



SUBSTANCE ABUSE FACILITY

GENERAL INFORMATION

I. BCBSM's Substance Abuse Facility Programs

Traditional

The Traditional BCBSM Substance Abuse Program provides benefits for the treatment of substance-related disorders in approved residential and outpatient substance abuse facilities. The facility may be hospital-based (100% owned and operated) or freestanding. Participation in the BCBSM Traditional program is on a formal basis only. Services provided in a non-participating Substance Abuse facility are not reimbursed to either the facility or the member.

Although participation may be approved for BCBSM's Traditional program, most members enrolled in BCBSM's PPO products (e.g., Community Blue PPO, Blue Preferred PPO, etc.) also use the Traditional network of Substance Abuse facilities. Preauthorization is a requirement for residential care provided in hospital-based facilities for BCBSM members. Members that have coverage through other Blue Cross Blue Shield Plans ("BCBS" or "Blue Plans") may have their own precertification requirements that must be complied with before payment by BCBSM can be made. Please also note that members enrolled in any of BCBSM's Traditional, PPO or POS products may have elected to use a separate mental health and substance abuse managed care network that imposes substantial out-of-network penalties and that requires preauthorization for *all* services (see MHSAMC below). Therefore, member benefit requirements and eligibility should always be verified *before* providing services.

Mental Health and Substance Abuse Managed Care

BCBSM's Mental Health and Substance Abuse Managed Care (MHSAMC) program is utilized by select BCBSM customer groups that have chosen a managed care program for their mental health and substance abuse benefits. All mental health and substance abuse care is currently managed (preauthorized) by vendor care managers. Members are subject to substantial out-of-network copayments, deductibles, and/or reduced or no benefits when they go outside of their designated mental health network without an authorization from the care manager. For some benefit plans, out-of-network referrals are not allowed.

The MHSAMC program includes the State of Michigan Mental Health Case Management Program network. This network is open to all qualified Substance Abuse facilities. The network is currently used by UAW Retiree Medical Benefits Trust (URMBT) members, Federal Employee Program (FEP) members, Chrysler members, Ford Hourly National PPO Plan members, and Ford Blue Preferred Plus members.

The selection of network providers is based upon the provider's demonstrated commitment to appropriate, high quality, cost-effective care and their agreement to bill BCBSM for covered services and accept the applicable discounted MHSAMC network payment as payment in full for covered services, except for applicable copayments and deductibles. In support of these commitments, network providers are required to meet guidelines relative to quality of care, cost control, appropriate utilization, access, and other standards.

II. Types of Services (Traditional and MHSAMC programs)

Residential Substance Abuse Program

The residential substance abuse program provides medical and other services for the treatment of substance-related disorders to live-in residents of a licensed facility that is legally constituted and operates 24 hours a day, seven days a week. This program provides sub-acute detoxification, if necessary, and rehabilitation services for eligible members. The member must have a clearly documented history of excessive use of alcohol or other psychoactive substances. A physician should certify the patient as having a substance-related disorder as classified in the ICD-9-CM diagnosis code range.

Outpatient Substance Abuse Program

The outpatient substance abuse program provides outpatient medical and other services related to the treatment of substance-related disorders in a licensed facility that is legally constituted and operates during designated hours and certain specified days, usually Monday through Friday and, occasionally, on Saturdays.

The BCBSM Outpatient Substance Abuse Program provides for sub-acute detoxification, if necessary, and rehabilitation services for eligible members. A physician should certify the patient as having a substance-related disorder as classified in the ICD-9-CM diagnosis code range.

Note: The outpatient substance abuse benefits are separate from, and in addition to, the mental health benefits provided under the Outpatient Psychiatric Care (OPC) program. Facilities interested in applying for participation as an OPC, must complete a separate OPC application.

III. BCBSM's Substance Abuse Program Qualification Requirements

In order to participate with BCBSM in its Traditional or MHSAMC networks, each Substance Abuse facility at all approved sites must, at minimum, have and maintain the following:

(a) Staff for the provision of rehabilitation care must include:

- A physician who is responsible for providing the initial complete physical examination, including a mental status evaluation, within 24 hours of admission, and for providing and supervising subsequent necessary medical care minimally on a weekly basis
- A psychiatrist (who may also be the physician director) or a fully licensed psychologist
- Registered nursing personnel for residential facilities performing medical detoxification must be on-site 24 hours a day, seven days a week. Registered nursing personnel for residential facilities that do not deliver medical detoxification must be on-site or on call 24 hours a day, seven days a week. The response time to the facility must be sixty (60) minutes or less.
- Additional trained professional and paraprofessional personnel that are licensed, credentialed or certified to provide substance abuse specialty services

Note: for the Traditional or MHSAMC networks, an intake interview must be performed by no less than a master's level clinician with Certified Addictions Counselor (CAC) certification. The facility must also comply with other BCBSM (or its delegate's) policies pertaining to the types of clinicians or staff that can perform certain services.

(b) General Requirements include:

- Organization as a legal entity
- A governing or advisory board with community representation
- Appropriate Michigan licensure for all services provided (i.e., residential, outpatient, and/or methadone programs)
- Full accreditation, either three or four years, for each facility site by one of the following:

- Joint Commission on the Accreditation of Healthcare (JCAHO)
- American Osteopathic Association (AOA)
- Council on Accreditation of Services for Families and Children (COA), or
- Commission on Accreditation of Rehabilitation Facilities (CARF)
- Written policies and procedures that meet generally acceptable standards for substance abuse services to assure the quality of patient care, and demonstrate compliance with such policies and procedures
- Written agreement with one or more area hospitals to facilitate the prompt transfer of patients needing acute medical care (Residential programs only)
- An organized patient record system that meets BCBSM requirements regarding documentation and evaluation of care
- Have an absence of inappropriate utilization or practice patterns as identified through valid subscriber complaints, medical necessity audits, peer review, and utilization management
- Have an absence of fraud and illegal activities
- Maintain adequate patient and financial records

Note: It is BCBSM's policy to recredential participating providers every 2-3 years to verify continued compliance with all qualification requirements.

