

# Inpatient Hospital Stays for Treatment of Alcoholism (NCD 130.1)

<b>Policy Number</b>	130.1	<b>Approved By</b>	UnitedHealthcare Medicare Reimbursement Policy Committee	<b>Current Approval Date</b>	10/08/2014
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### IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY

This policy is applicable to UnitedHealthcare Medicare Advantage Plans offered by UnitedHealthcare and its affiliates.

You are responsible for submission of accurate claims. This reimbursement policy is intended to ensure that you are reimbursed based on the code or codes that correctly describe the health care services provided. UnitedHealthcare reimbursement policies use Current Procedural Terminology (CPT®\*), Centers for Medicare and Medicaid Services (CMS), or other coding guidelines. References to CPT or other sources are for definitional purposes only and do not imply any right to reimbursement.

This reimbursement policy applies to all health care services billed on CMS 1500 forms and, when specified, to those billed on UB04 forms (CMS 1450). Coding methodology, industry-standard reimbursement logic, regulatory requirements, benefits design and other factors are considered in developing reimbursement policy. This information is intended to serve only as a general resource regarding UnitedHealthcare’s reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare may use reasonable discretion in interpreting and applying this policy to health care services provided in a particular case. Further, the policy does not address all issues related to reimbursement for health care services provided to UnitedHealthcare enrollees. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to: legislative mandates, the physician or other provider contracts, and/or the enrollee’s benefit coverage documents. Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by UnitedHealthcare due to programming or other constraints; however, UnitedHealthcare strives to minimize these variations.

UnitedHealthcare may modify this reimbursement policy at any time by publishing a new version of the policy on this Website. However, the information presented in this policy is accurate and current as of the date of publication.

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### Application

This reimbursement policy applies to services reported using the Health Insurance Claim Form CMS-1500 or its electronic equivalent or its successor form, and services reported using facility claim form CMS-1450 or its electronic equivalent or its successor form. This policy applies to all products, all network and non-network physicians, and other health care professionals.

The HCPCS/CPT code(s) may be subject to Correct Coding Initiative (CCI) edits. This policy does not take precedence over CCI edits. Please refer to the CCI for correct coding guidelines and specific applicable code combinations prior to billing UnitedHealthcare. It is not enough to link the procedure code to a correct, payable ICD-9-CM diagnosis code. The diagnosis must be present for the procedure to be paid. Compliance with the

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provisions in this policy is subject to monitoring by pre-payment review and/or post-payment data analysis and subsequent medical review. The effective date of changes/additions/deletions to this policy is the committee meeting date unless otherwise indicated. CPT codes and descriptions are copyright 2010 American Medical Association (or such other date of publication of CPT). All rights reserved. CPT is a registered trademark of the American Medical Association. Applicable FARS/DFARS restrictions apply to Government use. Fee schedules, relative value units, conversion factors, and/or related components are not assigned by the AMA, are not part of CPT, and the AMA is not recommending their use. The AMA does not directly or indirectly practice medicine or dispense medical services. The AMA assumes no liability for data contained or not contained herein. Current Dental Terminology (CDT), including procedure codes, nomenclature, descriptors, and other data contained therein, is copyright by the American Dental Association, 2002, 2004. All rights reserved. CDT is a registered trademark of the American Dental Association. Applicable FARS/DFARS apply.

## Summary

### Overview

#### **Inpatient Hospital Stay for Alcohol Detoxification**

Many hospitals provide detoxification services during the more acute stages of alcoholism or alcohol withdrawal. When the high probability or occurrence of medical complications (e.g., delirium, confusion, trauma, or unconsciousness) during detoxification for acute alcoholism or alcohol withdrawal necessitates the constant availability of physicians and/or complex medical equipment found only in the hospital setting, inpatient hospital care during this period is considered reasonable and necessary and is therefore covered under the program.

#### **Inpatient Hospital Stay for Alcohol Rehabilitation**

Hospitals may also provide structured inpatient alcohol rehabilitation programs to the chronic alcoholic. These programs are composed primarily of coordinated educational and psychotherapeutic services provided on a group basis. Depending on the subject matter, a series of lectures, discussions, films, and group therapy sessions are led by either physicians, psychologists, or alcoholism counselors from the hospital or various outside organizations. In addition, individual psychotherapy and family counseling (see §70.1 of the NCD Manual) may be provided in selected cases. These programs are conducted under the supervision and direction of a physician. Patients may directly enter an inpatient hospital rehabilitation program after having undergone detoxification in the same hospital or in another hospital or may enter an inpatient hospital rehabilitation program without prior hospitalization for detoxification.

#### **Combined Alcohol Detoxification/Rehabilitation Programs**

Fiscal intermediaries should apply the guidelines in A. and B. above to both phases of a combined inpatient hospital alcohol detoxification/rehabilitation program. Not all patients who require the inpatient hospital setting for detoxification also need the inpatient hospital setting for rehabilitation. (See §130.1 of the NCD Manual for coverage of outpatient hospital alcohol rehabilitation services.) Where the inpatient hospital setting is medically necessary for both alcohol detoxification and rehabilitation, generally a 3-week period is reasonable and necessary to bring the patient to the point where care can be continued in other than an inpatient hospital setting.

