



Eric Holcomb, Governor
State of Indiana

Division of Mental Health and Addiction

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October 1, 2018

To: Recovery Works Providers and Referral Sources

From: Angela Boarman

Re: Memo 011

Subject: Recovery Residences Service Definition; Recovery Residences Billing; Residential vs Recovery Residence; Residential Services clarification

Recovery Residence

Attached you will find an updated service definition for Recovery Residences. We are making these changes in order to be in alignment with other Division of Mental Health and Addiction initiatives. Please take note of the major changes to the definition:

- There are two reimbursement options: Room only and Room and Board
- The reimbursement rate has changed
- All Recovery Residences, regardless of INARR Certification Level, must become a Recovery Works designated provider

These changes will go into effect November 1, 2018.

Recovery Residence Billing

In addition to the changes in the service definition, all Recovery Residences must apply to become a Recovery Works designated agency by November 1, 2018. We have made several changes to the WITS billing system that will be implemented on October 9, 2018. These changes will allow for Recovery Residences to claim for services provided and receive payment directly from the State of Indiana. Therefore, all Residences wishing to receive Recovery Works funding must be a Recovery Works agency. There will be more information coming in regards to the WITS process soon. The information will include step by step instructions on how to claim, as well as how Recovery Residences will need to continue to have partnerships/relationships with Treatment Providers. Please expect to receive this information, along with a training schedule, by October 15, 2018.

Residential Treatment vs Recovery Residence

Clinically Managed High - Level Residential Services (3.5 ASAM Criteria) and Clinically Managed Low-Level Residential Services (3.1 ASAM Criteria) is a service provided to individuals that need a high level of care. High Level services may include detoxification services, and Low Level services are going to be one step down from that and most likely individuals have already detoxified. Recovery Residence services are for individuals that already have some Recovery in place. Recovery Residence is going to be a lower level care, and is going to further assist individuals in their recovery journey. Individuals in a Recovery Residence already have some



tools that they utilize to maintain their Recovery. If you have specific question about your program and what service definition it fits under, please contact our team at Recovery.Works@fssa.IN.gov.

Residential Services Clarification

Since Residential Treatment has become a covered service under Medicaid and Insurance, we have had some changes in the way in which Recovery Works covers services and approves Prior Authorizations for this service. We have outlined below the changes that we have put into place:

- All clients seeking Residential Services MUST utilize insurance options. This include applying for Presumptive Eligibility as a first option.
- If the client has insurance upon admission, a Recovery Works PA is not necessary. The provider should work with the insurance company to obtain approval for services. If the client does not have insurance, the provider should apply for PE first. If that is denied, then the provider may submit a Recovery Works Prior Authorization (PA). We acknowledge that this process can take longer than 48 hours, therefore we are extending this PA submission time frame to 5 business days.
- Providers should appeal to the insurance company for additional days PRIOR to the client's end date of approved days. If the insurance company denies additional days, a PA can be submit to Recovery Works for REVIEW. Be sure to include the insurance denial with the Recovery Works PA. Please note that an insurance denial **DOES NOT** automatically guarantee a Recovery Works approval.
- If an initial denial is sent for services, we expect the provider to follow up and appeal with the insurance company to obtain approval. Recovery Works MAY authorize additional days to bridge the gap of the initial days offiling an appeal. Denials and updated PA's should be submitted to Recovery Works within 72 hours of receiving the final denial.
- We will no longer accept outdated insurance denials. For example, a client came in for services on September 5th for services, and insurance approved 10 days. On September 14th, you receive a denial for additional days. That final denial should be submitted no later than September 17th in order for it to be considered to be covered by Recovery Works.
- Recovery Works operates under that same approval process as all insurance entiti"es. The service must be medically necessary. Therefore, if it is not medically necessary, it will be denied.

We acknowledge that a barrier to accessing coverage for this service has been within the Managed Care Entities (MCEs). We are working from multiple angles to address this barrier. As with any new program, there are always going to be growing pains. We ask that you continue to be patient and have grace as we work through those growing pains. One of the way in which we will be working to address this barrier is by providing training on ASAM. Please be on the lookout for information regarding this training, and sign up when it becomes available.

Thank you for all you do to provide excellent services and care to clients. Please never hesitate to reach out to us with questions or concerns at Recovery.Works@fssa.in.gov.

Sincerely,



Angela Boarman
Forensic Treatment Program Manager
Division of Mental Health and Addiction
Family Social Services Administration

*Please print and keep with your Recovery Works Program Manual.