

## UTILIZATION MANAGEMENT GUIDELINE – 3.01.521

## Psychiatric and Other Specified Evaluations in Inpatient and Residential Behavioral Health Treatment

Effective Date: Sept. 1, 2024  
Last Revised: Aug. 12, 2024  
Replaces: N/A

RELATED POLICIES / GUIDELINES:  
None

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## Introduction

The company uses a nationally recognized, evidence-based set of criteria (InterQual criteria) to decide if inpatient and residential mental health and substance use disorder treatment are medically necessary. For inpatient mental health and substance use disorder treatment, the criteria require a psychiatric evaluation within 24 hours of admission and then at least once every day. For residential mental health and substance use disorder treatment, the criteria require a psychiatric evaluation within one business day of admission and then at least once every week (every seven days). For inpatient detoxification, a psychiatric-medical evaluation is required within 24 hours of admission and then at least once every day. This policy supplements the medical necessity criteria by indicating what types of providers must conduct these evaluations when not specified in the InterQual criteria.

**Note:** The Introduction section is for your general knowledge and is not to be taken as policy coverage criteria. The rest of the policy uses specific words and concepts familiar to medical professionals. It is intended for providers. A provider can be a person, such as a doctor, nurse, psychologist, or dentist. A provider also can be a place where medical care is given, like a hospital, clinic, or lab. This policy informs them about when a service may be covered.

## Policy Coverage Criteria

This Medical Policy is utilized in addition to InterQual criteria for the specific type of inpatient or residential treatment under consideration. For inpatient mental health and substance use disorder treatment, and inpatient detoxification, InterQual criteria do not specify the clinician types that must conduct the required psychiatric evaluations.

Residential/sub-acute detoxification is not covered in this policy because **3.01.515 Behavioral Health: Residential/Sub-Acute Detoxification** specifies the clinician types that must conduct the required evaluations.

Wilderness Therapy/Outdoor Behavioral Healthcare Residential Wilderness programs are not covered in this policy because **3.01.522 Wilderness Therapy/Outdoor Behavioral Healthcare Residential Wilderness Programs** specifies the clinician types that must conduct the required evaluations.

Service	Medical Necessity
<b>Psychiatric evaluations during inpatient mental health treatment, including inpatient eating disorder treatment</b>	<p><b>In addition to other InterQual criteria, inpatient mental health treatment including inpatient eating disorder treatment is medically necessary only when a psychiatric evaluation is done within one day after admission and then at least once every day, and is conducted by one of the following provider types:</b></p> <ul style="list-style-type: none"> <li>• Psychiatrist</li> <li>• Psychiatric nurse practitioner</li> <li>• Psychiatric physician assistant</li> <li>• Licensed clinical psychologist in states in which functioning as the attending clinician for inpatient mental health treatment is within licensed psychologists' legally-permitted scope of licensure</li> <li>• Physician, nurse practitioner, or physician assistant who specializes in eating disorder treatment (for inpatient eating disorder treatment only)</li> <li>• Non-psychiatric physician, nurse practitioner, or physician assistant with documentation of daily consultation with or daily evaluations by a licensed mental health clinician, only for inpatient mental health treatment on a medical unit or in an emergency department, while waiting for a psychiatric bed to become available</li> </ul>



