition (EMC) shall call VOA Utilization Management (UM) prior to transfer or discharge to an acute psychiatric inpatient facility.
2. Emergent Psychiatric Care Notification:
  - a. Emergency Service providers shall provide demographic, eligibility and clinical information for VOA to construct an Emergent Admission Notification Record.
  - b. VOA UM will incorporate clinical information provided by emergency service providers into the authorization record for post stabilization services.
3. Transfer from emergency services to inpatient hospital psychiatric care occurs when the attending physician determines: 1) Enrollee's EMC is sufficiently stable to transfer; 2) The receiving facility intending to provide acute psychiatric inpatient care is available and a bed has been secured.

It is the responsibility of the emergency service provider intending to transfer the individual to secure a bed at an inpatient psychiatric hospital.

4. Emergency Services ends as soon as the individual is protected and prevented from injuring or harming themselves, or others.
  - a. If the emergency service's treating physician determines the individual's EMC has stabilized, the emergency service provider has standing to request prior authorization.
  - b. Once a request for post stabilization is initiated, the 24-hour admission authorization will be included in the number of days authorized.
5. For inpatient hospital providers who admit emergent cases during hours that would generate a conflict for the provider to call in for prior authorization within stipulated timelines (i.e., Friday evenings or weekend admissions), the provider can pursue authorization at the beginning of the next business day and the days prior will be reviewed retrospectively.

### **Post Stabilization Services – Prior Authorization**

Post Stabilization Services are medically necessary specialty services related to an EMC after the individual's condition is sufficiently stabilized that he or she could alternatively be safely discharged or transferred.

1. Representatives of a hospital that have provided emergency services necessary to evaluate a psychiatric EMC have standing to request prior authorization for post stabilization service if the individual's EMC has stabilized under their care.
2. For emergent inpatient psychiatric hospital admissions that are the result of an EMC, the admitting psychiatric inpatient hospital intending to provide post stabilization services must contact VOA for prior authorization as soon as the individual is protected and prevented from injuring or harming themselves or others.

Clinical assessments conducted by emergency service providers prior to admission to an inpatient psychiatric facility will be incorporated into the prior authorization record for the initial request for post stabilization care.

3. Acute inpatient psychiatric care assumes the treating staff will be expeditiously (within 24 hours) providing specialized psychiatric inpatient services that will protect and prevent the individual from harming themselves or others.
4. If the decision is made to authorize post stabilization services, the number of days authorized will be three (3) to five (5) days depending upon the individual's clinical presentation. Once given, inpatient authorizations are not terminated, suspended, or reduced.
5. The authorization or denial decision must be documented on VOA's Initial Certification Authorization Admission to Inpatient Psychiatric Care form. VOA must ensure the form is provided to the hospital within three (3) business days of the authorization.

### **PRIOR AUTHORIZATION TIMELINES**

Hospitals must request prior authorization for all non-emergent admissions or post stabilization services that are a result of a psychiatric emergency service. Requests for all prior authorization shall be directed to VOA at 800-707-4656

### **Non-Emergent Prior Authorization Requests**

1. Prior authorization is required before admission for all non-emergent admissions, including planned admissions coordinated by in-network outpatient providers.
2. VOA UM will provide an expedited authorization decision and provide notice as expeditiously as the enrollee's health condition requires and no later than 72 hours after receipt of the request.

### **Post Stabilization Prior Authorization Requests**

1. Initial Prior Authorization requests
  - a. UM determination to authorize or deny initial requests for post stabilization services that are the result of an EMC will be made within one (1) hour.
  - b. UM determination timeline for all initial requests for post stabilization services will begin once the requesting hospital has provided the required clinical information in order to authorize or deny the request.

