

MEDICAL POLICY



Medical Policy Title	Partial Hospitalization for Substance Use Disorders
Policy Number	3.01.18
Current Effective Date	August 21, 2025
Next Review Date	August 2026

Our medical policies are based on the assessment of evidence based, peer-reviewed literature, and professional guidelines. Eligibility for reimbursement is based upon the benefits set forth in the member's subscriber contract. (Link to [Product Disclaimer](#))

POLICY STATEMENT(S)

- I. Effective September 1, 2016, the Health Plan began using the Level of Care Determination (LOCADTR) 3.0 Tool, developed by the New York State (NYS) Office of Addiction Services and Supports (OASAS), to define and review all levels of care for substance use disorder (SUD) that are addressed in LOCADTR.

To define and review the SUD partial hospitalization program (PHP) level of care (which is not a service currently addressed in LOCADTR 3.0), the Health Plan utilizes the American Society of Addiction Medicine (ASAM) definition of SUD PHP (also referred to as high-intensity outpatient [HIOP]) in terms of intensity of services, provider types, etc. for both adults and adolescents and applies ASAM's related level 2.5 criteria to evaluate medical necessity of the PHP services.
- II. For SUD PHP services to be considered **medically necessary**, the following ASAM criteria must be met:
 - A. Admission Criteria
 1. The individual must be evaluated by a licensed clinician and meet the criteria for substance use diagnosis/disorder in the most current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) which includes dysfunction due to acute symptomatology requiring a medically supervised intervention to achieve stabilization. The evaluation must include psychiatric and medical assessment. Information for the assessment may also be obtained from a significant other, family member, and/or other important resource.
 2. The level of care requested for the individual is SUD PHP, and ASAM 2.5 criteria have been satisfied.
 3. The individual's medical/withdrawal symptoms may include, but are not limited to, mild-to-moderate symptoms that can be managed in a PHP for SUD, as long as the program has adequate nursing/protocol/medical staffing for safety and all other ASAM 2.5 criteria have been met.
 - B. Continuing Stay Criteria (concurrent review)

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1. Continuing stay for PHP level of care is appropriate where ASAM 2.5 criteria are satisfied and daily clinical assessment is documented, with the following services being performed on a weekly basis and addressed in the documentation:
 - a. SUD evaluation; and
 - b. Medication evaluation and initiation of any necessary medication-assisted treatment while member is in this level of care with significant supervision.
- C. Discharge Criteria
 1. The care no longer meets ASAM 2.5 criteria or member goals are completed.

RELATED POLICIES

Corporate Medical Policy

2.02.50 Urine Drug Testing

POLICY GUIDELINE(S)

- I. Services offered are designed to address a mental health or alcohol/substance related disorder through an individualized treatment plan provided by a coordinated multidisciplinary treatment team.
- II. Urine drug screening (UDS) as part of treatment should occur as clinically indicated.

DESCRIPTION

SUD is characterized by cognitive, behavioral, and physiological symptoms related to a maladaptive pattern of behaviors associated with the use of the substance(s). SUDs range in severity, due to the symptom presentation of each individual. The severity and symptoms of SUD are classified in the most current edition of the DSM.

Partial hospitalization programs (PHPs), also known as High-Intensity Outpatient (HIOP), is an intensive psychiatric outpatient treatment level of care. PHPs provide daily clinical, diagnostic, and treatment programming for people who do not need the more restrictive and intensive living environment of a 24-hour inpatient setting. PHPs provide at least 20 hours of treatment per week.

SUPPORTIVE LITERATURE

The ASAM Criteria is a widely used and comprehensive set of guidelines for placement, continued stay, transfer, or discharge of patients with addiction and co-occurring conditions. The ASAM Criteria also defines standards for the different levels of care across the continuum, describing the setting, staffing, service intensity and other core elements at each level of care. Formerly known as the ASAM patient placement criteria, the ASAM Criteria is the result of a collaboration that began in the 1980s to define one national set of criteria for providing outcome-oriented and results-based care in the treatment of addiction.

