Intensive Outpatient Programs

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Introduction & Instructions for Use

Introduction

Medicare Coverage Summaries are a set of objective and evidence-based behavioral health criteria used by medical necessity plans to standardize coverage determinations, promote evidence-based practices, and support members' recovery, resiliency, and wellbeing for Medicare behavioral health benefit plans managed by Optum®.

Instructions for Use

This guideline is used to make coverage determinations as well as to inform discussions about evidence-based practices and discharge planning for behavioral health benefit plans managed by Optum. When deciding coverage, the member's specific benefits must be referenced.

All reviewers must first identify member eligibility, the member-specific benefit plan coverage, and any federal or state regulatory requirements that supersede the member's benefits prior to using this guideline. In the event that the requested service or procedure is limited or excluded from the benefit, is defined differently or there is otherwise a conflict between this guideline and the member's specific benefit, the member's specific benefit supersedes this guideline. Other clinical criteria may apply. Optum reserves the right, in its sole discretion, to modify its clinical criteria as necessary using the process described in Clinical Criteria.

This guideline is provided for informational purposes. It does not constitute medical advice.

Optum may also use tools developed by third parties that are intended to be used in connection with the independent professional medical judgment of a qualified health care provider and do not constitute the practice of medicine or medical advice. Optum may develop clinical criteria or adopt externally-developed clinical criteria that supersede this guideline when required to do so by contract or regulation.

If there is an absence of any applicable Medicare statutes, regulations, National or Local Coverage Determinations offering guidance, Optum utilizes adopted external criteria as follows:

- Level of Care Utilization System (LOCUS):
  - Standardized level of care assessment tool developed by the American Association of Community Psychiatrists used to make determinations and placement decisions for adults ages eighteen and older.
- Child and Adolescent Level of Care/Service Intensity Utilization System (CALOCUS-CASII):
  - Standardized assessment tool developed by the American Academy of Child and Adolescent Psychiatry and the American Association of Community Psychiatrists used to make determinations and to provide level of service intensity recommendations for children and adolescents ages 6-18.
  - Access the CALOCUS-CASII Criteria here
- Early Childhood Service Intensity Instrument (ECSII):
  - Standardized assessment tool developed by the American Academy of Child and Adolescent Psychiatry used to make determinations and to provide level of service intensity recommendations for children ages 0-5.
  - Access the ECSII Criteria here
- Optum Supplemental Clinical Criteria: developed criteria based on "acceptable clinical literature"
  - Electroconvulsive Therapy (ECT)
  - National criteria used to make clinical determinations for ECT.
- National criteria that stem from evaluation of new services or treatments or new applications of existing services or treatments and are used to make coverage determinations regarding experimental and investigation services and treatments. Optum Behavioral Clinical Policies:
  - Complementary and Alternative Medicine (CAM) Treatments
  - Computer Based Treatment for Cognitive Behavioral Therapy (CBTCBT)
  - Neurofeedback
  - Transcranial Magnetic Stimulation
  - Wilderness Therapy
- *Optum utilizes The ASAM Criteria to supplement the Medicare National Coverage Determinations (NCDs 130.1-130.7) for Alcohol and Substance Abuse Treatment to ensure consistency in making medical necessity determinations.*
  - Access the ASAM Criteria *here*

Use of The ASAM Criteria to supplement the general provisions outlined under 42 CFR 422.101(b)(6)(i) provides clinical benefits that are highly likely to outweigh any clinical harms from delayed or decreased access to items or services.

Specifically, The ASAM Criteria are consulted when the NCDs do not fully address the type of treatment or appropriate treatment setting that will likely lead to improvement of the member's condition. The ASAM Criteria are also consulted due to the comprehensive six-dimension analysis to determine if comorbid medical, mental health and substance related factors add to the evidence for services not offered in the NCDs.

These criteria represent current, widely used treatment guidelines developed by organizations representing clinical specialties, or Optum developed criteria based on "acceptable clinical literature" according to 422.101(b)(6)(i). Optum selects and uses clinical criteria that are consistent with generally accepted standards of care, including objective criteria that are based on sound clinical evidence. Optum uses the criteria to make standardized coverage determinations and to inform discussions about evidence-based practices and discharge planning. The use of such criteria is highly likely to outweigh any clinical harms from delayed or decreased access to care.

Intensive Outpatient Programs

Intensive outpatient programs (IOPs) are structured to provide intensive psychiatric care through active treatment that utilizes a combination of the clinically recognized items and services described in §1861(ff) of the Social Security Act (the Act). An IOP furnishes treatment at a level more intense than outpatient day treatment or psychosocial rehabilitation, but less intense than a PHP. Programs providing primarily social, recreational, or diversionary activities are not considered intensive outpatient programs.

