



COLORADO

Department of Health Care
Policy & Financing

Provider Manual for Residential and Inpatient Substance Use Disorder (SUD) Services

April 2022

Table of Contents

1. Introduction	3
2. Background	3
3. Delivery System	3
4. Residential and Inpatient SUD Benefit Policies	4
Medical Necessity and SUD Diagnosis	4
Length of Stay	4
Prior Authorization	4
Co-Pays	4
Transportation	4
5. Member Eligibility	4
6. Provider Requirements	5
Provider Licensing	5
Provider Enrollment	5
7. The Role of Regional Accountable Entities (RAEs)	6
RAE Credentialing and Contracting	6
RAE Prior Authorization Review Process	7
Out-of-State Providers	7
RAE Billing Documentation Requirements	8
8. The Role of Managed Service Organizations (MSOs)	8
9. Special Connections	8
10. Coding Pages for Residential, Inpatient and Withdrawal Management Services	9
Appendix A: Provider Enrollment Guides	15
Appendix B: Technical Documentation Requirements	15
Appendix C: Relevant Place of Service (POS) Codes	15

1. Introduction

This manual is issued by the Department of Health Care Policy and Financing (HCPF), the administrator of Health First Colorado (Colorado's Medicaid program). It is intended to serve as guidance for substance use disorder (SUD) treatment providers seeking reimbursement for SUD related treatment services.

Beginning January 1, 2021, residential and inpatient SUD treatment and withdrawal management (WM) services have been added under the expansion of SUD benefits provided through an 1115 waiver with CMS and in accordance with HB 21-137.

The manual outlines eligibility requirements, provider enrollment procedures, provider qualifications, billing documentation, and other service-related criteria that SUD providers must meet to be eligible for reimbursement through Health First Colorado.

2. Background

From 2006 to January 2021, Health First Colorado's coverage of SUD services included: early intervention, outpatient, intensive outpatient SUD treatment and social detox services. Coverage for residential and inpatient SUD treatment and withdrawal management services was added under an 1115 waiver beginning in January 2021 to ensure that members have access to the full continuum of SUD services through their Health First Colorado benefits.

The purpose of adding inpatient (residential and hospital) SUD treatment and inpatient (residential and hospital) withdrawal management services was to ensure Coloradans enrolled with Health First Colorado have access to the full continuum of care, as outlined by ASAM (American Society of Addiction Medicine), for SUD treatment in an effort to improve health outcomes, promote long-term recovery, and reduce overdose deaths.

In order to achieve this goal, Health First Colorado is working toward the following objectives:

- Increase access to necessary levels of care by adding Health First Colorado coverage for inpatient (residential and hospital) SUD treatment, including WM services;
- Ensure that members receive a comprehensive assessment and are placed in an appropriate level of care;
- Further align the state's SUD treatment system with ASAM Criteria, a nationally recognized SUD- specific standard;
- Increase provider capacity where needed; and
- Improve the availability of Medication Assisted Treatment (MAT) to promote long-term recovery.

3. Delivery System

Since 1995, Colorado has operated a mental health capitation and managed care program under a 1915(b) waiver from the federal government. Health First Colorado's behavioral health

capitation is currently administered by eight Managed Care Entities (MCEs) including seven Regional Accountable Entities (RAEs) and 1 MCO. Each MCE is responsible for ensuring access to care for the members in their designated region of the state. In order to do so, the MCEs contract with and reimburse a network of specialty behavioral health providers under the capitated behavioral health benefit. All providers must be contracted with the appropriate MCE(s) in order to receive reimbursement for behavioral health services, including all SUD treatment as outlined above, delivered to Health First Colorado members. The rare instance in which services are not managed by the MCEs are cases where a newly eligible member is not yet enrolled with an MCE. Services for members not yet enrolled with an MCE will be billed directly to Health First Colorado on a fee-for-services basis. More information about the MCEs can be found here.

4. Residential and Inpatient SUD Benefit Policies

Medical Necessity and SUD Diagnosis

A clinical determination of medical necessity is required for reimbursement of services. Medical necessity will be based on the ASAM level of care (LOC) Criteria and will be determined by the MCEs acting as Health First Colorado's agent in administering the benefit. Members must have a current SUD diagnosis to be eligible for Health First Colorado's payment of these services.

Prior Authorization

Prior authorization will be required for inpatient (residential and hospital) SUD treatment services. Prior authorization will not be required for withdrawal management stays; however, medical necessity must be present in order to receive reimbursement.

Co-Pays

There are no co-pays required for SUD services.

Length of Stay

The length of stay (LOS) covered by Health First Colorado will be determined by the MCEs based on their assessment of medical necessity.