### Reimbursement Guidelines

#### **Inpatient Hospital Stay for Alcohol Detoxification**

Generally, detoxification can be accomplished within 2-3 days with an occasional need for up to 5 days where the patient's condition dictates. This limit (5 days) may be extended in an individual case where there is a need for a longer period for detoxification for a particular patient. In such cases, however, there should be documentation by a physician which substantiates that a longer period of detoxification was reasonable and necessary. When the detoxification needs of an individual no longer require an inpatient hospital setting, coverage should be denied on the basis that inpatient hospital care is not reasonable and necessary as required by section 1862(a)(1) of the Act. Following detoxification a patient may be transferred to an inpatient rehabilitation unit or discharged to a residential treatment program or outpatient treatment setting.

#### **Inpatient Hospital Stay for Alcohol Rehabilitation**

Alcohol rehabilitation can be provided in a variety of settings other than the hospital setting. In order for an inpatient hospital stay for alcohol rehabilitation to be covered under Medicare it must be medically necessary

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for the care to be provided in the inpatient hospital setting rather than in a less costly facility or on an outpatient basis. Inpatient hospital care for receipt of an alcohol rehabilitation program would generally be medically necessary where either (1) there is documentation by the physician that recent alcohol rehabilitation services in a less intensive setting or on an outpatient basis have proven unsuccessful and, as a consequence, the patient requires the supervision and intensity of services which can only be found in the controlled environment of the hospital, or (2) only the hospital environment can assure the medical management or control of the patient's concomitant conditions during the course of alcohol rehabilitation. (However, a patient's concomitant condition may make the use of certain alcohol treatment modalities medically inappropriate.) In addition, the "active treatment" criteria (see the Medicare Benefit Policy Manual, Chapter 2, "Inpatient Psychiatric Hospital Services," §20) should be applied to psychiatric care in the general hospital as well as to psychiatric care in a psychiatric hospital. 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. (Thus, it is the combined need for "active treatment" and for covered care which can only be provided in the inpatient hospital setting, rather than the fact that rehabilitation immediately follows a period of detoxification, which provides the basis for coverage of inpatient hospital alcohol rehabilitation programs.) Generally 16-19 days of rehabilitation services are sufficient to bring a patient to a point where care could be continued in other than an inpatient hospital setting. An inpatient hospital stay for alcohol rehabilitation may be extended beyond this limit in an individual case where a longer period of alcohol rehabilitation is medically necessary. In such cases, however, there should be documentation by a physician which substantiates the need for such care. Where the rehabilitation needs of an individual no longer require an inpatient hospital setting, coverage should be denied on the basis that inpatient hospital care is not reasonable and necessary as required by section 1862(a)(1) of the Act.

Subsequent admissions to the inpatient hospital setting for alcohol rehabilitation follow up, reinforcement, or "recap" treatments are considered to be readmissions (rather than an extension of the original stay) and must meet the requirements of this section for coverage under Medicare. Prior admissions to the inpatient hospital setting either in the same hospital or in a different hospital may be an indication that the "active treatment" requirements are not met (i.e., there is no reasonable expectation of improvement) and the stay should not be covered. Accordingly, there should be documentation to establish that "readmission" to the hospital setting for alcohol rehabilitation services can reasonably be expected to result in improvement of the patient's condition. For example, the documentation should indicate what changes in the patient's medical condition, social or emotional status, or treatment plan make improvement likely, or why the patient's initial hospital treatment was not sufficient.

### **Combined Alcohol Detoxification/Rehabilitation Programs**

Decisions regarding reasonableness and necessity of treatment, the need for an inpatient hospital level of care, and length of treatment should be made by intermediaries based on accepted medical practice with the advice of their medical consultant. (In hospitals under PSRO review, PSRO determinations of medical necessity of services and appropriateness of the level of care at which services are provided are binding on the title XVIII fiscal intermediaries for purposes of adjudicating claims for payment.)

**These services may require pre-authorization and/or notification from the managed behavioral health care benefits administrator. Access United Behavioral Health (UBH) online at <http://www.unitedbehavioralhealth.com/>**

### **References Included (but not limited to):**

#### **CMS NCD**

NCD 130.1 Inpatient Hospital Stays for Treatment of Alcoholism

#### **CMS Benefit Policy Manual**

Chapter 2 Inpatient Psychiatric Hospital Services

Chapter 3; § 30 Inpatient Days Counting Toward Benefit Maximums

Chapter 4 Inpatient Psychiatric Benefit Days Reduction and Lifetime Limitation

Chapter 6; § 20 Outpatient Hospital Services, § 70 Outpatient Hospital Psychiatric Services, § 70.2 Coverage Criteria for Outpatient Hospital Psychiatric Services

Chapter 7; § 40.1.2.15 Psychiatric Evaluation, Therapy, and Teaching

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Chapter 16; § 20 Services Not Reasonable and Necessary

**UnitedHealthcare Medicare Advantage Coverage Summaries**

Alcohol, Chemical and/or Substance Abuse Detoxification and Rehabilitation

**UnitedHealthcare Reimbursement Policies**

Chemical Aversion Therapy for Treatment of Alcoholism (NCD 130.3)

Electrical Aversion Therapy for Treatment of Alcoholism (NCD 130.4)

Outpatient Hospital Services for Treatment of Alcoholism (NCD 130.2)

Screening and Behavioral Counseling Interventions in Primary Care to Reduce Alcohol Misuse (NCD 210.8)

Treatment of Alcoholism and Drug Abuse in a Freestanding Clinic (NCD 130.5)

Treatment of Drug Abuse (Chemical Dependency) (NCD 130.6)

Withdrawal Treatments for Narcotic Addictions (NCD 130.7)

**History**

Date	Revisions
10/08/2014	Annual review, no changes
09/11/2013	Re-review completed
09/12/2012	No updates