

2014 Review of Habilitative and Mental/Behavioral Health and Substance Abuse Services

Please note that a similar version of this summary was distributed on 9/13/2013 but did not include attachments. Please see Attachments A and B, which include the coverage definitions and limitations for QHPs.

Review of Rehabilitative and Habilitative Services

Qualified Health Plan (QHP) coverage of habilitative services was reviewed by AID during the 2014 plan year QHP certification period to ensure that habilitative services coverage is being offered at parity with rehabilitative services. PMAC had previously defined habilitative services in winter 2012/2013 and came to the agreement that the services should be offered at parity with rehabilitative services, but did not define it further. During the meetings, detailed discussion was held describing habilitative care and costs, particularly as it applied to developmental services. The group determined that developmental services are typically more economical than traditional therapy services and that inpatient services are not used for habilitation patients. PMAC agreed in February 2013 that as a part of the definition, a multiplier would be used in order to address parity with rehabilitation inpatient services. The carriers were to be responsible for creating a plan that would meet the spirit of the "gentleman's agreement" to address the parity requirement.

Upon submission of the plans, it was initially determined across the board that QHP coverage of habilitative services did not meet the standard of parity. Many of the submissions that only included a visit-limit equivalent to outpatient rehabilitation, therefore, were determined to not meet the standard of parity. Furthermore, because developmental services are generally less expensive and required on a long-term basis, the department determined that a visit limit equivalency was not sufficient, since one visit was not defined in terms of units of service. AID consulted with retained actuaries to determine a reasonable unit equivalency for developmental services and inpatient rehabilitative services and negotiated with carriers to reach a definition of parity. For example, in the chart below, AID determined that 30 visits of habilitative services establishes parity with 30 visits of outpatient rehabilitation and that 180 units (hours) of developmental services establishes parity with 60 days of inpatient rehabilitation. All medical QHPs have included developmental services with unit limits at an acceptable level of parity with Inpatient Rehabilitation for the 2014 plan year policies. Coverage definitions and limitations for habilitative services are listed in the attachment below.

Coverage of Rehabilitative and Habilitative Services at Parity

	Rehabilitation (OT, PT, ST)	Habilitative Services (OT, PT, ST)	Habilitative Developmental Services
Outpatient	30 visits (1 visit = 1 unit = 1 hour or less)	30 visits (1 visit = 1 unit = 1hour or less)	180 units (1 unit = 1 hour)
Inpatient	60 days	0	0

Review of Mental/ Behavioral Health and Substance Abuse Services

AID similarly worked with issuers to resolve areas of noncompliance in coverage of mental/behavioral Health and substance abuse (MH/BH/SA) services. Issues found in the initial review of plans included prohibited limitations on providers allowed to provide mental health and substance abuse services, limitations on facilities eligible for coverage (such as limiting services only to hospitals), exclusion of treatment modalities such as residential treatment, and missing coverage for benchmark benefits such as family and marital counseling.

The Department negotiated with carriers to include covered services, providers, and facilities, ensuring that covered facilities include any facility licensed by Arkansas and be accredited by the Joint Commission on the Accreditation of

Healthcare Organizations (JCAHO), CARF International, or Council on Accreditation (COA) for the specific mental health or substance abuse treatment service it is providing (for example, outpatient, intensive outpatient, partial hospitalization, or residential treatment).