IV. Substance Abuse Facility Reimbursement

Participating Substance Abuse facilities are required to bill BCBSM for covered services and to accept BCBSM's payment as payment in full for covered services, except for any applicable member copayments and/or deductibles.

A. Traditional: Hospital-Based

If BCBSM determines that the facility is hospital-based, facility's reimbursement for covered services is determined by the parent hospital's peer group assignment as defined in Exhibit B of the Participating Hospital Agreement (PHA), and as supplemented by the PHA Payment Manual. Reimbursement is made only for Covered Services provided by a Substance Abuse Facility that is determined by BCBSM to be an approved site.

A Substance Abuse Facility that is determined by BCBSM to be hospital-based will be reimbursed using a prospectively established residential payment-to-charge ratio and an outpatient payment-to-charge ratio less applicable member copayments and deductibles. Payment will not exceed charges for Covered Services on a per-claim basis. The payment-to-charge ratio is based on the hospital specific peer group and will be established and updated in accordance with Exhibit B of the Participating Hospital Agreement.

B. Traditional Freestanding, and MHSAMC Programs (both Hospital-Based and Freestanding)

For Covered Services performed, BCBSM will pay the lesser of billed charges, or the maximum reimbursement rate set forth in BCBSM's applicable Traditional or MHSAMC Substance Abuse facility Rate Schedules, less any applicable copayments and deductibles. The rate schedule for the MHSAMC program is discounted (i.e., less than the Traditional rate schedule). Participating providers in the Traditional or MHSAMC programs are required to bill BCBSM for covered services and to accept BCBSM's applicable payment as payment in full for covered services, except for any applicable member copayments and/or deductibles.

V. The BCBSM Participation Agreements

The BCBSM Substance Abuse facility participation agreement(s) are available on the bcbsm.com Substance Abuse home web page. The participation agreements are on file with the Office of Financial and Insurance Regulation and their terms and provisions are not negotiable.

The applicable participation agreement signature documents for each BCBSM network/program being requested on the application are available on the Substance Abuse facility home web page and must be completed, signed and returned with a completed facility application form.

Approved Services (Residential, Outpatient and/or Methadone Program)

If the facility is approved for more than one program, i.e. Outpatient, Residential, Methadone, all must operate from the same location. If the facility adds or closes a program, the facility must promptly notify BCBSM in writing so our claims processing system can be updated. Although the same BCBSM Substance Abuse facility code is used when billing BCBSM for all programs, our claims processing system reflects the approval of the programs separately.

NOTE: The information supplied is general information only and is subject to change without notice. It does not constitute a provider agreement or a provider manual and members' benefit plans will vary.

After we review the application and accompanying documentation, we may contact the designated representative of the facility to set up an appointment for an on-site visit. The on-site visit includes a review of a sample of medical records to evaluate the applicant's compliance with BCBSM requirements, as outlined in this application. The facility must be ready for the on-site review at the time of submitting the application. If the facility is approved for program participation, the appropriate notification will be sent. If the facility is not approved, we will send notification in writing indicating the reason(s) for the denial.

The facility may not submit claims and is not eligible for reimbursement unless and until the facility's application for participation is approved by BCBSM. The effective date for participation in *both* the BCBSM Traditional and MHSAMC Substance Abuse networks will be the date the application is approved by BCBSM. It is not retroactive to the date the application was submitted or received.

A separate BCBSM facility code is assigned to each approved and contracted primary location. With implementation of the National Provider Identifier (NPI) BCBSM will crosswalk the claims from the facility's NPI to the BCBSM facility code (i.e., BCBSM's internal identifier) for processing. Therefore, BCBSM recommends obtaining one NPI (in accordance with federal guidelines), for each location and provider type. Federal guidelines also allow for an NPI to be obtained for unique combinations of tax ID, location and taxonomy (specialty) codes

Upon completion of the application and contracting process, the facility will receive a welcome package with information on how to sign up for electronic billing and access to web-DENIS, BCBSM's web-based information system for providers. Through web-DENIS the facility will have access to provider manuals, newsletters (e.g., *The Record*), the *Magellan Behavioral Health Medical Necessity Criteria Adapted for BCBSM*, and patient data such as contract eligibility and benefits. It is the facility's responsibility to be familiar with and to adhere to the Magellan Criteria and all BCBSM billing and benefit requirements. It is also the responsibility of the facility to ensure its billing department (or billing agency) is compliant with all of BCBSM's billing requirements.

Participating SA facilities must bill BCBSM on a UB-04 claim form or its electronic equivalent. BCBSM no longer accepts facility paper claims (with some exceptions.) Facilities that would like more information about internet claims submission or billing electronically should contact BCBSM's Electronic Data Input (EDI) Helpline at (800) 542-0945 for electronic billing information *after* their BCBSM facility code has been received. They must also register their NPI with EDI after their BCBSM facility code has been received.

Facilities that participate in the Traditional program or the MHSAMC program must notify BCBSM *immediately* of any change in the facility's ownership, tax identification number, licensure, NPI, address, telephone number, etc.

Multiple Locations

If the facility is applying for participation (or an ownership change) for more than one location, each location must meet all qualification requirements in order to be approved. A separate application must be submitted for each primary location with a separate NPI.