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Medicare Advantage Policy Manual **Policy ID:** M-BH20

Chemical Dependency and 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, including care that may be both medically reasonable and necessary.

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 Centers of Medicare and Medicaid Services (CMS) policies and manuals, along with general CMS rules and regulations. 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 a specific CMS coverage determination for a requested service, item or procedure, the health plan may apply CMS regulations, as well as their Medical Policy Manual or other applicable utilization management vendor criteria developed with an objective, evidence-based process using scientific evidence, current generally accepted standards of medical practice, and authoritative clinical practice guidelines.

Some services or items may appear to be medically indicated for an individual but they may also be a direct exclusion of Medicare or the member's benefit plan. Medicare and member EOCs exclude from coverage, among other things, services or procedures considered to be investigational (experimental) or cosmetic, as well as services or items considered not medically reasonable and necessary under Title XVIII of the Social Security Act, §1862(a)(1)(A). 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. Members, their appointed representative, or a treating provider can request coverage of a service or item by submitting a pre-service organization determination prior to services being rendered.

DESCRIPTION

Substance abuse services treat individuals with drug addictions or who have a history of drug and/or alcohol misuse. 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. Not all treatment programs or providers are eligible for coverage under the Medicare program or Medicare Advantage. See the policy below for further details.

MEDICARE ADVANTAGE POLICY CRITERIA

Procedure(s):	**CMS Coverage Manuals, National Coverage Determinations (NCDs), Noridian Healthcare Solutions (Noridian) Local Coverage Determinations (LCDs) and Articles, and Other References:** **For Medicare Coverage Determinations and Articles, see the *Medicare Coverage Database***
Non-Covered	• Activity therapies, group activities or other services/programs which

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Services (this list is NOT all-inclusive as there may be additional non-covered services found in rows below):	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 as a Part D drug (*Medicare B Newsline Article Education from Provider Relations Research Specialist – Methadone Coverage*[1] and *Medicare Prescription Drug Benefit Manual, Chapter 6 – Part D Drugs and Formulary Requirements, §10.8 - Drugs Used to Treat Opioid Dependence*) *(For Opioid Treatment Program [OTP] benefits, see row below)* • 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 Under Part B, §70.1.C.2 – Noncovered Services* and *§70.3.B.4 – Partial Hospitalization Services)* • Medicare does not generally cover items and services furnished for members who are incarcerated or in custody under a penal statute or rule at the time the items and services are rendered. According to Medicare, the terms “in custody” or “incarcerated” includes, but may not be limited to, those who are under arrest, imprisoned, escapees, those on medical furlough or under supervised release, individuals

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	required to reside in mental health facilities or halfway houses, and those required to live under home detention. (See the Medicare Coverage or Items and Services Furnished to Beneficiaries in Custody Under a Penal Authority Fact Sheet for more details and possible exceptions)
Ineligible Providers	• For a list of **Providers/Suppliers not eligible to enroll in medicare**, who, are therefore, ineligible for Medicare reimbursement see*:* *Medicare Program Integrity Manual, Chapter 10 – Medicare Enrollment, §10.2.8 - Providers/Suppliers Not Eligible to Participate*
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 the advice of a medical director, consistent with accepted medical practice and industry standards. To aid with "accepted medical practice" decisions, the most recent edition of criteria developed by the American Society of Addiction Medicine (ASAM) may be used. In addition, services must still meet Medicare requirements regarding eligible provider and facility types. • American Society of Addiction Medicine (ASAM) Criteria: Treatment Criteria for Addictive, Substance-Related, and Co-Occurring Conditions	
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:*** 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 *(see Medicare Benefits Policy Manual, Chapter 2 – Inpatient Psychiatric Hospital Services, Sections 30.3 and 30.3.1 in the following link: §30.3 – Treatment Plan*

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and 30.3.1 - Individualized Treatment or Diagnostic Plan);

- Reasonably expected to improve the patient's condition or for the purpose of diagnosis *(see Medicare Benefits Policy Manual, Chapter 2 – Inpatient Psychiatric Hospital Services - 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 *(see Sections 30.2.2 and 30.2.2.1 in the following link: §30.3.3 – 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:

"…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 *Medicare Benefit Policy Manual*, Chapter 6, Hospital Services Covered Under Part B, §20 Outpatient Hospital Services] The services must also be reasonable and necessary

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	for treatment of the individual's condition. [See the *Medicare Benefit Policy Manual*, Chapter 16, §10 - General Exclusions From Coverage] 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."
Partial Hospitalization Program (PHP)	"Partial hospitalization is a distinct and organized intensive treatment program for patients who would otherwise require inpatient psychiatric care." *(Medicare Benefit Policy Manual, Chapter 6,* §70.1.B – Partial Hospitalization *and Intensive Outpatient Program)* ***General Criteria:*** *Medicare Benefit Policy Manual*, Chapter 6 - Hospital Services Covered Under Part B, §70.3 – Partial Hospitalization Services **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.
Intensive Outpatient Services (IOP)	*"An intensive outpatient program is a distinct and organized ambulatory treatment program for patients who have an acute mental illness, including substance use disorder (SUD). Intensive outpatient services are not required to be provided in lieu of inpatient hospitalization." (Medicare Benefit Policy Manual, Chapter 6,* §70.1.B – Partial Hospitalization *and Intensive Outpatient Program)* ***General Criteria:*** *Medicare Benefit Policy Manual,* Chapter 6 - Hospital Services Covered Under Part B, §70.4 – Intensive Outpatient Services: **Note:** Please review all of Section 70.4, in its entirety, for complete criteria details, including what may or may not be considered Medicare-covered IOP services.

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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)* • *(For Opioid Treatment Program [OTP] benefits, see below)* For ***alcoholism (inpatient detoxification)***: ✓ NCD for Inpatient Hospital Stays for Treatment of Alcoholism (130.1) For ***other drug abuse or chemical dependency issues***: ✓ NCD for Treatment of Drug Abuse (Chemical Dependency) (130.6)
Outpatient Services	***Alcoholism -*** see the following NCDs and Benefits Manual references: ✓ 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) ✓ Treatment of Alcoholism and Drug Abuse in a Freestanding Clinic (130.5) ✓ Medicare Benefit Policy Manual, Chapter 6 - Hospital Services Covered Under Part B, §20 - Outpatient Hospital Services *(See Section 20 in the link provided)* ***Drug Abuse and Narcotic Addiction***: ✓ NCD for Treatment of Drug Abuse (Chemical Dependency) (130.6) ✓ NCD for Withdrawal Treatments for Narcotic Addictions (130.7)
Opioid Treatment Program (OTP) Benefits[4,5]	As of January 1, 2020, Medicare Advantage plans must also include the OTP benefit and can contract with OTP providers in their service area. In covering the OTP benefit, Medicare Advantage plans must use only OTP providers that meet the same requirements as those providing services under Medicare Part B (including enrollment with Medicare). Use the available list of Medicare-enrolled OTPs, which includes the OTP number assigned by the Substance Abuse and Mental Health Services Administration, the National Provider Identifier (NPI), address, and the

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	date they enrolled in Medicare. This list is updated every two weeks.

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

1. 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 *Opioid Treatment Programs (OTP)* webpage; Available at: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Opioid-Treatment-Program/Index
4. Medicare web page for *Opioid Treatment Programs* and *Medicare Advantage Plans*; Available at: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Opioid-Treatment-Program/MA-Plans

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) *(Not payable by Medicare)*
	H0033	Oral medication administration, direct observation; use for induction *(Not*

Codes	Number	Description
		payable by Medicare)
	S0109	Methadone, 5 mg, oral *(Not payable by Medicare)*