A standard number of allowable days of treatment, assuming medical necessity is met, has been established across all MCEs based on ASAM LOC criteria. The current standards are as follows:

For Residential treatment where Pre-Authorization is required from the MCE:

Initial Authorization days for ASAM 3.1, 3.3, 3.5: 14 days minimum

Initial Authorization days for ASAM 3.7: 7 days minimum

For Withdrawal Management services where Pre-Authorization is not required:

Treatment days for ASAM 3.2WM: 5 days before concurrent auth

Treatment days for ASAM 3.7WM: 4 days before concurrent auth

Continued Authorization (CA) for must be requested by the last day of the initial

authorization period for residential or inpatient stays (for ASAM levels 3.1,3.3,3.5 and 3.7) beyond the initial approval periods outlined. Approval for CA will be determined by progress in treatment and continued medical necessity.

Concurrent Authorization must be sought by the last day of initial treatment standard outlined above for 3.2WM or 3.7WM LOC services if additional treatment days at the same ASAM level are being requested.

Transportation

Transportation to and from SUD treatment services (including, for example, services such as MAT, IOP and outpatient visits) is available through Health First Colorado's [non-emergent medical transportation \(NEMT\)](#) benefit.

5. Member Eligibility

To qualify for inpatient (residential and hospital) SUD services, individuals must:

- be enrolled as a member with Health First Colorado
- have a SUD diagnosis, and
- demonstrate medical necessity for the level of care recommended for SUD treatment or withdrawal management.

6. Provider Requirements

Provider Reimbursement

Reimbursement for services occurs in accordance with requirements outlined in the Uniformed Services Coding Manual and can be accessed from the following site:

[ACC Webpage see section "Uniform Services Coding Standards"](#)

When seeking reimbursement for inpatient RESIDENTIAL services any provider (Facility) that is NOT a hospital must complete the following steps:

All providers that seek reimbursement for residential and inpatient SUD services will need to be:

1. Be LICENSED with the Office of Behavioral Health. The Facility* must be licensed as an SUD provider identifying ASAM LOC services and any special populations indicated including: Youth, Pregnant and Postpartum people (referred to by OBH as Gender Specific Services), Involuntary/Commitment and Criminal Justice Involved.
2. Be ENROLLED with Health First Colorado. First the facility must be enrolled to provide services for the specialty types matching those for which the facility is licensed. Then the individually licensed clinical providers must also be enrolled under the facility where they are practicing.
3. Be CONTRACTED and credentialed with each MCE they will serve members from. More information about contracting with an MCE can be found on each RAEs page. The residential

facility may contract and credential for any or all LOC services for which they are licensed with OBH and enrolled with Health First Colorado (Medicaid).

*Facility refers to non-hospital locations. Hospitals are not required to seek an OBH license to provide inpatient services such as 3.7 and 3.7WM LOC but may obtain a license specifying ASAM LOC services provided.

Note: Health First Colorado cannot pay for room and board in residential treatment settings. For providers who seek reimbursement for residential room and board an additional contract is required.

4. Be CONTRACTED with the Managed Service Organization (MSO) that serves the provider's region, based on physical address of provider, to seeking reimbursement for residential (3.1, 3.3, 3.5, 3.7 LOC) room and board costs. More information can be found [here](#).

Note: Hospitals are not required to be licensed as SUD providers through OBH but may elect to obtain an SUD specific license if they choose. Also, Health First Colorado does pay for room and board in inpatient (hospital) settings; therefore, providers classified as hospitals will submit claims to the RAE using revenue codes and will be reimbursed for both treatment and room and board.

Provider Licensing- for non-hospital Facilities

Prior to enrolling with Health First Colorado, providers (which are facilities) must be licensed with the Colorado Department of Human Services, Office of Behavioral Health (OBH). The OBH SUD treatment license identifies the level of care provided by a facility based on the ASAM Criteria, and any specialized populations an agency serves. Non-Hospital Providers will need to be licensed for each specific ASAM level of care that they will render and bill to Health First Colorado. Documentation of licensure is required at the time of enrollment.

Out of state providers may also enroll with Health First Colorado to bill for inpatient (residential) SUD services. Those providers must demonstrate equivalent licensure in the state in which they are located, for the level of care that they offer.

For more information about the ASAM Criteria, see *The ASAM Criteria: Treatment Criteria for Addictive, Substance-Related, and Co-Occurring Conditions (2013)*.

For more information about licensing, see the [OBH Designation and Licensing website](#).

Every treatment professional within an agency must be licensed or supervised by a licensed SUD treatment professional as defined under Colorado Code of Regulations found at [2 CCR502-1](#). The [Colorado Department of Regulatory Agencies \(DORA\) Division of Professions and Occupations](#) licenses SUD treatment professionals.