- c. For Inpatient Hospital providers who admit emergent cases during hours that would present a conflict to call in for the prior authorization for post stabilization care within stipulated timelines (i.e., Friday evenings or weekends), the provider can pursue authorization at the beginning of the next business day.
2. Length-of-Stay Extensions:
    - a. Unless UM specifies otherwise, hospitals must submit requests for extension reviews at least 24 hours prior to the expiration of the authorized period.
    - b. Length-of-stay extension determinations will be made within 24 hours or 1 business day from the request and authorized 3 to 5 days depending on clinical presentation. Once given, inpatient authorizations are not terminated, suspended, or reduced
    - c. Hospital providers requesting prior authorization for length-of-stay extensions are encouraged to submit requests during regular business hours. For requests that fall outside of regular business hours, VOA UM will offer alternatives to allow the prior authorization review to occur.
    - d. Determinations of authorization are based on previously identified definitions and dimensions of medical necessity.
    - e. The authorization decision must be documented on VOA's Extension Certification Authorization Admission to Inpatient Psychiatric Care form. VOA must ensure the form is provided to the hospital within three (3) business days of the authorization, unless the hospital requires receipt of the form prior to continuation of the stay.
  3. If the required DBHR information is not received by UM to construct a Prior Authorization Record, the request will be categorized as either cancelled or withdrawn, not denied.

### **Expedited (peer-to-peer) Clinical Reviews**

1. **Non-emergent or planned admissions** require an expedited review process to take place within 72 hours.
2. In the event of a denial of **initial requests** for post stabilization services, an expedited review process must occur the same day of the authorization decision.
3. In the event of a denial of **length-of-stay extensions**, an expedited review process must occur within 24 hours of the time VOA UM received the request.

### **Retrospective Requests for Authorization**

Requests for retrospective authorization will be considered only if the individual becomes eligible for medical assistance after admission or the hospital was not notified of or able to determine exhaustion of Medicare or commercial (private) insurance benefits prior to benefit exhaustion.

1. For retrospective authorization requests **prior to discharge**, the hospital must submit a request for authorization for the current day and days forward. For the current day and days forward, VOA must respond to the hospital within two (2) hours of the request and provide certification and authorization or denial within 12 hours of the request. UM retro authorization or denial determination forms will be provided to the hospital within three (3) business days.

For days prior to the current day (i.e. admission date to the day before VOA was contacted), the hospital must submit a separate request for authorization. VOA shall make every attempt to provide a decision sooner than 30 days in situations of retrospective requests prior to discharge, but must provide a determination within 30 days upon receipt of the requested clinical documentation for those days prior to notification.

2. For retrospective authorization requests **after discharge**, the hospital must submit a request for authorization, as well as, provide all required clinical information to VOA within 30 days of discharge. VOA must provide a determination within 30 days of the receipt of the requested clinical documentation for the entire episode of care.
3. Dually eligible or Third-Party Liability impacted eligible individuals, hospitals are allowed to seek retrospective authorization of an inpatient stay beyond 30 days, but not longer than 1 calendar year, if the delay in seeking authorization resulted from attempts to pursue Medicare or third-party coverage.

### **Involuntary Psychiatric Admissions**

Involuntary admissions occur in accordance with the Involuntary Treatment Act (ITA) RCW 71.05 and 71.34; therefore, no consent is required. Only individuals 13 years of age and older may be subject to the provisions of these laws. The representative also authorizes services that are provided to individuals detained under ITA law when the individual either refuses to apply for, or does not qualify for, any Apple Health program. These inpatient stays are paid for with state funds.

1. Requests for initial authorization shall be directed to VOA at 800-707-4656.
2. Requesting ITA authorization shall be conducted by the hospital and not delegated to the DMHP/Designated Crisis Responder (DCR).
3. Required clinical information shall be provided by the hospital within 72 judicial hours of admission.
4. The number of initial days authorized for an involuntary psychiatric admission is limited to 20 days from date of detention.
5. VOA shall request weekly clinical and placement updates from hospitals on detained individuals.
6. VOA cannot deny extension requests for individuals who are detained in accordance of the ITA unless another Less Restrictive Alternative (LRA) is available. Any less restrictive (LR) placement would need to be ITA certified and the court would need to change the detention location.
7. Individuals on a continuance will be granted a length-of-stay extension until their next court date. Individuals awaiting placement at Western State Hospital (WSH) will be granted a length-of-stay extension until admission to WSH.
8. Requests for individuals whose legal status changes from involuntary to voluntary, will be reviewed by UM and authorized or denied depending upon clinical presentation.