Service	Medical Necessity
	<p><b>Note:</b> Unlike physicians and nurse practitioners, physician assistants are not certified in specialties. Physician assistant specialties are determined by the specialty setting in which they are working. Psychiatric physician assistants are therefore physician assistants who are working in a psychiatric setting.</p>
<p><b>Psychiatric evaluations during inpatient substance use disorder treatment</b></p>	<p><b>In addition to other InterQual criteria, inpatient substance use disorder treatment is medically necessary only when a psychiatric evaluation is done within one day after admission and then at least once every day, and is conducted by one of the following provider types:</b></p> <ul style="list-style-type: none"> <li>• Psychiatrist</li> <li>• Psychiatric nurse practitioner</li> <li>• Psychiatric physician assistant</li> <li>• Licensed clinical psychologist in states in which functioning as the attending clinician for inpatient substance use disorder treatment is within licensed psychologists' legally-permitted scope of licensure</li> <li>• Physician, nurse practitioner, or physician assistant who specializes in addiction medicine</li> </ul> <p><b>Note:</b> Unlike physicians and nurse practitioners, physician assistants are not certified in specialties. Physician assistant specialties are determined by the specialty setting in which they are working. Psychiatric physician assistants are therefore physician assistants who are working in a psychiatric setting. Physician assistants who are working in substance use disorder settings are considered to be specializing in addiction medicine.</p>
<p><b>Medical evaluations during inpatient mental health treatment, including inpatient eating disorder treatment</b></p>	<p><b>In addition to other InterQual criteria, inpatient mental health treatment including inpatient eating disorder treatment is medically necessary only when a medical history and physical examination are done by a physician, nurse practitioner, or physician assistant within one day after admission, or were done in an emergency department or hospital inpatient medical unit prior to direct transfer to the inpatient mental health or eating disorder unit or facility.</b></p>
<p><b>Medical evaluations during inpatient substance use disorder treatment</b></p>	<p><b>In addition to other InterQual criteria, inpatient substance use disorder treatment is medically necessary only when a medical history and physical examination are done by a physician,</b></p>



Service	Medical Necessity
	<p>nurse practitioner, or physician assistant within one day after admission, or were done in an emergency department or hospital inpatient medical unit prior to direct transfer to the inpatient substance use disorder unit or facility.</p>
<p><b>Medical evaluation during substance use disorder inpatient rehabilitation</b></p>	<p>In addition to other InterQual criteria, substance use disorder inpatient rehabilitation is medically necessary only when a medical history and physical examination are done by a physician, nurse practitioner, or physician assistant within one day before or one day after admission.</p>
<p><b>Psychiatric evaluations during residential mental health treatment, including residential eating disorder treatment</b></p>	<p>In addition to other InterQual criteria, residential mental health treatment including residential eating disorder treatment is medically necessary only when a psychiatric evaluation by a licensed clinical practitioner is done within one business day of admission, or, is done during mental health or eating disorder (whichever is appropriate) inpatient or partial hospitalization treatment within three calendar days prior to direct transfer to residential treatment in the same facility, and a psychiatric or psychiatric medication evaluation by a licensed clinical practitioner is then done at least once every week, and:</p> <ul style="list-style-type: none"> <li>• For residential mental health and eating disorder treatment, the psychiatric evaluations must be in addition to nursing assessments, psychosocial or biopsychosocial assessments, substance use assessments, or any other evaluations.</li> <li>• For residential mental health treatment, the psychiatric evaluations must be in addition to any individual, group, or family therapy sessions, and in addition to daily clinical assessments.</li> <li>• For residential eating disorder treatment, the psychiatric evaluations must be in addition to any individual, group, or family therapy sessions, in addition to daily clinical assessments, and in addition to nutritional assessments.</li> <li>• At least once every week means at least once every 7 days.</li> </ul> <p><b>Note:</b> Registration and certification are not the same as licensure. Therefore, registered and certified clinicians are not licensed clinical practitioners. Accordingly, psychiatric or psychiatric medication evaluations by</p>



Service	Medical Necessity
	<p>registered and certified clinicians do not satisfy the requirement for psychiatric or psychiatric medication evaluations by licensed clinical practitioners.</p> <p>Review documents that summarize an individual's clinical status and treatment during a week or other time period, such as Clinical Reviews, Clinical Updates, Concurrent Reviews, Utilization Reviews, Progress Reviews, or similar documents, do not satisfy the requirement for psychiatric or psychiatric medication evaluations because they are not documented psychiatric or psychiatric medication evaluations on specific dates.</p>