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The ASAM Criteria uses six dimensions to assess a person's addiction treatment needs and to determine an appropriate level of care recommendation. Patients are regularly reassessed as they receive treatment and may transition to a less intensive level of care (e.g., outpatient therapy), a higher level of care (e.g., medically managed intensive outpatient), or continue at the current level of care. The six dimensions include:

1. Intoxication, Withdrawal, and Addiction Medications
2. Biomedical Conditions
3. Psychiatric and Cognitive Conditions
4. Substance Use-Related Risks
5. Recovery Environment Interactions
6. Person-Centered Considerations

PROFESSIONAL GUIDELINE(S)

Not Applicable

REGULATORY STATUS

According to the Compilation of Codes, Rules and Regulation of the State Of New York (NYS) Office of Mental Health (OMH), Section 587.12, a partial hospitalization program shall provide active treatment designed to stabilize and ameliorate acute symptoms, to serve as an alternative to inpatient hospitalization, or to reduce the length of a hospital stay within a medically supervised program.

CODE(S)

- Codes may not be covered under all circumstances.
- Code list may not be all inclusive (AMA and CMS code updates may occur more frequently than policy updates).
- (E/I)=Experimental/Investigational
- (NMN)=Not medically necessary/appropriate

CPT Codes

Code	Description
Multiple Codes	

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HCPCS Codes

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Code	Description
S0201	Partial hospitalization service, less than 24 hours, per diem

ICD10 Codes

Code	Description
Multiple Codes	

REFERENCES

American Addiction Centers [Internet]. Partial hospitalization programs (PHP) for addiction. 2025 Jan 21 [accessed 2025 Jul 14]. Available from: <https://americanaddictioncenters.org/rehab-guide/outpatient-treatment/partial-hospitalization-programs>

American Society of Addiction Medicine (ASAM) [Internet]. The ASAM Criteria [accessed 2025 Jul 14]. Available from: <https://www.asam.org/asam-criteria>

American Psychiatric Association: Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, Text Revision (DSM-5-TR). Washington, DC, American Psychiatric Association, 2022.

Hall MT, et al. Trends and associations in patient ratings using the American Society of Addiction Medicine Criteria, 2013-2022. J Addict Med. 2025 May 27. Epub ahead of print.

New York State Office of Mental Health. 14 CRR-NY 587.12. Compilation of codes, rules and regulations. Title 14. Department Of Mental Hygiene. Chapter XIII Office Of Mental Health. Part 587 Operation of Outpatient Programs. Section 587.12 Partial hospitalization programs.

The Office of Addiction Services and Supports [Internet]. Level of care for alcohol and drug treatment referral (LOCADTR) and LOCADTR for gambling treatment [accessed 2025 Jun 2]. Available from: <https://oasas.ny.gov/locadtr>

Waller, R. C., et al., (Eds.). The ASAM Criteria: Treatment Criteria for Addictive, Substance-Related, and Co-occurring Conditions. 4th ed., Hazelden Publishing; 2023.

SEARCH TERMS

Not Applicable

CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)

[Treatment of Drug Abuse \(Chemical Dependency \(NCD 130.6\)\)](#) [accessed 2025 Jul 14]

[Psychiatric Partial Hospitalization Programs \(LCD L33626\)](#) [accessed 2025 Jul 14]

PRODUCT DISCLAIMER

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- Services are contract dependent; if a product does not cover a service, medical policy criteria do not apply.
- If a commercial product (including an Essential Plan or Child Health Plus product) covers a specific service, medical policy criteria apply to the benefit.
- If a Medicaid product covers a specific service, and there are no New York State Medicaid guidelines (eMedNY) criteria, medical policy criteria apply to the benefit.
- If a Medicare product (including Medicare HMO-Dual Special Needs Program (DSNP) product) covers a specific service, and there is no national or local Medicare coverage decision for the service, medical policy criteria apply to the benefit.
- If a Medicare HMO-Dual Special Needs Program (DSNP) product DOES NOT cover a specific service, please refer to the Medicaid Product coverage line.

POLICY HISTORY/REVISION	
Committee Approval Dates	
08/25/17, 10/25/18, 08/22/19, 08/27/20, 08/19/21, 08/18/22, 08/17/23, 08/22/24, 08/21/25	
Date	Summary of Changes
08/21/25	<ul style="list-style-type: none">• Annual review, policy intent unchanged.
02/03/25	<ul style="list-style-type: none">• Off-cycle policy edit made to include ASAM 4th edition terminology, high-intensity outpatient, and reference. Policy intent unchanged.
01/01/25	<ul style="list-style-type: none">• Summary of changes tracking implemented.
08/25/16	<ul style="list-style-type: none">• Original effective date