Attachment A: Coverage of Habilitative Services

Issuer Name	Definition
<p>AR Blue Cross and Blue Shield (Individual)</p> <p>AR Blue Cross and Blue Shield (SHOP)</p> <p>AR Blue Cross and Blue Shield (Multi-State)</p>	<p>Definition (and Coverage Description) Habilitation means health care services provided in order for a person to attain and maintain a skill or function that was never learned or acquired and is due to a disabling condition.</p> <p>Coverage includes:</p> <ol style="list-style-type: none"> 1. <i>Outpatient Therapy</i>. Coverage is provided for outpatient therapy services when performed or prescribed by a Physician. 2. <i>Developmental Services</i>. Coverage is provided for Developmental Services when performed or prescribed by a Physician. 3. <i>Durable Medical Equipment</i>. Durable Medical Equipment required for Habilitation is covered. <p>Limitations Developmental Services limited to a maximum of 180 units per Covered Person (per calendar year).</p> <p>Outpatient Habilitation Services (Physical, Occupational, and Speech Therapy and Chiropractic Services) limited to 30 aggregate visits per Covered Person per calendar year.</p> <p>Conditions and Exclusions Habilitation Services must be performed or prescribed by an In-Network Physician and performed in an In-Network facility. Such therapy and developmental services include physical and occupational therapy as well as services provided for developmental delay, developmental speech or language disorder, developmental coordination disorder and mixed developmental disorder.</p> <p>Therapy must be performed by an appropriate registered physical, occupational or speech-language therapist licensed by the appropriate State Licensing Board and must be furnished in accordance with a written treatment Plan established and certified by the treating Physician.</p> <p>Developmental Services must be provided by a provider licensed by the state or certified by an organization approved by the Company, and must be furnished in accordance with a written treatment plan established and certified by the treating Physician. This benefit is subject to the Copayment and/or Deductible and Coinsurance specified in the Schedule of Benefits.</p>
<p>Celtic Insurance Company</p>	<p>Definition (and Coverage Description) Habilitative or Habilitation means ongoing, medically necessary, therapies provided to patients with developmental disabilities and similar conditions who need habilitation therapies to achieve functions and skills never before learned or acquired, due to a disabling condition, including services and devices that improve, maintain, and lessen the deterioration of a patient's functional status over a lifetime and on a treatment continuum.</p> <p>These therapies include physical, occupational and speech therapies, developmental</p>

	<p>services and durable medical equipment for developmental delay, developmental disability, developmental speech or language disorder, developmental coordination disorder and mixed developmental disorder.</p> <p>Limitations Limited to 30 visits per year; and 180 hours per year for developmental services.</p> <p>Conditions and Exclusions Covered expenses include expenses incurred for habilitation services, subject to the following limitations:</p> <ol style="list-style-type: none"> 1. Covered expenses available to a covered person while confined primarily to receive habilitation are limited to those specified in this provision; 2. Covered expenses for habilitation services, including physical, occupational and speech therapies, developmental services and durable medical equipment for developmental delay, developmental disability, developmental speech or language disorder, developmental coordination disorder and mixed developmental disorder. 3. Covered expenses for provider facility services are limited to charges made by a hospital for: <ol style="list-style-type: none"> a) Daily room and board and nursing services; b) Diagnostic testing; and c) Drugs and medicines that are prescribed by a physician, must be filled by a licensed pharmacist, and are approved by the U.S. Food and Drug Administration; <p>No benefits will be paid under these Habilitation Expense Benefits for charges for services or confinement related to treatment or therapy for mental disorders or substance abuse.</p>
<p>QCA Health Plan, Inc.</p>	<p>Definition (and Coverage Description) “Habilitative Services” means services provided in order for a person to attain and maintain a skill or function that was never learned or acquired and is due to a disabling condition.</p> <p>Services Include Physical Therapy, Occupational Therapy, and Speech Therapy.</p> <p>Limitations Habilitative services are limited to a combined maximum of 30 visits per Calendar Year. Medically Necessary developmental services are limited to 180 units per Policy year.</p> <p>Conditions and Exclusions Coverage for Habilitative Services provided by physical, occupational and speech therapists, or by fully licensed Developmental Delay Treatment Clinic Services is available for Enrollees who have a definitive disease or genetic defect. Habilitative Services are covered for developmental delay, developmental disability, developmental speech or language disorder, developmental coordination disorder, and mixed developmental disorder. Coverage for DME for Habilitative Services is provided in accordance with Section 3.3.10 of this Policy. Habilitative Services are not covered for functional defects or delays not related to disease, such as stuttering speech.</p> <p>Habilitative Services require pre-authorization and an approved treatment plan with measurable goals for progression.</p>