Service	Medical Necessity
<b>Psychiatric evaluations during substance use disorder residential treatment</b>	<p><b>In addition to other InterQual criteria, substance use disorder residential treatment is medically necessary only when a psychiatric evaluation is done within one week (7 days) after admission, or, is done during inpatient or residential/sub-acute detoxification, within three calendar days prior to direct transfer to residential treatment, and the individual transfers to substance use disorder residential treatment in the same facility, and:</b></p> <ul style="list-style-type: none"> <li>• The psychiatric evaluations must be in addition to nursing assessments, psychosocial or biopsychosocial assessments, substance use assessments, ASAM (American Society of Addiction Medicine) dimension assessments, or any other evaluations.</li> <li>• The psychiatric evaluation must be in addition to any individual, group, or family therapy sessions, and in addition to daily clinical assessments.</li> </ul> <p><b>Note:</b> Registration and certification are not the same as licensure. Therefore, registered and certified clinicians are not licensed clinical practitioners. Accordingly, a psychiatric evaluation by a registered or certified clinician does not satisfy the requirement for a psychiatric evaluation by a licensed clinical practitioner.</p> <p>Review documents that summarize an individual's clinical status and treatment during a week or other time period, such as Clinical Reviews, Clinical Updates, Concurrent Reviews, Utilization Reviews, Progress</p>



Service	Medical Necessity
	<p>Reviews, or similar documents, do not satisfy the requirement for a psychiatric evaluation because they are not documentation of a psychiatric evaluation on a specific date.</p>
<p><b>Psychiatric/medical evaluations during inpatient detoxification</b></p>	<p><b>In addition to other InterQual criteria, inpatient detoxification is medically necessary only when a medical history and physical examination assessment are is done within one day of admission by, a physician, nurse practitioner or physician assistant, and a psychiatric evaluation is done within one day of admission, and a psychiatric evaluation, or a medical evaluation that includes an assessment of the individual's withdrawal status and management, is then done at least once every day, by one of the following provider types:</b></p> <ul style="list-style-type: none"> <li>• Psychiatrist</li> <li>• Psychiatric nurse practitioner</li> <li>• Psychiatric physician assistant</li> <li>• Licensed clinical psychologist in states in which functioning as the attending clinician for inpatient detoxification is within licensed psychologists' legally permitted scope of licensure</li> <li>• Physician, nurse practitioner, or physician assistant who specializes in addiction medicine</li> </ul>
<p><b>Nursing assessment and observation during inpatient mental health treatment, including inpatient eating disorder treatment</b></p>	<p><b>In addition to other InterQual criteria, inpatient mental health treatment including inpatient eating disorder treatment is medically necessary only when nursing assessment is done upon admission, and nursing staff observation then occurs 24 hours per day.</b></p> <p><b>Note:</b> Upon admission means at the time of arrival on the inpatient unit or within a short time after arrival.</p> <p>Nursing staff observation 24 hours per day is considered to be adequately demonstrated by at least one nursing note daily.</p>
<p><b>Nursing assessment and observation during inpatient substance use disorder treatment</b></p>	<p><b>In addition to other InterQual criteria, inpatient substance use disorder treatment is medically necessary only when nursing assessment is done upon admission, and nursing staff observation then occurs 24 hours per day.</b></p>



Service	Medical Necessity
	<p><b>Note:</b> Upon admission means at the time of arrival on the inpatient unit or within a short time after arrival.</p> <p>Nursing staff observation 24 hours per day is considered to be adequately demonstrated by at least one nursing note daily.</p>
<b>Nursing assessment and observation during substance use disorder inpatient rehabilitation</b>	<b>In addition to other InterQual criteria, substance use disorder inpatient rehabilitation is medically necessary only when nursing assessment is done within 8 hours of admission, and nursing staff observation and monitoring then occur 24 hours per day.</b>
<b>Nutritional assessments during eating disorder residential treatment</b>	<p><b>In addition to other InterQual criteria, eating disorder residential treatment is medically necessary only when:</b></p> <ul style="list-style-type: none"> <li>• A nutritional assessment is done by treatment staff daily.</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>• A nutritional assessment is done within two days of admission to eating disorder residential treatment. and then at least once every seven days, by a Registered Dietician.</li> </ul> <p><b>Note:</b> Observation and charting of food and fluid choices and/or food and fluid intake and/or behavior during meals and snacks do not constitute nutritional assessments.</p>

