

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: NORTH CAROLINA

---

4.b.(8) Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued)  
Description of Services

(a) Psychotherapy Services:

For the complete description of the service providers, their qualifications, service limitations and service descriptions, see Attachment 3.1-A pages 15a.16 and 15a.7

(b) Diagnostic Assessment (42 CFR 440.130(a))

This is a clinical face to face evaluation of a beneficiary's MH/DD/SAS condition that will establish a need for the enhanced benefit package of services. It is a team service and must include evaluations by either, a physician, physician assistant, nurse practitioner or licensed psychologist who can sign an order for services and a licensed or certified practitioner with expertise in MH/DD/SAS as appropriate and consist of the following:

- a chronological general health and behavioral health history (includes both mental health and substance abuse) of the beneficiary's symptoms, treatment, treatment response and attitudes about treatment over time, emphasizing factors that have contributed to or inhibited previous recovery efforts; biological, psychological, familial, social, developmental and environmental dimensions and identified strengths and weaknesses in each area;
- a description of the presenting problems, including source of distress, precipitating events, associated problems or symptoms, recent progressions, and current medications;
- a strengths/problem summary which addresses risk of harm, functional status, co-morbidity, recovery environment, and treatment and recovery history;
- diagnoses on all five (5) axes of DSM-IV;
- evidence of an interdisciplinary team progress note that documents the team's review and discussion of the assessment;
- a recommendation regarding target population eligibility; and
- evidence of beneficiary participation including families, or when applicable, guardians or other caregivers.

Documentation must include the following elements:

- a chronological general health and behavioral health history (includes both mental health and substance abuse) of the beneficiary's symptoms, treatment, treatment response and attitudes about treatment over time, emphasizing factors that have contributed to or inhibited previous recovery efforts; biological, psychological, familial, social, developmental and environmental dimensions and identified strengths and weaknesses in each area;
- a description of the presenting problems, including source of distress, precipitating events, associated problems or symptoms, recent progressions, and current medications;
- strengths/problem summary which addresses risk of harm, functional status, co-morbidity, recovery environment, and treatment and recovery history;
- diagnoses on all five (5) axes of DSM-IV;
- evidence of an interdisciplinary team progress note that documents the team's review and discussion of the assessment;
- a recommendation regarding target population eligibility; and
- evidence of beneficiary participation including families, or when applicable, guardians or other caregivers.

A beneficiary may receive one diagnostic assessment per year without any additional authorization.

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: NORTH CAROLINA

---

13. D. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services  
Description of Services

(i) Psychotherapy Services:

For the complete description of the service providers, their qualifications, service limitations and service descriptions, see Attachment 3.1-A pages 15a.16 and 15a.7

(ii) Diagnostic Assessment

This is a clinical face-to-face evaluation of a beneficiary's MH/DD/SAS condition that will establish a need for the enhanced benefit package of services. It is a team service and must include evaluations by either, a physician, physician assistant, nurse practitioner or licensed psychologist who can sign an order for services and a licensed or certified practitioner with expertise in MH/DD/SAS as appropriate and consist of the following:

- a chronological general health and behavioral health history (includes both mental health and substance abuse) of the beneficiary's symptoms, treatment, treatment response and attitudes about treatment over time, emphasizing factors that have contributed to or inhibited previous recovery efforts; biological, psychological, familial, social, developmental and environmental dimensions and identified strengths and weaknesses in each area;
- a description of the presenting problems, including source of distress, precipitating events, associated problems or symptoms, recent progressions, and current medications;
- a strengths/problem summary which addresses risk of harm, functional status, co-morbidity, recovery environment, and treatment and recovery history;
- diagnoses on all five (5) axes of DSM-IV;
- evidence of an interdisciplinary team progress note that documents the team's review and discussion of the assessment;
- a recommendation regarding target population eligibility; and
- evidence of beneficiary participation including families, or when applicable, guardians or other caregivers.

Documentation must include the following elements:

- a chronological general health and behavioral health history (includes both mental health and substance abuse) of the beneficiary's symptoms, treatment, treatment response and attitudes about treatment over time, emphasizing factors that have contributed to or inhibited previous recovery efforts; biological, psychological, familial, social, developmental and environmental dimensions and identified strengths and weaknesses in each area;
- a description of the presenting problems, including source of distress, precipitating events, associated problems or symptoms, recent progressions, and current medications;
- strengths/problem summary which addresses risk of harm, functional status, co-morbidity, recovery environment, and treatment and recovery history;
- diagnoses on all five (5) axes of DSM-IV;
- evidence of an interdisciplinary team progress note that documents the team's review and discussion of the assessment;

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: NORTH CAROLINA

---

13. D. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued)  
Description of Services (42 CFR 30.130(a))

(iv) Psychosocial Rehabilitation

Psychosocial Rehabilitation (PSR) is a service designed to help adults with psychiatric disabilities regain and/or restore an individual to his/her best age-appropriate functional level according to an individualized treatment plan, which addresses the adult's assessed needs. The activities included in PSR shall be included in the treatment plan and intended to achieve the identified beneficiary's treatment plan goals or objectives. Components that are not provided or directed exclusively toward the treatment of the beneficiary are not eligible for Medicaid reimbursement

