Psychiatric Partial Hospitalization:  
An Overview

By:

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Introduction

Hospitalization for psychiatric illness has undergone revolutionary changes in the last three decades. At mid-century, there were two basic sources of care for people with mental illnesses: a psychiatrist's private office or a mental hospital. Those who went to the hospital often stayed for many months, even years.

Today people with a mental illness have many treatment options depending upon medical need: 24-hour inpatient care in general hospital psychiatric units, private psychiatric hospitals, state and federal public psychiatric hospitals and Veterans Administration (VA) hospitals; partial hospitalization or day care; residential care; community mental health centers; care in the offices of psychiatrists and other mental health practitioners, and support groups.

In all these settings, health care professionals work very hard to provide care according to a treatment plan developed by each patient's psychiatrist. The goal is to restore maximum independent living as rapidly as possible, using the appropriate level of care for the appropriate illness.

Psychiatric Partial Hospitalization

Once psychiatric treatment stabilizes a patient's condition, he or she may progress to a less-intensive treatment setting. The psychiatrist may recommend partial hospitalization. A partial hospitalization program ("PHP") is an intensive psychiatric outpatient treatment which provides less than 24 hours of daily care which is designed to provide patients with severe mental health conditions an individualized and attentive treatment program that is not typically provided in a regular outpatient setting.

The PHP option is not limited to people who are ending a hospital stay; it also meets the needs of people who live in the community and need a higher level of care without the services of overnight, 24-hour nursing.

Partial hospitalization provides individual and group psychotherapy, social and vocational rehabilitation, occupational therapy, assistance with educational needs, and other services to help patients maintain their abilities to function at home, at work and in social circles. However, because their treatment setting helps them to develop a support network of friends and family that can help monitor their conditions when they are not in the hospital, they can return home
at night and on weekends. Partial hospitalization or day treatment works best for people whose symptoms are under control. They enter care directly from the community or after being discharged from 24-hour care. Partial hospitalization is most effective for patients who are ready for therapy and rehabilitation that can move them comfortably back into the community.

**Partial Hospitalization Program Medicare Criteria**

The PHPs work best as part of a community continuum of mental health 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. PHPs may be covered under Medicare when they are provided by a hospital outpatient department or a Medicare-certified community mental health clinic.

Partial hospitalization 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, medically necessary, and directly related to the reason for admission.

A program comprised primarily of diversionary activity, social, or recreational therapy does not constitute a PHP. 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 a PHP.

**Medicare Coverage**

As stated above, PHPs are structured to provide intensive psychiatric care through active treatment. To be eligible for PHP, a patient must be under the care of a physician who certifies the medical necessity for partial hospitalization. The certification must indicate that, but for PHP, the patient would require inpatient psychiatric hospitalization. There are two patients who fall under this category: (1) those patients discharged from an inpatient hospital treatment program, and the PHP is in lieu of continued inpatient treatment, or (2) those patients who, absent PHP, would require inpatient hospitalization.
The certification should also identify the diagnosis and medical necessity for PHP. A proper diagnosis involves an Axis I mental disorder, with a level of functioning below 40. Medical necessity is shown by patients that require supervision and coordination because of a mental disease which severely interferes with multiple areas of daily life, including social, vocational, or educational functioning. This dysfunction must be of an acute nature. There must also be a “reasonable expectation” of improvement in a patient’s disorder and level of functioning as a result of the active PHP treatment.

The written certification must be recertified by the treating physician on the eighteenth calendar day following admission to the PHP, and at least every thirty days thereafter. The recertification must indicate that, absent PHP, the patient would require inpatient care. It must also include information regarding the patient’s response to treatment, the continuing symptoms, and the treatment goals to facilitate discharge from the program.

Treatment must be pursuant to an individualized written plan of care created by the admitting physician. Active PHP treatment includes clinically recognized therapeutic interventions, including group and family psychotherapy sessions, occupational, activity, and psychoeducational groups pertinent to the patient’s illness. Psychiatric diagnostic evaluations and medication management are also considered reasonable and necessary. As active treatment is provided, the patient’s medical record must clearly and accurately present progress notes reflecting the nature of treatment received, the patient’s response, and the treatment’s relationship to the overall treatment plan goals.

There are several listed covered services, but the important issue is that a physician properly document evaluations, treatment plans, treatment per the plan, and progress. Such documentation is necessary to demonstrate that PHP is reasonable and necessary. Furthermore, in the outpatient setting, the treating physician must supervise all services.

**Medicare Documentation Requirements**

As discussed above, the following components will be used to help determine whether the PHP services provided were accurate and appropriate and whether they will be reimbursed by Medicare and the details are summarized in the following chart:

1. Initial Psychiatric Evaluation/Certification
2. Physician Recertification
3. Treatment Plan
4. Progress Notes
| **MEDICARE DOCUMENTATION REQUIREMENTS**  
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<td><strong>Initial Psychiatric Evaluation/Certification</strong></td>
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| • Upon admission, a certification by the physician must be made that the patient admitted to the PHP would require inpatient psychiatric hospitalization if the partial hospitalization services were not provided.  
• The certification should identify the diagnosis and psychiatric need for the partial hospitalization.  
• Partial hospitalization 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 that are reasonable and necessary to treat the presentation of serious psychiatric symptoms 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** – The first recertification is required as of the 18th calendar day following admission to the PHP. Subsequent recertifications are required at intervals established by the provider, but no less frequently than every 30 days.  
• **Content** – The recertification must specify that the patient would otherwise require inpatient psychiatric care in the absence of continued stay in the PHP and describe the following:  
  o The patient’s response to the therapeutic interventions provided by the PHP;  
  o The patient’s psychiatric symptoms that continue to place the patient at risk of hospitalization; and  
  o Treatment goals for coordination of services to facilitate discharge from the PHP. |
| **Treatment Plan** |
| • Partial hospitalization 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. |
| **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. |
Ultimately, psychiatric partial hospitalization is another key venue in the psychiatric continuum of care. It is important for health care providers to be aware of this option and to know how to ensure full compliance with the Medicare mandates surrounding partial hospitalization programs.

About the Author:
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