## Coding

N/A

## Evidence Review

N/A



## References

1. McKesson InterQual Criteria, LOC: Acute Adult, InterQual 2021
2. McKesson InterQual Criteria, LOC: Acute Pediatric, InterQual 2021
3. McKesson InterQual Criteria, LOC: Subacute/SNF, InterQual 2021
4. Change Healthcare InterQual Criteria, BH: Adult and Geriatric Psychiatry, InterQual 2021
5. Change Healthcare InterQual Criteria, BH: Adolescent and Child Psychiatric, InterQual 2021
6. Change Healthcare InterQual Criteria, BH: Substance Use Disorders, InterQual 2021
7. Principles of Care for Treatment of Children and Adolescents with Mental illness in Residential Treatment Centers. American Academy of Child and Adolescent Psychiatry, Work Group on HealthCare Access and Economics. June 2010.
8. State Operations Manual: Appendix AA-Psychiatric Hospitals–Interpretive Guidelines and Survey Procedures. Revision 149. Centers for Medicare and Medicaid Services. October 9, 2015.
9. Barnhill JW. The Psychiatric Interview and Mental Status Examination. In Hales RE, Yudofsky SC, Weiss-Roberts L, editors. The American Psychiatric Publishing Textbook of Psychiatry, Sixth Edition. American Psychiatric Publishing. 2014.
10. Kosten TR, Newton TF, DeLaGarza R, Haile CN. Substance-Related and Addictive Disorders. In Hales RE, Yudofsky SC, Weiss-Roberts L, editors. The American Psychiatric Publishing Textbook of Psychiatry, Sixth Edition. American Psychiatric Publishing. 2014.
11. Paron TV, McCormick RA, Delos Reyes CM. Assessment. In Ries RK, Fiellin DA, Miller SC, Saitz, R. The ASAM Principles of Addiction Medicine. Fifth Edition. Wolters Kluwer. 2014.

**Note:** InterQual Acute and Subacute/SNF criteria are cited (references 1, 2, and 3) to note criteria for medical levels of care that are comparable to InterQual Behavioral Health inpatient and residential treatment criteria. References 7-11 discuss components of the psychiatric evaluation, including components that require medical and psychiatric specialty training and experience.

## History

Date	Comments
11/01/17	New utilization management guideline, approved October 10, 2017. Adopting to support InterQual medical necessary requirements for psychiatric evaluations by clarifying the provider types who must conduct the evaluations.
01/01/18	Interim Review, approved December 20, 2017. Minor clarification that the mental health clinician's involvement must be daily when a non- psychiatric physician, nurse practitioner, or physician assistant is the provider type.