Provider Enrollment

In order to be reimbursed for services, SUD providers must be enrolled with Health First Colorado as a Substance Use Disorder - Clinic (Provider Type 64). Providers offering residential

and inpatient services will also need to enroll with the Specialty Provider Types associated with the ASAM level of care they are licensed to provide and intend to bill to Health First Colorado. Provider type/specialty details on this are found [here](#). Providers already enrolled as Provider Type 64 with Health First Colorado must add the new Specialty(ies) even if they are already enrolled and billing for other services. The specialty types by ASAM level are as follows:

ASAM Level	Specialty Type
3.1	871
3.3	872
3.5	873
3.7	874
3.2WM	875
3.7WM	876

New Providers

New SUD providers may enroll with Health First Colorado under Provider Type 64 and specialty(ies) by applying through the [provider enrollment portal](#), a secure website that is accessible 24 hours a day, seven days a week. Once enrollment is approved, the provider will receive a Medicaid Provider identification number (ID) and a welcome letter. Please see the Provider Enrollment Manual for detailed instructions on how to enroll in the provider enrollment portal.

Existing Providers

Existing providers may add additional specialties to their current profile by logging in to the Provider Web Portal and submitting a Provider Maintenance request. (Do not begin a new enrollment application.) Once the update is approved, the specialty(ies) requested will be added to the existing profile. Please see the Provider Maintenance Quick Guides for help completing the request.

Contracting with the RAE

To bill for treatment services, a provider must be contracted with and credentialed by the RAE. Providers must be contracted with all RAEs that it intends to bill. If a provider renders treatment to a member of a RAE that it is not contracted with, reimbursement is not guaranteed. More information can be found in **Section 7. The Role of Regional Accountable Entities (RAEs)**.

7. The Role of Regional Accountable Entities (RAEs)

RAE Credentialing and Contracting

Treatment providers must credential and contract with each Regional Accountable Entity (RAE) they plan to bill for services. As with other services under the behavioral health capitation, individual providers will contract directly with the RAEs. Clinical services are billed to RAEs.

RAE Prior Authorization Review Process

The process for submitting prior authorization requests is as follows:

1. The treatment provider will conduct an assessment and determine the appropriate level of care for that individual based on the ASAM Criteria.
2. The ASAM Criteria will be utilized to aid the provider in matching the member's needs to a level of care where they can be addressed.
3. Once the provider has made a level of care determination, they will be required to submit a request for prior authorization to the RAE that manages that member's Health First Colorado services.
4. The RAE will review the recommendation for treatment and ensure that medical necessity exists for the ASAM level of care being requested. They will issue an approval or denial for the request based on this review.

Prior authorizations will be required for all treatment stays. Prior authorization determinations will be returned to the provider within 72 hours of submission for treatment services. For Special Connections admissions, prior authorization determinations will be returned within 24 hours of submission.

Prior authorization is not required for admission to withdrawal management services; however, the provider should ensure that medical necessity is met for the level of WM care being provided.

All services are subject to continued stay reviews by the authorizing RAE.

If a member receives a denial of their prior authorization request, they have the right to appeal the decision. This process may be different depending on the RAE. Information about each RAE's appeal process can be found here:

[Colorado Access](#)

[Colorado Community Health Alliance](#)

[Health Colorado](#)

[Northeast Health Partners](#)

[Rocky Mountain Health Plans](#)

Note: Claims sent fee-for-service (FFS) to Health First Colorado do not require prior authorization.

Out-of-State Providers

RAEs are required to have a statewide network of providers across the SUD continuum. In rare cases where a member has a need to receive care outside of the state, services may be provided by an out-of-state provider that meets the same provider requirements outlined above. Enrollment of out-of-state providers will be allowed on a case-by-case basis and approvals require review of the license issued by the state in which they are located. Out-of-state providers should initiate enrollment with Health First Colorado and contact a RAE prior to seeking reimbursement for services in Colorado.

RAE Billing Documentation Requirements

Please see **Appendix B** below for documentation requirements.

8. The Role of Managed Service Organizations (MSOs)

Managed Service Organizations (MSOs) are contracted agents of the Office of Behavioral Health. Each MSO serves a distinct region of the state. MSOs can provide payment for room and board for SUD services in the residential (non-hospital) setting.

9. Special Connections

Special Connections services are specialized SUD services for pregnant and parenting individuals up to one year postpartum. OBH will credential providers as Gender Responsive Treatment Providers.

Special Connections providers will need to be licensed as Gender Responsive Treatment Providers with OBH, Enrolled with Health First Colorado with the additional specialty code 870 and then contracted and credentialed with one or more MCEs to bill for services rendered to Health First Colorado members. These providers must also contract with MSO's for reimbursement of room and board costs associated with residential LOC services as outlined above. When serving a member who qualifies under special connections that is an additional specialty type in addition to the ASAM LOC specialty type as outlined above.

Provider Enrollment Guides

1. [Provider Enrollment Manual](#)
2. [Provider Maintenance – Adding a Specialty](#)