



Magellan Compliance Notebook

Magellan Behavioral Health of Pennsylvania, Inc. (Magellan) strives to be proactive and use education as a preventative tool to help ensure our members receive the highest quality of care through you, the provider. The Compliance Department at Magellan is committed to sending monthly e-mails to targeted providers regarding a Compliance-related subject.

This e-mail communication is specific to your HealthChoices (Pennsylvania Medicaid) Contract with Magellan.

For this month's communication, Magellan is advising providers of some parameters and guidelines related to group psychotherapy and psychoeducational groups. This includes requirements regarding group size as well as documentation.

This **Provider Notice** from **Magellan** serves as an important **compliance reminder** about **participant limits** and **documentation requirements** for **group therapy** provided in **Medicaid-funded Outpatient Mental Health** and **Substance Use Disorder (SUD) Clinics** as well as **Partial Hospital Programs, Intensive Outpatient Programs (IOP), Residential SUD programs, and Halfway Houses**.

Regulatory requirements, as well as other Magellan Guidelines, are assessed during routine and targeted audits by our Special Investigations Unit (SIU). Retractions and/or Action Plans may be applied as indicated.

Outpatient Mental Health and SUD Clinics including IOP

Pennsylvania Medicaid has regulations in place regarding the maximum number of individuals who can participate in a Medicaid-funded Group Psychotherapy session at any time in order to promote optimal therapeutic value. The limit in group size varies depending on whether the provider is licensed as a Psychiatric Outpatient Clinic or an Outpatient Drug and Alcohol (SUD) Clinic. However, there is a waiver process that SUD OP Clinics may follow to request an expansion in the allowable size for up to twelve (12) individuals. Billing for services provided in excess of these parameters is subject to repayment for all Magellan group participants, not just those exceeding the limits.

The specific guidelines are outlined below.

- Licensed Mental Health Outpatient Clinics must ensure Compliance with Title 55 of the Pennsylvania (PA) Code, Chapters 1153 and 5200. Per PA Code 55 § 1153.2, **Group Psychotherapy** is Psychotherapy provided to **no less than two (2) and no more than twelve (12) persons** with diagnosed mental illness or emotional disturbance. These sessions shall be conducted by a clinical staff person. Psychoeducational groups are not billable in Psychiatric Outpatient Clinics as a stand-alone service.
- Outpatient Drug and Alcohol (SUD) Clinics are not licensed by the Office of Mental Health and Substance Use Services (OMHSAS); however, providers receiving PA Medicaid dollars must ensure Compliance with Title 55 of the Pennsylvania Code, Chapter 1223. Per PA Code 55 §1223.2, **Group Psychotherapy** is Psychotherapy provided to **no less than two (2) and no more than ten (10) persons** with diagnosed drug/alcohol abuse or dependence problems for a minimum of 1 hour. These sessions shall be conducted by drug/alcohol clinic psychotherapy personnel under the supervision of a physician. The American Society of Addiction Medicine (ASAM) also outlines requirements for 1.0 Levels of Care, which caps the maximum group size at ten (10) individuals. Outpatient Drug and Alcohol Clinics may submit a waiver to OMHSAS for consideration to expand the maximum group size to 12 individuals. In March 2022, OMHSAS issued revised guidelines regarding the waiver submission process. Any questions should be directed to your applicable OMHSAS Regional Field Office. Psychoeducational groups are not billable in SUD Outpatient Clinics as a stand-alone service.
- SUD IOP programs are considered an in-lieu-of service in the HealthChoices continuum; however, the ASAM requirements for 2.0 Levels of Care, outline a maximum group size of 10 individuals (the waiver process mentioned above can also be utilized for Level 2.1)

*Please note that adding an additional group facilitator does not allow a provider to double or otherwise expand the maximum size of the group. Regardless of the number of provider staff co-facilitating or leading the group, the maximum allowable size without a waiver is 10 (SUD Clinics) or 12 (MH OP Clinics).

Partial Hospital Programs (PHP)

Pennsylvania Medicaid has regulations in place regarding the maximum number of individuals who can participate in a Medicaid-funded Group Psychotherapy session at any time group size in licensed Partial Hospital Programs in order to promote optimal therapeutic value. Billing for services provided in excess of these parameters is subject to repayment for all Magellan group participants, not just those exceeding the limits.

Licensed Psychiatric Partial Hospital Programs must ensure Compliance with Title 55 of the Pennsylvania (PA) Code, Chapter 1153. Per PA Code 55 § 1153.2, **Group Psychotherapy** is Psychotherapy provided to **no less than two (2) and no more than twelve (12) persons** with

diagnosed mental illness or emotional disturbance. These sessions shall be conducted by a clinical staff person.

SUD Partial Hospital services are considered an in-lieu-of service in the HealthChoices continuum; however, the ASAM requirements for 2.0 Levels of Care, outline a maximum group size of 10 individuals (the waiver process mentioned above can also be utilized for Level 2.5).

Psychoeducational groups that best address the needs of the milieu at the time should also be offered in PHP programs. At a minimum, these psychoeducational groups should include topics such as coping skills development, life skills, nutrition, occupational training, self-help groups, social support development, substance use disorder management skills, parenting/ family relationships, confrontation skills and sexuality. In addition, the provider should aim to help individuals return to productive daily activity and family living. Programs are to create a therapeutic environment and milieu by providing the necessary structure and opportunity for interventions in real time to foster recovery. Therapeutic group size for psychoeducational programs should include no more than 15 individuals. As stated above, including an additional group facilitator does not allow a provider to double or otherwise expand the size of the group. Regardless of the number of provider staff co-facilitating or leading the group, the maximum allowable size for psychoeducational groups should not exceed 15.