Intensive Outpatient Services for Mental Health and Substance Use Disorders

For Mental Health and Substance Use Disorders Intensive Outpatient Services, there are currently no National Coverage Determinations or Local Coverage Determinations, please refer to the information below. For Opioid Treatment Programs (OTP), Intensive Outpatient Services, please see the OTP services section.

Effective 01/01/2024:
Medicare Benefit Policy Manual Chapter 6; Hospital Services Covered Under Part B, § 70.4 Intensive Outpatient Services:

- Program Criteria
  - IOPs work best as part of a community continuum of mental health services (including SUD services) which range from the most restrictive inpatient hospital setting to less restrictive outpatient care and support. Program objectives should focus on ensuring important community ties and closely resemble the real-life experiences of the patients served. IOPs may be covered under Medicare when they are provided by a hospital outpatient department, a Medicare-certified CMHC, a rural health clinic (RHC), a Federally qualified health center (FQHC), or an Opioid Treatment Program (OTP).
  - An IOP is active treatment that incorporates an individualized treatment plan which describes a coordination of services wrapped around the particular needs of the patient and includes a multidisciplinary team approach to patient care under the direction of a physician. The program reflects a high degree of structure and scheduling. According to current practice guidelines, the treatment goals should be measurable, functional, time-framed, directly related to the reason for admission to the program, and medically necessary.
  - A program comprised primarily of diversionary activity, social, or recreational therapy does not constitute an IOP. Psychosocial programs which provide only a structured environment, socialization, and/or vocational rehabilitation are not covered by Medicare. A program that only monitors the management of medication for patients whose psychiatric condition is otherwise stable, is not the combination, structure, and intensity of services which make up active treatment in an IOP.
- Patient Eligibility Criteria
  - Patients must meet benefit requirements for receiving the intensive outpatient services as defined in §1861(ff) of the Act. Patients admitted to an IOP must be under the care of a physician who certifies the need for intensive outpatient services, including the need for a minimum of 9 hours per week of services, as evidenced by their plan of care. The patients also require a comprehensive, structured, multimodal treatment requiring medical supervision and coordination, provided under an individualized plan of care, because of a mental disorder (including SUD) which
  - severely interferes with multiple areas of daily life, including social, vocational, and/or educational functioning. Such dysfunction generally is of an acute nature. In addition, IOP patients must be able to cognitively and emotionally participate in the active treatment process and be capable of tolerating the intensity of an IOP program.
  - Generally speaking, an IOP is less intensive than a PHP. For patients of an IOP, section 1835(a)(2)(F)(i) of the Act does not apply, that is, individuals receiving IOP do not require inpatient psychiatric care in the absence of such services. Patients meeting benefit category requirements for Medicare coverage of an IOP are those who need more intensive treatment than that provided by outpatient services, but who need less intensive treatment than that provided by a PHP. There must be evidence of the need for the acute, intense, structured combination of services provided by an IOP. Recertification must address the continuing serious nature of the patients' psychiatric condition requiring active treatment in an IOP.
  - Discharge planning from an IOP may reflect the types of best practices recognized by professional and advocacy organizations that ensure coordination of needed services and follow-up care. These activities include linkages with community resources, supports, and providers in order to promote a patient's return to a higher level of functioning in the least restrictive environment.

