

LIMIT ON ACUTE INPATIENT MENTAL HEALTH CARE

ISSUE DATE: March 13, 1992

AUTHORITY: [32 CFR 199.4\(b\)\(9\)](#)

DoD Authorization Act 1991, Public Law 101-510

DoD Appropriations Act, 1991, Public Law 101-511

I. BACKGROUND

In the National Defense Authorization Act for Fiscal Year 1991, Public Law 101-510 and the Defense Appropriations Act for 1991, Public Law 101-511, Congress firmly addressed the problem of spiraling costs for mental health services. Motivated by the desire to bring mental health care costs under control, Congress in both the Authorization and Appropriations Acts established certain benefit changes and management procedures. These statutes made two principal changes. First, they established new day limits for inpatient mental health services and secondly, they mandated prior authorization for all nonemergency inpatient mental health admissions, with required certification of emergency admissions within 72 hours.

II. POLICY

Effective October 1, 1991, no funds shall be used to pay institutional or professional claims for inpatient mental health services in excess of 30 days in any fiscal year (or in an admission), for patients 19 years of age and older, or 45 days in any fiscal year (or in an admission) for patients age 18 and under, (hereinafter referred to as the 30/45 day limit), subject to waiver in special cases after review by an outside expert that takes into account the level, intensity and availability of the care needs of the patient. It is the patient's age at the time of admission that determines the number of days available. Preadmission authorization is required before nonemergency inpatient mental health services may be provided. The admission criteria shall not be considered fulfilled unless the patient has been personally evaluated by a physician or other authorized health care professional with admitting privileges to the facility to which the patient is being admitted prior to the admission. Prompt continued stay authorization is required after emergency admissions.

III. POLICY CONSIDERATIONS

Congress established the specific day limits and a waiver authority. In order to give the day limits some meaningful effect, we must consider them presumptive limits, subject to waiver in special cases.

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A. The day limit is generally based on a fiscal year, except that if the applicable number of days is reached during a single admission, the day limit waiver will also be required. The day limits trigger the waiver review process.

B. An inpatient admission for substance use disorder detoxification and rehabilitation counts toward the 30/45 day limit of inpatient mental health services regardless of whether the patient suffering from substance use disorder is admitted to a general hospital or to a substance use disorder rehabilitation facility. Care in excess of the limit is subject to the waiver criteria.

C. If a case involves both substance use disorder and other DSM-IV diagnosis, the 21-day limit would apply if the patient was admitted to a DRG-exempt substance use disorder rehabilitation unit.

D. Payment Responsibility

1. Any inpatient mental health care obtained without requesting preadmission authorization or rendered in excess of the 30/45 day limit (or beyond the DRG long-stay outlier) without following concurrent review requirements, in which the services are determined excluded by reason of being not medically necessary, is not the responsibility of the patient or the patient's family until:

a. Receipt of written notification by TMA or a contractor that the services are not authorized; or

b. Signing of a written statement from the provider which specifically identifies the services which will not be reimbursed by TRICARE. The beneficiary must agree, in writing, to personally pay for the non-TRICARE reimbursable services. General statements, such as those signed at admission, do not qualify.

2. If a request for waiver is filed and the waiver is not granted by the Director, or a designee, benefits will only be allowed for the period of care authorized by the Mental Health Review Contractor or the Managed Care Support Contractor.

E. For purposes of counting day limits, a move from one facility to another facility can be considered a transfer when documentation establishes that coordination for the move existed between two like facilities for the purpose of ensuring continued treatment of the condition requiring the original admission. Under these circumstances, the admission to a new facility would be considered a continuous uninterrupted episode of care. If the documentation does not establish that coordination for the move existed between the two facilities, then the intent to transfer cannot be established and the move should be considered a discharge.

IV. EXCEPTIONS

A. This limit does not apply to:

1. Any services provided under the Program for Persons with Disabilities.

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2. Any services provided in a residential treatment center.
3. Any services provided as partial hospitalization (less than 24-hour-a-day care), if such services are covered by TRICARE.

B. Waiver of Limits. The purpose of acute inpatient care is to stabilize a life-threatening or severely disabling condition within the context of a brief, intensive model of inpatient care in order to permit management of the patient's condition at a less intensive level of care. There is a statutory presumption against the appropriateness of inpatient acute services in excess of the 30/45 day limits. However, the Executive Director, TMA, or a designee, may in special cases, after considering the opinion of the peer review designated by the Director (involving a health professional who is not a federal employee) confirming that applicable criteria have been met, waive the 30/45 day limits and authorize payment for care beyond those limits.

1. The criteria for waiver of the acute care limit are listed in [Chapter 7, Section 3.3](#).
2. Waiver of the 30/45 day limit (or approval beyond the DRG long-stay outlier) may be granted if determined to be medically or psychologically necessary. In determining the medical or psychological necessity of acute inpatient mental health services, the evaluation conducted by the Executive Director, TMA, or a designee, shall consider the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care. Special emphasis shall be placed on determining whether additional days of acute inpatient mental health care are medically/psychologically necessary to complete necessary elements of the treatment plan prior to implementing appropriate discharge planning.
3. A waiver may also be granted in cases in which a patient exhibits well-documented new symptoms, maladaptive behavior, or medical complications which have appeared in the inpatient setting requiring a significant revision to the treatment plan.
4. The clinician responsible for the patient's care is responsible for documenting that a waiver criterion has been met and must establish an estimated length of stay beyond the 30/45 day limit. There must be evidence of a coherent and specific plan for assessment, intervention and reassessment that reasonably can be accomplished within the time frame of the additional days of coverage requested under the waiver provision.
5. For patients in care at the time the 30/45 day limit is reached, a waiver must be requested prior to the limit. As a general rule, anticipated waiver issues concerning acute care should be identified during concurrent reviews adequately in advance of the day limit. When the day limit is near, the request can be made, either during a concurrent review or at a point in time agreed to during the most recent concurrent review. For patients being readmitted after having received 30 or 45 days in the fiscal year, the waiver review will be conducted at the time of the preadmission authorization.

C. Incidental psychotherapy for accident or cancer patients. If psychotherapy is an incidental part of a rehabilitation stay for accident victims or of a medical stay for cancer patients, and the therapy is not intensive or ongoing, and does not contribute to the need for an inpatient stay, it can be excluded from consideration under the 30/45 day limitation. For

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these cases, preauthorization is not required because it is not an inpatient mental health admission.

V. EFFECTIVE DATE

Inpatient services provided on and after October 1, 1991. Patients hospitalized prior to October 1, 1991, are subject to the limitation of 30 days; however, the count does not begin until October 1, 1991.

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