



# PROVIDER ALERT

**Alert#:** PA 2008-01  
**Issued:** February, 2008  
**TO:** CT Residential Treatment Centers  
**SUBJECT:** Linking RTC authorizations to claims payments

*Please distribute this Alert within your facility to all appropriate administrative, clinical and billing staff*

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Dear Provider,

This Alert is being sent to all in-state Residential Treatment Centers to provide information on a future new process whereby successful payment to an RTC for services provided will be directly linked to an approved authorization from a CT BHP Care Manager. Billed days that are not tied to an approved authorization due to a medical necessity or administrative denial from CT BHP will not be reimbursed.

March 1<sup>st</sup> 2008 to July 31<sup>st</sup> 2008 will be a “practice period” of five (5) months for RTC providers, DCF and CT BHP to work together with this new process to address any issues that may arise and to give ample time for each facility to adapt. Payments to RTCs will not be withheld due to a denial (administrative or medical necessity) during this five month time period. Beginning August 1<sup>st</sup> 2008 however, payments will be withheld for any denied days (administrative or medical necessity) by the Department of Children and Families.

## ***How will this work?***

- 1. During the practice period March – July:** RTCs will start receiving Denial Notice Letters from the CT BHP whenever there are day(s) denied for a requested service due to an administrative or medical necessity reason. This denial letter will be informational only during this time period and will contain a watermark “Info Only”. A Denial Notice letter tells you the following:
  - The reason for denying the service,
  - The day(s) denied; and
  - How to appeal the decision of a denied service

*Note:* Appeals are not necessary and payment will not be withheld during this practice time period.

- 2. During the practice period March – July:** As is occurring now, CT BHP Care Managers will conduct precertification and concurrent reviews with RTC clinical staff. In the event that the Care Manager or the CT BHP Psychiatrist issues a denial for day(s), CT BHP staff will explain the denial reason and the appeal process. This will provide a “learning curve” for clinical staff. Again, appeals are not necessary and payment will not be withheld during this practice time period.
  - CT BHP will also be monitoring reports showing RTC denial patterns and will proactively reach out to those facilities to offer assistance as needed prior to the August 1<sup>st</sup> timeline.

3. **August 1<sup>st</sup> 2008 and going forward:** Denial Notice Letters received by an RTC will no longer be “practice”. It is at this time denials will be directly linked to payment and the appeal process must be followed for any denials that the RTC wishes to appeal.
  - CT BHP will issue a monthly report to DCF that displays CT BHP Members in an RTC who have denied days for that month, the reason for the denial, and the outcome of the appeal if there was an appeal. DCF will utilize this report prior to making payments to the RTC provider.
4. **Past record of medical necessity or administrative denials:** For informational purposes only, each RTC will receive a letter in the next few weeks following this Alert summarizing their history of past denial(s) that were issued by CT BHP but were not enforced. (Note: RTCs who did not have any past denials will not receive this letter). This information will provide each RTC with the number of and type of past denials to help with preparing for the new process going forward. CT BHP will be happy to address any questions about this information once received.

You will find attached sample denial letters and definitions for a Medical Necessity Denial and Administrative Denial that will be helpful to review. We look forward to working together with you in this important endeavor. If you have any questions, please contact the CT BHP Provider Relations Department at 1-877-552-8247.

Provider Relations  
Connecticut Behavioral Health Partnership

*Attachments: Sample Denial Letters (2)  
Definitions for Medical Necessity Denial and Administrative Denials  
Please refer to [www.ctbhp.com](http://www.ctbhp.com), click on Provider Handbook for all Medical Necessity and Administrative Denial Appeal Information beginning on page 49.*