The service components include:

- Behavioral intervention and management, including anger management.
- Assisting the individual to develop daily living skills specific to managing their own home, including managing their money, medications, and using community resources and other self care requirements.
- Assisting in the restoration of social skills, adaptive skills, enhancement of communication and problem solving skills, monitoring of changes in psychiatric symptoms/or functioning.
- Assisting the individual and family members or other collaterals to identify strategies or treatment options associated with the individual's mental illness, with the goal of minimizing the negative effects of mental illness symptoms or emotional disturbances or associated environmental stressors which interfere with the individual's daily living, financial management, housing, academic and/or employment progress, personal recovery or resilience, family and/or interpersonal relationships, and community integration.
- Participation in and utilization of strengths based planning and treatments which include assisting the individual and family members or other collaterals with identifying strengths and needs, resources, natural supports and developing goals and objectives to utilize personal strengths, resources, and natural supports to address functional deficits associated with their mental illness.
- Individual supportive counseling, solution focused interventions, emotional and behavioral management, and problem behavior analysis with the individual, with the goal of assisting the individual with developing and implementing social, interpersonal, self care, daily living and independent living skills to restore stability, to support functional gains, and to adapt to community living.

Services provided at a work site must not be job task oriented. Any services or components of services the basic nature of which are to supplant housekeeping, homemaking, or basic services for the convenience of a person receiving covered services (including housekeeping, shopping, child care, and laundry services) are non-covered.

The Psychosocial Rehabilitation program shall be under the direction of a person who meets the requirements specified for Qualified Professional status. The Qualified Professional is responsible for supervision of other program staff which may include Associate Professionals and Paraprofessionals. All staff must have the knowledge, skills, and abilities required by the population and age to be served.

---

TN No.: 12-010  
Supersedes  
TN No.: 12-009

Approval Date: 06-14-13

Effective Date: 07/01/2012

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: NORTH CAROLINA

---

13. D. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued)  
Description of Services (42 CFR 30.130(a))

Qualified Professional (QP): In addition to the following components, the QP may provide any activity listed under Associate Professional or Paraprofessional: developing, implementing, and monitoring the Person Centered Plan; behavioral interventions/management; social and other skill restoration, adaptive skill training; enhancement of communication and problem solving skills, anger management, family support, medication monitoring, monitoring of changes in psychiatric symptoms/or functioning.

Associate Professional (AP): In addition to the following components, the AP may provide the activities listed under Paraprofessionals: behavioral interventions/management; social and other skill restoration, adaptive skill training; restoration of communication and problem solving skills, anger management, family support, medication monitoring, monitoring of changes in psychiatric symptoms/or functioning.

Paraprofessional: The Paraprofessional may provide restoration of skills needed for community living, use of leisure time, prevocational activities and pursuit of needed education services.

**Operating Requirements:**

Each facility shall have a designated program director. A minimum of one staff member on-site to each eight or fewer beneficiaries in average daily attendance shall be maintained.

PSR is available for a period of 5 or more hours per day. There should be a supportive, therapeutic relationship between providers and the beneficiary. It is provided in a licensed facility with staff to beneficiary ratio of 1:8. This service is provided to outpatients by a mental health organization that meets State licensure requirements, and providers of the services will meet the appropriate Federal requirements or the State requirements. Documentation must include: a weekly full service note that includes the beneficiary's name, Medicaid identification number, date of service, purpose of contact, describes the provider's interventions, includes the time spent performing the interventions, effectiveness of the intervention, and the signature of the staff providing the service. This service must be ordered by an MD, NP, PA or PhD psychologist. Prior approval will be required by the designated Medicaid vendor. This initial prior approval process will ensure that the level of the service is appropriate and concurrent reviews will determine the ongoing medical necessity for the service or the need to move up or down the continuum of services to another level of care.

---

TN No.: 12-009  
Supersedes  
TN No.: NEW

Approval Date: 06-14-13

Effective Date: 07/01/2012

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: NORTH CAROLINA

---

13. D. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued)  
Description of Services (42 CFR 30.130(a))

- (v) Partial Hospital (PH)  
This is a short term service for acutely mentally ill adults which provides a broad range of intensive therapeutic approaches which may include:
- Individual/group therapies,
  - Increase the individual's ability to relate to others,
  - Community living skills/training,
  - Coping skills,
  - Medical services; and
  - This is used as a step up to inpatient or a step down from inpatient.