Date	Comments
03/01/18	Interim Review, approved February 27, 2018. Clarified that psychiatric medication evaluation applies only to eating disorder residential treatment.
11/01/18	Annual Review, approved October 26, 2018. No changes to policy statement.
11/01/19	Annual Review, approved October 4, 2019. Literature review through September 2019, no changes to policy statements.
09/01/20	Annual Review, approved August 20, 2020. No changes to policy.
08/01/21	Annual Review, approved July 9, 2021. No changes to policy.
12/03/21	Interim Review, approved December 2, 2021. Added reference to Wilderness Therapy/Outdoor Behavioral Healthcare Residential Wilderness Programs medical policy. Removed the requirement for inpatient mental health treatment on a medical unit or in an emergency department that the hospital must be without available psychiatrists, psychiatric nurse practitioners, or psychiatric physician assistants. Changed the provider type for residential treatment psychiatric evaluations to licensed clinical practitioner due to InterQual specification. Added clarification that residential treatment psychiatric evaluations are in addition to any individual, group, or family therapy sessions, and in addition to daily clinical assessments. Added clarification that at least once every week means at least once every 7 days. Updated InterQual references.
05/01/22	Annual Review, approved April 25, 2022. For inpatient levels of care, changed the timeframe for the initial psychiatric evaluation from 24 hours to one day. Added notes to clarify that for clinicians doing psychiatric evaluations, registration and certification do not qualify as licensure. Clarified that only daily psychiatric evaluations, not medical assessments, are required after the initial psychiatric evaluation and medical assessment for inpatient detoxification. Added sections for psychosocial evaluations during substance use disorder residential treatment, substance use evaluations during substance use disorder residential treatment, and nutritional assessments during eating disorder residential treatment, in order to allow alternatives to the InterQual criteria consistent with current standards of practice. Slight title modification to add "and Other Specified" to include evaluations that are not psychiatric evaluations.
06/01/22	Interim Review, approved May 23, 2022. For residential mental health and eating disorder treatment, added clarification that the psychiatric evaluations must be in addition to nursing assessments, psychosocial or biopsychosocial assessments, substance use assessments, or any other evaluations. For SUD residential treatment, added clarification that psychiatric evaluations must be in addition to nursing assessments, psychosocial or biopsychosocial assessments, substance use assessments, ASAM dimension assessments, or any other evaluations. For inpatient detoxification, modified the wording for better clarity that the medical assessment is required only one time, within one day of admission, consistent with InterQual criteria, and clarified that the medical assessment can be done by any type of physician, nurse practitioner, or physician assistant. For nutritional assessments in eating disorder



Date	Comments
	residential treatment, corrected the alternative to the InterQual criteria in order to be consistent with current standards of practice.
12/01/22	Interim Review, approved November 7, 2022. For inpatient detoxification, clarified that the initial medical assessment is a medical history and physical examination (for consistency with InterQual criteria). For inpatient detoxification, added an option that daily evaluations can be either psychiatric evaluations or medical evaluations of withdrawal status and management (instead of only psychiatric evaluations). For substance use disorder residential treatment, added an option that the initial psychiatric evaluation can be done during inpatient or residential/sub-acute detoxification if done within 3 calendar days prior to direct transfer to residential treatment with transfer to residential treatment in the same facility.
08/01/23	Annual Review, approved June 13, 2023, effective August 1, 2023. For inpatient mental health treatment, inpatient eating disorder treatment, and inpatient substance use disorder treatment, specified that the initial psychiatric evaluation is done within one day after admission (instead of within one day of admission, which was being interpreted as within one day before or after), in order to align with the same change that was made in the 2023 version of the InterQual criteria. For inpatient mental health treatment, inpatient eating disorder treatment, and inpatient substance use disorder treatment, added requirement for a medical history and physical examination within one day after admission in order to align with the same change that was made in the 2023 version of the InterQual criteria. For mental health and eating disorder residential treatment, added a note that review documents that summarize an individual's clinical status and treatment during a week or other time period, such as Clinical Reviews, Clinical Updates, Concurrent Reviews, Utilization Reviews, Progress Reviews, or similar documents, do not satisfy the requirement for psychiatric or psychiatric medication evaluations because they are not documentation of psychiatric or psychiatric medication evaluations on specific dates. For substance use disorder residential treatment, added a note that review documents that summarize an individual's clinical status and treatment during a week or other time period, such as Clinical Reviews, Clinical Updates, Concurrent Reviews, Utilization Reviews, Progress Reviews, or similar documents, do not satisfy the requirement for psychiatric evaluations because they are not documentation of psychiatric evaluations on specific dates. For inpatient mental health treatment, inpatient eating disorder treatment, and inpatient substance use disorder treatment, added requirement for a nursing assessment upon admission and then nursing staff observation 24 hours per day in order to align with the same change that was made in the 2023 version of the InterQual criteria.
12/01/23	Interim Review, approved November 14, 2023. For daily psychiatric evaluations by non-psychiatric medical clinicians when an individual is on a medical unit or in an ED, changed the wording "in daily consultation with, or with the daily assistance of, or with separate daily evaluation by, a licensed mental health clinician" to "with documentation of daily consultation with or separate daily evaluations by a licensed mental health clinician." Clarified that the medical history and physical examination for