Attachment B: Mental and Behavioral Health and Substance Abuse Services

Issuer Name	Definition
<p>AR Blue Cross and Blue Shield (Individual)</p> <p>AR Blue Cross and Blue Shield (SHOP)</p> <p>AR Blue Cross and Blue Shield (Multi-State)</p>	<p>Definition (and Coverage Description) Mental Illness and Substance Abuse Services (Alcohol and Drug Abuse). Subject to all terms, conditions, exclusions and limitations of the Plan as set forth in this Policy, coverage is provided for Health Interventions to treat Mental Illness and Substance Abuse.</p> <ol style="list-style-type: none"> 1. Outpatient Health Interventions; 2. Coverage of Mental Illness and Substance Abuse Health Interventions during office visits and other forms of outpatient treatment, including partial or full-day program services is subject to the Deductible and Coinsurance set out in the Schedule of Benefits; and 3. Inpatient, Partial Hospitalization Program and Intensive Outpatient Program Health Interventions. <ol style="list-style-type: none"> a) Coverage for Inpatient Hospitalization, Partial Hospitalization Programs or Intensive Outpatient Programs for Mental Illness or Substance Abuse Health Interventions is subject to the following requirements. <ol style="list-style-type: none"> i. Inpatient Hospitalization requires a patient to receive Covered Services 24 hours a day as an inpatient in a Hospital. ii. Partial Hospitalization Programs generally require the patient to receive Covered Services six to eight hours a day, five to seven days per week in a Hospital outpatient setting. iii. Intensive Outpatient Programs generally require the patient to receive Covered Services lasting two to four hours a day, three to five days per week in a Hospital outpatient setting. <p>Limitations</p> <p>Conditions and Exclusions The following services and treatments are not covered.</p> <ol style="list-style-type: none"> 1. Hypnotherapy. Hypnotherapy is not covered for any diagnosis or medical condition. 2. Sex Changes/Sex Therapy. Care, services or treatment for non-congenital transsexualism, gender dysphoria or sexual reassignment or change are not covered. This exclusion includes medications, implants, hormone therapy, surgery, medical or psychiatric treatment or other treatment of sexual dysfunction including Prescription Medication and sex therapy.
<p>Celtic Insurance Company</p>	<p>Definition (and Coverage Description) Covered Inpatient, Intermediate and Outpatient mental health and/or substance use disorder services are as follows:</p> <p>Inpatient</p> <ol style="list-style-type: none"> 1. Inpatient psychiatric treatment; 2. Inpatient detoxification treatment; 3. Observation; 4. Crisis Stabilization; 5. Electroconvulsive Therapy (ECT); and 6. Residential Treatment for Mental Health and Substance Use Disorders. <p>Intermediate</p> <ol style="list-style-type: none"> 1. Partial Hospitalization Program (PHP) for Mental Health;

	<p>Outpatient</p> <ol style="list-style-type: none"> 1. Traditional outpatient services, including individual and group therapy services; 2. Medication management services; 3. Psychological Testing; and 4. Telemedicine. <p>[Cenpatico] utilizes “Interqual” criteria for mental health determinations and “ASAM” criteria for substance abuse determinations. Services should always be provided in the least restrictive clinically appropriate setting. Any determination that requested services are not medically necessary will be made by a qualified licensed mental health professional.</p> <p>Limitations Expenses for these services are covered, if medically necessary and may be subject to prior authorization. Please see the Schedule of Benefits for more information regarding services that require prior authorization and specific benefit, day or visit limits, if any.</p> <p>Conditions and Exclusions [Cenpatico Behavioral Health, LLC (Cenpatico)] oversees the delivery and oversight of covered behavioral health and substance use disorder services for Celtic. Mental health and/or substance use disorder treatment must be delivered by a provider participating in [Cenpatico’s] provider network. No referral is needed from an enrollee’s PCP in order to initiate treatment. Any services beyond outpatient diagnosis, treatment, crisis stabilization, medication management, psychological and neuropsychological testing services may be provided by an outpatient hospital or other covered facility. An eligible facility will be licensed by Arkansas and be accredited by the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO),CARF International, or Council on Accreditation (COA) for the specific mental health or substance abuse treatment service it is providing (for example, outpatient, intensive outpatient, partial hospitalization, or residential treatment).</p> <p>Expenses for these services are covered, if medically necessary and may be subject to prior authorization. Please see the Schedule of Benefits for more information regarding services that require prior authorization and specific benefit, day or visit limits, if any.</p>
QCA Health Plan, Inc.	<p>Definition (and Coverage Description) QCA covers mental health, substance abuse, and chemical dependency treatment and related services and supplies, such as partial hospitalization, half-way house, residential treatment, full day hospitalization, or facility-based intensive outpatient treatment, when part of a treatment plan we approve. This includes professional services by licensed professional mental health and substance abuse practitioners when acting within the scope of their license, such as psychiatrists, psychologists, clinical social workers, licensed professional counselors, or marriage and family therapists, except as otherwise indicated in this Policy.</p> <p>Limitations</p> <p>Conditions and Exclusions Pre-authorization is required for coverage. Psychoanalysis, hypnotherapy, marriage counseling, maintenance therapy, or any other counseling or treatment that is not designed, in the sole discretion of QualChoice, to treat a specific disease process is not covered.</p>