In accordance with a directive received from the Centers for Medicare & Medicaid Services (CMS), the pre-admission screening process is no longer allowed (using T1023).

Effective with dates of service from June 15, 2017, Medicaid covered (child) beneficiaries presenting for Psychiatric Residential Treatment Facility (PRTF) admission consideration must be assessed for medical necessity for this level of care. If necessary, the collection and evaluation of information for authorization of services or community alternatives is considered a managed care organization (MCO) administrative function.

If the child does not have prior history of receiving behavioral health services or adequate information cannot be obtained from a Community Mental Health Center (CMHC) or a private clinician, then the MCO can request that a CMHC or private clinician complete a Psychiatric Diagnostic Evaluation using codes 90791 or 90792 and provide a recommendation for admission or diversion. The code is defined as "per evaluation". Code 90791 is without medical services, and code 90792 is with medical services. These codes can only be billed once per day and both cannot be billed in the same day. Additionally, a Community-Based Service Team meeting (CBST) can be requested by the MCO (code only billable by CMHCs) using H0032-HA.

The CMHC or private clinician shall submit the Psychiatric Diagnostic Evaluation and/or the CBST results to the MCO. The MCO shall utilize assessment to determine medical necessity for admission to a PRTF. The MCO will begin their utilization management process by applying their criteria for medical necessity. If the MCO determines the child meets medical criteria for placement in a PRTF, the MCO can either approve the child for placement in a PRTF or authorize community-based services to be provided.