Date	Comments
	<p>inpatient mental health and substance use disorder treatment must be done by a physician, nurse practitioner, or physician assistant. For inpatient mental health and substance use disorder treatment, clarified that because, unlike physicians and nurse practitioners, physician assistants are not certified in specialties, physician assistants' specialties are determined by the setting in which they are working. Clarified that the medical history and physical examination for inpatient mental health and substance use disorder treatment must be done by a physician, nurse practitioner, or physician assistant. Added that a medical history and physical examination that were done in an ED or an inpatient medical unit prior to direct transfer to the inpatient mental health or eating disorder or substance use disorder unit or facility are acceptable in lieu of within one day after admission to the inpatient mental health or eating disorder or substance use disorder unit. Removed the section on psychosocial evaluations for substance use disorder residential treatment because reviews for psychosocial evaluations have been determined to be no longer necessary due to consistent provider compliance. Removed the section on substance use evaluations for substance use disorder residential treatment because reviews for substance use evaluations have been determined to be no longer necessary due to consistent provider compliance.</p>
02/01/24	<p>Interim Review, approved January 9, 2024. Added criteria from InterQual for a psychiatric evaluation, a medical history and physical examination, and a nursing assessment and subsequent nursing staff observation and monitoring for substance use disorder inpatient rehabilitation. Clarified that the psychiatric evaluation and medical history and physical examination, must be done by a physician, nurse practitioner, or physician assistant.</p>
05/01/24	<p>Interim Review, approved April 22, 2024. Clarified the provider types for the psychiatric evaluation within one day of admission to substance use disorder inpatient rehabilitation.</p>
07/01/24	<p>Annual Review, approved June 11, 2024. Removed the requirement for a psychiatric evaluation during substance use disorder inpatient rehabilitation due to the 2024 InterQual criteria that removed the requirement for a psychiatric evaluation during substance use disorder inpatient rehabilitation. Changed the requirement for psychiatric evaluations during substance use disorder residential treatment to one-time only per admission, within the first week (7 days) after admission, due to the 2024 InterQual criteria that changed the requirement to one-time only within the first week after admission.</p>
09/01/24	<p>Interim Review, approved August 12, 2024. For the initial psychiatric evaluation for mental health and eating disorder residential treatment, added the option that a psychiatric evaluation done within three calendar days prior to direct transfer from mental health or eating disorder (whichever is appropriate) inpatient or partial hospitalization treatment to residential treatment in the same facility, is acceptable as the initial psychiatric evaluation.</p>



**Disclaimer:** This medical policy is a guide in evaluating the medical necessity of a particular service or treatment. The Company adopts policies after careful review of published peer-reviewed scientific literature, national guidelines and local standards of practice. Since medical technology is constantly changing, the Company reserves the right to review and update policies as appropriate. Member contracts differ in their benefits. Always consult the member benefit booklet or contact a member service representative to determine coverage for a specific medical service or supply. CPT codes, descriptions and materials are copyrighted by the American Medical Association (AMA). ©2024 Premera All Rights Reserved.

**Scope:** Medical policies are systematically developed guidelines that serve as a resource for Company staff when determining coverage for specific medical procedures, drugs or devices. Coverage for medical services is subject to the limits and conditions of the member benefit plan. Members and their providers should consult the member benefit booklet or contact a customer service representative to determine whether there are any benefit limitations applicable to this service or supply. This medical policy does not apply to Medicare Advantage.