- Covered Services
  - Items and services that can be included as part of the structured, multimodal active treatment program, identified in §1861(ff)(2) include:
    - Individual or group psychotherapy with physicians, psychologists, or other mental health professionals authorized or licensed by the State in which they practice (e.g., licensed clinical social workers, mental health counselors, marriage and family therapists, clinical nurse specialists, certified alcohol and drug counselors);
    - Occupational therapy requiring the skills of a qualified occupational therapist. Occupational therapy, if required, must be a component of the physician's treatment plan for the individual;
    - Services of other staff (social workers, psychiatric nurses, and others) trained to work with psychiatric patients (including patients with SUD). These include principal illness navigation services provided by auxiliary staff,
    - including peer support specialists;
    - Drugs and biologicals that cannot be self-administered and are furnished for therapeutic purposes (subject to limitations specified in 42 CFR 410.29);
    - Individualized activity therapies that are not primarily recreational or diversionary. These activities must be individualized and essential for the treatment of the patient's diagnosed condition and for progress toward treatment goals;
    - Family counseling services for which the primary purpose is the treatment of the patient's condition. These include counseling services for caregivers;
    - Patient training and education, to the extent the training and educational activities are closely and clearly related to the individual's care and treatment of his/her diagnosed psychiatric condition. These services include caregiver training services furnished for the benefit of the patient; and
    - Medically necessary diagnostic services related to mental health treatment (including SUD).
- Intensive outpatient services that make up a program of active treatment must be vigorous and proactive (as evidenced in the individual treatment plan and progress notes) as opposed to passive and custodial. It is the need for at least 9 hours per week of intensive, active treatment of the patient's condition to maintain a functional level that qualifies the patient to receive the services identified in §1861(ff).
- Reasonable and Necessary Services
  - This program of services provides for the diagnosis and active, intensive treatment of the individual's serious psychiatric condition (including SUD) and, in combination, are reasonably expected to improve or maintain the individual's condition and functional level. A particular individual covered service (described above) as intervention, expected to maintain or improve the individual's condition and prevent relapse or hospitalization, may also be included within the plan of care, but the overall intent of the intensive outpatient program is to treat the serious presenting psychiatric symptoms (including SUD). Continued treatment in order to maintain a stable psychiatric condition or functional level requires evidence that less intensive treatment options (e.g., outpatient, psychosocial, day treatment, and/or other community supports) cannot provide the level of support necessary to maintain the patient and to prevent relapse or hospitalization.
  - Patients admitted to an IOP do not require 24-hour per day supervision as provided in an inpatient setting, must have an adequate support system to sustain/maintain themselves outside the IOP, and must not be an imminent danger to themselves or others. Patients admitted to an IOP generally have an acute onset or decompensation of a covered Axis I mental disorder, as defined by the current edition of the Diagnostic and Statistical Manual published by the American Psychiatric Association or listed in Chapter 5, of the version of the International Classification of Diseases (ICD) applicable to the service date, which severely interferes with multiple areas of daily life. Examples include eating disorders, mood disorders, psychotic disorders, and substance use disorders. The degree of impairment will be severe enough to require a multidisciplinary intensive, structured program, but not so limiting that patients require the level of treatment provided in an inpatient setting, and not so limiting that patients cannot benefit from participating in an active treatment program. Additionally, patients in an IOP will generally require fewer hours of services per week than patients participating in a PHP. It is the need, as certified by the treating physician, for the intensive, structured combination of services provided by the program that constitute active treatment, that are necessary to appropriately treat the patient's presenting psychiatric condition (including SUD).
    For patients who do not meet this degree of severity of illness, and for whom an intensive outpatient program is not necessary for the treatment of a psychiatric condition (including SUD), professional services billed to Medicare Part B (e.g., services of psychiatrists and psychologists) may be medically necessary, even though an intensive outpatient program is not.

- Patients in IOP may be discharged by either stepping down to a less intensive level of outpatient care when the patient's clinical condition improves or stabilizes and the patient no longer requires structured, intensive, multimodal treatment, or by stepping up to a more intensive level of care. This could include a PHP or an inpatient level of care (which would be required for patients needing 24-hour supervision).

- Reasons for Denial
  - Benefit category denials made under §1861(ff) are not appealable by the provider and the limitation on liability provision does not apply (HCFA Ruling 97-1). Examples of benefit category based in §1861(ff) of the Act for intensive outpatient program services generally include the following:
    - Day care programs, which provide primarily social, recreational, or diversionary activities, custodial or respite care;
    - Programs attempting to maintain psychiatric wellness, where there is no risk of relapse or hospitalization, e.g., day care programs for the chronically mentally ill; or
    - Patients who are otherwise psychiatrically stable or require medication management only.
- Coverage denials made under §1861(ff) of the Act are not appealable by the provider and the Limitation on Liability provision does not apply. The following services are excluded from the scope of intensive outpatient services defined in §1861(ff) of the Social Security Act:
  - Services to hospital inpatients;
  - Meals, self-administered medications, transportation; and
  - Vocational training.
- Reasonable and necessary denials based on §1862(a)(1)(A) are appealable and the Limitation on Liability provision does apply. The following examples represent reasonable and necessary denials for intensive outpatient program services and coverage is excluded under §1862(a)(1)(A) of the Social Security Act:
  - Patients who cannot, or refuse, to participate (due to their behavioral or cognitive status) with active treatment of their mental disorder (except for a brief admission necessary for diagnostic purposes), or who cannot tolerate the intensity of an IOP; or
  - Treatment of chronic conditions without acute exacerbation of symptoms that place the individual at risk of relapse or hospitalization.
- Documentation Requirements and Physician Supervision
  - Initial Psychiatric Evaluation/Certification–Upon admission, certification by the physician must be made that the patient admitted to the IOP requires a minimum of 9 hours of services per week. The certification should identify the diagnosis and clinical need for the intensive outpatient program. Intensive outpatient services must be furnished under an individualized written plan of care, established by the physician, which includes the active treatment provided through the combination of structured, intensive services identified in § 1861 that are reasonable and necessary to treat the presentation of serious psychiatric symptoms (including SUD) and to prevent relapse or hospitalization.
  - Physician Recertification Requirements:
    - Signature – The physician recertification must be signed by a physician who is treating the patient and has knowledge of the patient's response to treatment.
    - Timing – Recertifications are required at intervals established by the provider, but no less frequently than every 60 days following the initial IOP certification.
    - Content – The recertification must specify that the patient requires a minimum of 9 hours of mental health treatment services per week and describe the following:
      - The patient's response to the therapeutic interventions provided by the IOP;
      - The patient's psychiatric symptoms (including SUD) that continue to require intensive treatment; and
      - Treatment goals for coordination of services to facilitate discharge from the IOP.
  - Treatment Plan: An intensive outpatient program is active treatment pursuant to an individualized treatment plan, prescribed and signed by a physician, which identifies treatment goals, describes a coordination of services, is structured to meet the particular needs of the patient and includes a multidisciplinary team approach to patient care. The treatment goals described in the treatment plan should directly address the presenting symptoms and are the basis for evaluating the patient's response to treatment. Treatment goals should be designed to measure the patient's response to active treatment. The plan should document ongoing efforts to restore the individual patient to a higher level of functioning that would permit discharge from the program or reflect the continued need for the intensity of the active therapy to maintain the individual's condition and functional level and to prevent relapse or hospitalization. Activities that are primarily recreational and diversionary or provide only a level of functional support that does not treat the serious presenting psychiatric symptoms (including SUD) placing the patient at risk, do not qualify as intensive outpatient program services.

