

1. What is a residential treatment center (RTC)?

A residential treatment center (RTC) is a facility or distinct part of a facility that provides to beneficiaries under 21 years of age a medically supervised, interdisciplinary program of mental health treatment. An RTC is appropriate for patients whose predominant symptom presentation is essentially stabilized, although not resolved, and who have persistent dysfunction in major life areas. The extent and pervasiveness of the patient's problems require a protected and highly structured therapeutic environment.

2. How long does my new Residential Treatment Center need to be operational before I apply for TRICARE/CHAMPUS approval?

All Residential Treatment Centers (RTCs) must be fully operational and treating patients for a period of at least six months (with at least 30 percent minimum patient census) before it submits an application for approval.

3. Once I submit my application for certification or re-certification, how long will it take for KEPRO to review it?

KEPRO/TQMC will notify the facility in writing of the results within 55 days or sooner.

4. In addition to being licensed to provide RTC services within the applicable jurisdiction in which it operates, what other accreditation must the facility have?

The RTC must be accredited by the Joint Commission on Mental Health, Chemical Dependency, and Mental Retardation/Developmental Disabilities Services (MHM).

5. How are RTC services reimbursed?

RTCs are reimbursed according to an all-inclusive per diem rate agreed documented in their participation agreement. The per diem rate will be calculated according to 32 CFR 199.14. The only charges that will be allowed outside the all-inclusive rate will be for: Geographically Distant Family Therapy, RTC Education Services and Non-mental health services rendered by an independent provider outside the RTC.

6. Are educational costs included in the RTC's reimbursement rate?

NO. All educational costs, whether they include routine education or special education costs, are excluded from reimbursement. In accordance with the TRICARE/CHAMPUS regulation 32 CFR 199.14(f)(4)(iii), the only exception to Article 5.1(a) is when appropriate education is not available from or not payable by the cognizant public entity. Each case must be referred to the Executive Director, TMA, (or a designee) for review and a determination of the applicability of TRICARE/CHAMPUS benefits. If the coverage of educational services meets the exception, payment will be allowed outside the all-inclusive facility rate. The amount paid shall not exceed the RTC's most-favorable rate to any other patient, agency, or organization for special or general educational services whichever is appropriate. The RTC shall exclude costs for education from its daily rate. The RTC's accounting system must be adequate to assure TRICARE/CHAMPUS is not billed for educational costs.

7. Can the RTC bill the beneficiary for charges that TRICARE/CHAMPUS do not cover?

NO. The RTC cannot bill the beneficiary for services in excess of the cost-share or services for which payment is disallowed for failure to comply with requirements for preauthorization. However, the facility agrees to collect from the

TRICARE/CHAMPUS beneficiary or the parents or guardian of the TRICARE/CHAMPUS beneficiary only those amounts applicable to the patient's cost-share/ copayment, as defined in 32 CFR 199.4, and services and supplies that are not a benefit of TRICARE/ CHAMPUS. The RTC's failure to collect or to make diligent effort to collect the beneficiary's cost-share as determined by TRICARE/CHAMPUS policy is a violation of the provider's participation agreement, and may result in the denial or reduction of payment, or may result in a false claim against the United States.

8. Can the RTC bill for a therapeutic absence in preparation for discharge planning?

NO. TRICARE/CHAMPUS will not pay for days in which the patient is absent on leave from the RTC. The RTC must identify these days when claiming reimbursement. A therapeutic absence is when the patient is not discharged from the facility but may be away for a period of from several hours to several days to give the patient an opportunity to test his or her ability to function outside the inpatient setting before actual discharge. Therapeutic absences involving overnight stays or longer must be included in the treatment plan submitted to TMA or a designee, for review of an inpatient mental health admission.

9. What claim form should my RTC use to bill for services?

The RTC should use the UB-92 billing form (or subsequent editions). RTCs shall identify RTC care on the billing form in the remarks block by stating "RTC care". RTCs shall identify on the billing form those days that patient was absent from the facility. This includes therapeutic absences as well as unplanned absences. Reminder: TRICARE/CHAMPUS will not pay for days in which the patient is absent on leave from the RTC. The RTC must identify these days when claiming reimbursement.

10. Can I submit interim bills for beneficiaries in care longer than 30 days?

YES. The facility must submit claims for services provided to TRICARE/CHAMPUS beneficiaries at least every 30 days (except to the extent a delay is necessitated by efforts to first collect from other health insurance).

11. Once certified, when does the RTC need to reapply for TRICARE/CHAMPUS re-certification?

The RTC must reapply to the TMA at least ninety days prior to the expiration date of their provider agreement if it wishes to continue as a TRICARE/CHAMPUS-authorized RTC. Failure to reapply will result in automatic expiration of the participation agreement on the date specified in Article 18.1 of their Provider Agreement. KEPRO will also perform a recertification review once every three years to evaluate if the facility remains in compliance with TRICARE requirements. An annual, one-page, self-assessment form certifying compliance is also required.

12. How does KEPRO/TQMC substantiate what is stated in the application submitted by the RTC?

From time to time, the TMA will conduct an on-site facility review. When signing the Participation Agreement, the RTC grants the Executive Director, TMA or authorized representative(s), the right to conduct on-site or off-site reviews or accounting audits with full access to patients and records. The reviews or audits may be conducted on a scheduled or unscheduled (unannounced) basis. This right to audit/review includes, but is not limited to, the right to:

(a) Examine fiscal and all other records of the RTC that would confirm compliance with the participation agreement, conduct audits of RTC records, including clinical, financial, and census records, examine reports of evaluations and inspections conducted by federal, state, local government, and private agencies and organizations. and conduct on-site inspections of the facilities of the RTC and interview employees, members of the staff, contractors, board members, volunteers, and patients, as may be required. The TQMC/KEPRO may also release copies of final review reports (including reports of on-site reviews) under the Freedom of Information Act.

13. What types of information needs to be reported to KEPRO/TQMC?

Please see [*What needs to be reported to KEPRO/TQMC?*](#) document on the Application and Forms page of this website.

