



# 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.*

This month we would like to share important reminders with Partial Hospital Program (PHP) providers specific to billing and other regulatory reminders.

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Below, we have outlined some areas of focus and reminders as it relates to Pennsylvania Medical Assistance regulations and Magellan's expectations for PHPs. Please also reference the following standards to ensure that your programs are compliant with all state and Managed Care Organization (MCO) requirements:

## **Applicable Standards**

- [55 PA Code Chapter 5210 Partial Hospitalization](#)
- [55 PA Code Chapter 1153 Outpatient Psychiatric Services](#)
- **PA Magellan Medicaid Addendum 5.1 Regulatory Compliance:** Provider shall provide all Covered Services in accordance with the standards, rules and regulations promulgated under the HealthChoices Program. Magellan may audit Provider for compliance with such standards, rules, and regulations.
- **PA Magellan Medicaid Addendum 5.19 Compliance with Fraud, Waste and Abuse Policies:** Provider agrees to comply with Magellan's Policies and Procedures related to Fraud, Waste and Abuse in order to comply with the Deficit Reduction Act of 2005, American Recovery and Reinvestment Act of 2009, applicable "whistleblower" protection laws, the Federal False Claims Act, and State False Claims laws, which may include participation in trainings by Magellan. Provider agrees to comply with Magellan in any investigation of suspected fraud and abuse.
- **PA Regulatory Amendment 6.1.1 Compliance with Applicable Law:** Magellan and Provider shall comply with all applicable State and federal laws and regulations. Magellan and Provider specifically acknowledge that DOH has the authority to monitor and investigate quality of care issues, and to require corrective action or take

other administrative action, as authorized by applicable Pennsylvania law and regulations.

### **Billing Expectations**

- Medicaid billable services must include therapeutic interventions. Per § 5210.39 Patients in Partial Hospitalization Programs shall receive a minimum of 3 hours of planned treatment programs per hospitalization day (please note that the 3-hour minimum does not apply to services funded under a Behavioral Health MCO and therefore there is no daily minimum required for claims submissions to Magellan). These programs shall emphasize a therapeutic milieu, and include therapeutic, recreational, social, and vocational activities, individual, group, or family psychotherapy, psychiatric, psychological, and social evaluations, medication evaluations and other activities as determined by the treatment team. PHPs may not bill for the time spent at lunch or other meals. This is not a compensable service according to the regulations.
- School-Based PHPs may not bill PA HealthChoices Medicaid for the time spent while the child or adolescent is receiving schooling/education/academics per § 5210.37: Linkages with educational programs. Basic education and, in particular, special education are an essential and required part of service for emotionally disturbed children and youth. By law, such education is to be provided by the Department of Education or its agent. The education program may be provided at the same site as the partial hospitalization program, but is considered a separate, though complimentary, program and shall not be included as part of the partial hospitalization program for reimbursement purposes.
- The Partial Hospital rate is an inclusive rate that includes psychiatric time, individual therapy, family meetings, crisis intervention etc. Providers may not bill separately for any services that are provided while the member is in the PHP. Please also be advised that if a member is transported outside of the Partial Hospital to a Crisis Center/ Emergency Room, it is not billable time even if PHP staff accompany the member.
- We would expect that utilization (units billed) vary by member, by day; however, in reviewing claims data, it appears that some provider billing systems are set-up to bill a standard number of units per day by default regardless of the amount of time each individual was in the program and receiving services on that particular day. As in any fee-for-service (FFS) billing environment, the documentation must support all billable units and therefore must be individualized based on each participant's actual arrival and departure time; and their participation in therapeutic interventions. If an individual falls asleep or is otherwise not participating in the program, this is not billable time. As indicated above, time spent eating breakfast or lunch is also not billable time.

## **Other Regulatory Reminders**

- Psychiatric Staff: Per § 5210.21 and § 5210.31, partial hospitalization programs shall have a minimum of two hours of assigned psychiatric time per week for every five patients of program capacity.
- Treatment Planning: Per § 5210.25 and § 5210.35, the treatment plan shall include the following:
  - Be formulated to the extent possible, with the cooperation and consent of the patient, or a person acting on his behalf.
  - Be based upon diagnostic evaluation which includes examination of the medical, psychological, social, cultural, behavioral, familial, educational, vocational, and developmental aspects of the patient's situation.
  - Set forth treatment objectives and prescribe an integrated program of therapies, activities, experiences, and appropriate education designed to meet these objectives.
  - Be maintained and updated with signed daily notes and be kept in the patient's medical record or a form developed by the facility.
  - Be developed within the first five days of service and reviewed by the treatment team a minimum of once every 20 days of service to the individual patient and modified as appropriate. For child and adolescent programs, the treatment plan must also be reviewed by the psychiatrist a minimum of every 20 days.

### **\* All services rendered must also relate back to the Treatment Plan goals**

- Group Therapy: Per § 1153.2. Definitions, Group Psychotherapy may be provided to no less than two and no more than 12 persons with diagnosed mental illness or emotional disturbance. These sessions shall be conducted by a clinical staff person (a psychiatrist or a mental health professional or mental health worker under the direct supervision of a psychiatrist).
- Noncovered Services: Per § 1153.14, Payment will not be made for the following types of services regardless of where or to whom they are provided:
  - Cancelled appointments.
  - Covered services that have not been rendered.
  - Partial hospitalization outpatient services, provided to inmates of State or county correctional institutions or committed residents of public institutions.
  - Partial hospitalization outpatient services to residents of treatment institutions, such as individuals who are also being provided with room or board, or both, and services, on a 24-hour-a day basis by the same facility or distinct part of a facility or program.
  - Services delivered at locations other than the partial hospitalization outpatient facility.

- Case management, central intake or records, training, administration, social rehabilitation, program evaluation or research provided in psychiatric outpatient partial hospitalization facilities.
- Covered psychiatric partial hospitalization outpatient services, with the exception of family psychotherapy, provided to persons without a mental diagnosis rendered by a psychiatrist in accordance with the current version of the Diagnostic and Statistical Manual of Mental Disorders or the International Classification of Diseases—Chapter V, “Mental, Behavioral, and Neurodevelopmental Disorders.”
- Psychiatric partial hospitalization outpatient services provided to individuals with substance-related and addictive disorders, unless the individual has a primary diagnosis of a mental illness or emotional disturbance.
- Drugs, biologicals, and supplies furnished to an individual receiving services at a partial hospitalization outpatient facility. These are included in the psychiatric partial hospitalization session payment.
- Services provided beyond the 30th calendar day following intake, without review and approval of the initial assessment and treatment plan in accordance with § 1153.52(a)(7) and (8).
- The hours that the individual participates in an education program delivered in the same setting as a children and youth partial hospitalization outpatient program unless, in addition to the teacher, a clinical staff person works with the child in the classroom. The Department will reimburse for only that time during which the individual is in direct contact with a clinical staff person.
- Psychiatric partial hospitalization outpatient services provided to nursing home residents on the grounds of the nursing home or under the corporate umbrella of the nursing home.

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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**

○ 215-504-3967 | F 866-667-7744