- Progress Notes: Section 1833(e) of the Social Security Act prevents Medicare from paying for services unless necessary and sufficient information is submitted that shows that services were provided and to determine the amounts due. A provider may submit progress notes to document the services that have been provided. The progress note should include a description of the nature of the treatment service, the patient's response to the therapeutic intervention and its relation to the goals indicated in the treatment plan.

Opioid Treatment Programs Intensive Outpatient Services

For Opioid Treatment Programs (OTP) Intensive Outpatient Services, there are currently no National Coverage Determinations or Local Coverage Determinations, please refer to the information below.

Effective 01/01/2024:
Medicare Benefit Policy Manual, Chapter 17; Opioid Treatment Programs (OTPs), § 20 Definitions:

- OTP intensive outpatient services, which means one or more services specified in § 410.44(a)(4) when furnished by an OTP as part of a distinct and organized intensive ambulatory treatment program for the treatment of OUD and that offers less than 24-hour daily care other than in an individual's home or in an inpatient or residential setting. OTP intensive outpatient services are reasonable and necessary for the diagnosis or active treatment of the individual's condition; are reasonably expected to improve or maintain the individual's condition and functional level and to prevent relapse or hospitalization; and are furnished in accordance with a physician or non-physician practitioner (as defined in section 1842(b)(18)(C) of the Act) certification and plan of care, as permitted by State law and scope of practice requirements, in which a physician or non-physician practitioner must certify that the individual has a need for a minimum of nine hours of services per week and requires a higher level of care intensity compared to other non-intensive outpatient OTP services. OTP intensive outpatient services do not include FDA-approved opioid agonist or antagonist medications for the treatment of OUD or opioid antagonist medications for the emergency treatment of known or suspected opioid overdose, or toxicology testing.
- OTPs providing intensive outpatient services to Medicare beneficiaries with an OUD shall not receive payment under Medicare part B if the intensive outpatient services are furnished via audio-video or audio-only communications technology.
- HCPCS code G0137: Intensive outpatient services; minimum of nine services over a 7- contiguous day period, which can include individual and group therapy with physicians or psychologists (or other mental health professionals to the extent authorized under State law); occupational therapy requiring the skills of a qualified occupational therapist; services of social workers, trained psychiatric nurses, and other staff trained to work with psychiatric patients; drugs and biologicals furnished for therapeutic purposes, excluding opioid agonist and antagonist medications that are FDA-approved for use in treatment of OUD or opioid antagonist medications for the emergency treatment of known or suspected opioid overdose; individualized activity therapies that are not primarily recreational or diversionary; family counseling (the primary purpose of which is treatment of the individual's condition); patient training and education (to the extent that training and educational activities are closely and clearly related to individual's care and treatment); diagnostic services (not including toxicology testing); (provision of the services by a Medicare-enrolled Opioid Treatment Program); List separately in addition to code for primary procedure, if applicable.

References

Centers for Medicare and Medicaid Services. (2023). CMS Publication 100-02, Medicare Benefit Policy Manual, Chapter 6; § 70.3 Partial Hospitalization Services. CMS website: www.cms.gov.

Centers for Medicare and Medicaid Services. (2023). CMS Publication 100-02, Medicare Benefit Policy Manual, Chapter 17; § 20 Definitions Relating to OTPs. CMS website: www.cms.gov.

Revision History

Date	Summary of Changes

05/01/2024	Effective 01/01/2024:
	• New Medicare Coverage Summary per additions by CMS to the Medicare Benefit Policy Manual:
	  ○ Intensive Outpatient Services
	  ○ Opioid Treatment Programs Intensive Outpatient Services.
	• Approved on 4/16/2024