### **Children's Long-Term Inpatient Program (CLIP)**

For a youth waiting CLIP placement that is in a community psychiatric hospital on a voluntary basis, VOA may authorize or deny extensions or administrative days. For a youth waiting for CLIP placement that is in a community psychiatric hospital on an involuntary basis, authorizations may not be denied, and VOA may not authorize administrative days. VOA and the hospitals are encouraged to consider LRAs for involuntary youth awaiting CLIP that are ITA certified.

## **Changes in Status**

Change in the individual's status include legal, principle diagnosis, or hospital of service should be directed to VOA within 24 hours of the change of status. VOA will respond and make any authorization adjustments or determinations within 24 hours.

1. **Change in legal status:** If an individual's legal status changes from involuntary to voluntary, a subsequent authorization may be issued if the stay is authorized VOA will issue a separate authorization for the involuntary days. Any previously authorized days under the previous legal status that are past the date of the change in legal status are not covered.
2. **Change in hospital of service (transfer):** When VOA receives a request for authorization for services to be provided in a new hospital, a subsequent authorization. Requests for change in hospital of service is required 24 hours prior to transfer and is the responsibility of the transferring hospital to secure a bed in the expected receiving treatment facility prior to the authorization request.

## **Administrative Days**

Administrative days may be authorized by VOA UM for up to (5) days and may be utilized by the hospitals when all the following conditions are met:

1. The individual has a legal status of voluntary;
2. The individual no longer meets medical necessity;
3. The individual no longer meets intensity of service criteria;
4. LRAs are not available, posing a barrier to safe discharge; and
5. The hospital and VOA mutually agree to the appropriateness of the administrative day.

## **Discharge Notification**

1. VOA will work with the hospitals toward discharge beginning at admission.
2. When VOA receives the required notification from the hospital that the individual discharged or left against medical advice prior to the expiration of the authorized period, VOA will add the discharge date to the current authorization form and ensure the hospital receives a copy.

## **Diversion**

1. A diversion is any time a community hospital agrees to alternative level of inpatient care (freestanding E&T) or any other alternative level of care (e.g., community-based crisis stabilization placement). A diversion can occur prior to admission or during continued-stay review if it is determined that another level of care is medically indicated.
2. A diversion may not be considered in retrospective requests except for the current days and days forward of a request prior to discharge.



### **Notice of Adverse Benefit Determination (NOAD)**

A Notice of Adverse Determination (NOAD) is sent no later than one (1) business day when a denial is issued. A NOAD will be mailed to the individual and a faxed copy will be sent to the hospital that made the request for authorization. It is the expectation of North Sound BHO and its designee VOA, that hospital staff make available the NOAD if the individual is still currently admitted at their facility.

1. Adverse Benefit Determination must be issued to the individual or the individual's representative whenever VOA does not approve an inpatient service from the enrollee or accepting hospital.
2. For provider requests that have no length-of-stay restrictions, an authorization of days less than requested will not result in a NOAD.
3. Only a psychiatrist or doctoral-level psychologist may issue a denial. A psychiatrist or doctoral-level psychologist employed by or contracted with VOA will conduct a clinical review of medical necessity for any potential denials.

### **Appeals and Disputes**

Individuals may refer to the following policies regarding their rights when requested services have been denied:

- 1001.00 – Grievance, Appeal, Fair Hearing & Notice – General Policy Requirements;
- 1002.00 – Grievance;
- 1003.00 – Appeal; and
- 1004.00 – Fair Hearing.
- 1005.00 – Notice Requirements

### **ATTACHMENTS**

None