PHP providers may not unbundle and bill separately for group psychotherapy or psychoeducation group services. All treatment is included as part of the PHP unit rate.

SUD Residential programs (3.1, 3.5, 3.5E and 3.7 programs)

SUD residential programs are reimbursed under an all-inclusive daily rate and therefore all treatment services including group psychotherapy and psychoeducational sessions are included under the per diem. Still, it's important for providers to establish policies and guidelines that promote the optimal therapeutic benefit for members in care.

Psychoeducational groups that best address the needs of the milieu at the time should be offered in all SUD Residential programs. At a minimum, these psychoeducational groups should include topics such as coping skills development, life skills, nutrition, occupational training, self-help groups, social support development, substance use disorder management skills, relapse prevention, harm reduction, parenting/ family relationships, confrontation skills and sexuality. In addition, the provider should aim to help individuals return to productive daily activity and family living. Programs are to create a therapeutic environment and milieu by providing the necessary structure and opportunity for interventions in real time to foster recovery. Therapeutic group size for psychoeducational programs should include no more than 15 individuals. As stated above, including an additional group facilitator does not allow a provider to double or otherwise expand the size of the group. Regardless of the number of provider staff co-facilitating or leading the group, the maximum allowable size for psychoeducational groups should not exceed 15.

Documentation Reminders

Outpatient/ Ambulatory programs:

In outpatient, fee-for-service reimbursement models, progress notes must clearly indicate the type of service that was provided (e.g. group therapy). Additionally, the notes group therapy notes should include a brief description of the group. They must also include individualized information for each participant including their behavior during the group session, level of participation and response to interventions/ information discussed. The total number of participants in the group must also be indicated, without listing names or identifiers of other group members.

Residential programs:

Magellan has also established some documentation guidelines for providers and services that are reimbursed under an all-inclusive daily rate. Daily progress notes must be present for all dates of service billed. Clear and concise documentation is required for substantiating payments made to the provider and must meet the required standards as set forth above.

- Progress Notes/ Daily Entries must document the interventions used, the individual's response, and relate to the treatment plan goals. Interventions should be individualized and specific; use of vague language such as "listened and provided positive feedback" or "watched a video" would not be considered sufficient.
- Group therapy notes should include a brief description of the group. They must also include individualized information for each participant including their behavior during the group session, level of participation and response to interventions/ information discussed. The total number of participants in the group must also be indicated, without listing names or identifiers of other group members.
- 3.1, 3.5 and 3.7 providers must implement behavioral health/ SUD interventions for each day of service billed, including all weekends and holidays. Staffing patterns must align with all DDAP Regulations, ASAM Requirements and any applicable MA Bulletins to allow for meaningful treatment to be provided every day that the member is physically in the facility.

In accordance with this requirement that interventions are provided daily, it is Magellan's expectation that each date of service that is billed have corresponding documentation in the member's record. This documentation should include all interventions, both formal and direct treatment (i.e. structured individual and group sessions) as well as those interventions that are less traditional. Please note that the intervention may be delivered by any staff member and there is no minimum time requirement for the intervention if it is documented; however documenting medication dosing only is NOT considered sufficient substantiation of payment for a day of service. Providers must also provide all services and programming as outlined in their approved Service Descriptions.

* For all documentation requirements, please reference [Magellan's Provider Handbook Supplement](#).

◆ **Key Takeaways:**

1. Medicaid Group Size Limits

- There are **specific limits** on the number of participants allowed in a group therapy session under **Medicaid regulations**.
- **Psychoeducational groups** in partial and residential programs should not exceed **15 individuals**.
- **Exceeding those limits** makes **all services billed for that session** subject to **repayment** — **not just** those for the “extra” participants.

2. Compliance & Auditing

- Magellan will be **auditing this issue** during routine and targeted audits by our SIU.
- Providers should **expect scrutiny** on whether group therapy sessions are being conducted within the allowable size limits.

3. Documentation Requirements

- Each **progress note** must:
 - Clearly **state the number of participants** present.
 - **Not include names or identifiers** of other group members (to protect privacy).

4. Provider Responsibility

- Providers are expected to:
 - Review **Medicaid regulations/ requirements** (including those issued by OMHSAS, DDAP, ASAM and Managed Care Organizations).
 - Update **internal policies and procedures** to ensure compliance.
 - Train staff to **document and monitor** group sizes accurately.

5. Applicability

- Applies to:
 - **Outpatient Mental Health** and **SUD Clinic Services**.
 - **In-lieu services** that include group psychotherapy.
 - **Partial Hospital Programs**.
 - **SUD Residential Programs**.

◆ **Recommended Provider Actions**

- ✓ **Verify group therapy capacity limits** (check Medicaid and Magellan service requirements).

- ✓ **Self-Audit recent group sessions** for compliance.
- ✓ **Revise policies and procedures** to ensure group sizes are monitored and recorded.
- ✓ **Train staff** on proper progress note documentation.
- ✓ **Prepare for Magellan audits.**

At Magellan, we will continue to educate our providers with updated MA Bulletins, regulations, and other pertinent information to ensure Compliance. Although providers are ultimately responsible for knowing and complying with all applicable regulations, we proactively engage providers on an ongoing basis to make sure they are aware of compliance related requirements and expectations. Medicaid Program Integrity is truly a collaborative effort between our providers, county customers, Magellan, Bureau of Program Integrity (BPI) and other oversight agencies. The monthly e-mail blast topics are generated from audit results and trends; however, are also sent in response to recent Magellan policy updates; newly released or relevant MA Bulletins and Policy Clarifications; or Regulation changes. The intention is to afford our providers with as many resources as possible to combat FWA and reduce overpayments.

Thank you for your ongoing hard work and dedication to our members!

Magellan of Pennsylvania's Compliance Team

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