Physician involvement is required. This service must be offered at a minimum of 4 hours per day, 5 days/week. Clinical criteria (medical necessity criteria for admission and continued stay) are embedded in the service definition. Documentation must include: a daily full service note that includes the beneficiary's name, Medicaid identification number, date of service, purpose of contact, describes the provider's interventions, time spent performing the intervention, effectiveness of the intervention, and the signature of the staff providing the service. The service must be ordered by a physician, licensed psychologists, physician's assistant or nurse practitioner and prior approval will be required via the statewide UR vendor or by an approved LME contracted with the Medicaid Agency and meeting the same standards and requirements as the statewide vendor. This initial prior approval process will ensure that the level of the service is appropriate and concurrent reviews will determine the ongoing medical necessity for the service or the need to move up or down the continuum of services to another level of care.

**Service Operations Requirements:**

Staff shall include at least one qualified mental health professional.

- (a) Each facility serving minors shall have:
- (1) A program director who has a minimum of two years experience in child or adolescent services and who has educational preparation in administration, education, social work, nursing, psychology or a related field; and
  - (2) one staff member present if only one beneficiary is in the program, and two staff members present when two or more beneficiaries are in the program.
- (b) each facility shall have a minimum ratio of one staff member present for every six beneficiaries at all times.
- (c) a physician shall participate in diagnosis, treatment planning, and admission and discharge decisions. This physician shall be a psychiatrist unless a psychiatrist is unavailable or for other good cause cannot be obtained.

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: NORTH CAROLINA

---

13. D. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued)  
Description of Services

(viii) Assertive Community Treatment (ACT)

Assertive Community Treatment (ACT) is defined as an individual-centered, recovery-oriented mental health service delivery model for facilitating community living, psychosocial rehabilitation and recovery for persons who have the most severe and persistent mental illnesses, have severe symptoms and impairments, and have not benefited from traditional outpatient programs. ACT is a multi-disciplinary, self-contained clinical team approach with team members providing long-term intensive care in natural community settings. The team provides all mental health services rather than referring individuals to different mental health providers, programs, and other agencies.

The team provides evaluations (an assessment to determine the extent of the problems), outpatient treatment, case management, and community based services (described below) for individuals with mental health and substance abuse diagnoses. Interventions include the following, with a focus on achieving a maximum reduction of physical or mental disability and restoration of a beneficiary to his/her best possible functional level.

- Service coordination
- Crisis assessment and intervention
- Symptom assessment and management
- Individual counseling and psychotherapy, including cognitive and behavioral therapy
- Medication monitoring, administration and documentation
- Substance abuse treatment
- Working with beneficiaries to regain and restore skills to function and have social and interpersonal relationships as well as participate in community-based activities including leisure and employment
- Support and consultation to families and other major supports

ACT is available 24/7/365, in any location except jails, detention centers, clinic settings and hospital inpatient settings. Beneficiary-to-staff ratio is eight-to-one with a maximum of nine-to-one. Documentation must include a service note that includes the beneficiary's name, Medicaid identification number, date of service, purpose of contact, describes the provider's interventions, includes the time spent performing the interventions, effectiveness of the intervention, and the signature of the staff providing the service.

Minimum staff per team includes the following: a Licensed Professional, RN, QP, paraprofessional staff, certified peer specialist, and a psychiatric care provider role filled at least part-time by a physician for a minimum of 16 hours per week for every 60 beneficiaries for the largest teams and a smaller ratio for smaller teams of no less than 16 hours per 50 beneficiaries. The remainder of the psychiatric care provider time may be fulfilled by a nurse practitioner or a physician assistant. The team will provide a median rate of two contacts per week across all individuals served by that team. (This is billed per diem; the claims system is set so it will not reimburse for more than 4 in 1 month.).

13. D. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued)  
Description of Services

(viii) Assertive Community Treatment Team (ACTT) (continued)

The service is intended to provide support and guidance in all functional domains to enhance the beneficiary's ability to remain in the community. No other periodic mental health services can be billed in conjunction with this service. This service must be ordered by an MD, NP, PA or PhD psychologist. Evidenced based best practices for this service have been incorporated into the service definitions. Providers of (ACT) under the State Plan must demonstrate fidelity to the latest Tool for Measurement of Act (TMACT) models of care. This will ensure that all providers maintain fidelity to the current fidelity model as it is updated. Clinical criteria are also included in the definition. Prior approval will be required via the statewide UR vendor or by an approved LME-PIHP contracted with the Medicaid Agency and meeting the same standards and requirements as the statewide vendor. This initial prior approval process will ensure that the level of the service is appropriate and concurrent reviews will determine the ongoing medical necessity for the service or the need to move up or down the continuum of services to another level of care.

Staff Program Operations Requirements

- (a) Team composition. The team shall be interdisciplinary in order to carry out the varied activities needed to meet the complex needs of clients and shall include:
- (1) a qualified professional, appropriate to the diagnosis of the clients being served;
  - (2) a registered nurse;
  - (3) an MD (at least .25 FTE per 50 clients); and
  - (4) one or more paraprofessional staff trained to meet the needs presented by the facility's client population.
- (b) Team qualifications. Each member of the team shall be privileged and supervised based on their training, experience, and qualifications.