

Intensive Residential Treatment Services (IRTS)

Policy Number: SC14P0025A4

Effective Date: May 1, 2018

Last Update: January 5, 2026

PAYMENT POLICY HISTORY

DATE	SUMMARY OF CHANGE
January 5, 2026	Policy updated to reflect change to legislated payment adjustment outlined in MN Statute Sec. 256B.763, originally approved in SPA 24-44.
November 5, 2025	Updated "Source Documents and Regulatory References" section to include MN Statute 256B.0632.
September 5, 2025	Clarification made to applicable products regarding policy application to dually integrated products.
June 16, 2025	Definition of Certified Peer Specialist updated in line with June 2025 MHCP publication.
May 27, 2025	Annual review complete. Grammar, formatting, and stylization updates applied.
February 5, 2025	Per MHCP guidance, Effective January 1, 2025, managed care organizations will cover substance use disorder and mental health room and board services for MinnesotaCare members. The 'Modifiers, CPT, HCPCS, and Revenue Codes' and 'Billing Requirements and Directions' sections have been updated to reflect this change.
June 24, 2024	Annual policy review complete. Updates made to definitions and provider eligibility sections. Additional grammar, formatting, and stylization updates applied.
February 29, 2024	Provider eligibility updated to clarify provider must have 5 to 16 beds and not be an institution for mental disease. Also, provider eligibility adjusted to include certified rehabilitation specialists and clinical trainees as qualified team members.
July 28, 2023	Formatting and grammatical changes made to bring this policy in line with other Ucare policies. No technical changes made.
February 16, 2023	Annual policy review is completed. Updates made to enrollee eligibility criteria (changes published by DHS October 17, 2022). Policy definitions were also updated.
September 19, 2022	Information regarding code-specific procedure CPT® or HCPCS was removed.
October 14, 2021	Annual policy review is completed. No changes were made to the policy
October 20, 2020	Annual policy review is completed. No technical changes were made. The policy template was updated and as result information in the policy may have been formatted.

DATE	SUMMARY OF CHANGE
August 30, 2019	Information regarding comparison to the DHS MH Procedure CPT® or HCPCS Codes and Rates Chart and UCare fee schedules was removed from the document. The UCare Provider Manual contains information regarding how and when UCare updates fee schedules. A link to the UCare Provider Manual continues to be available within the document.
June 17, 2019	Annual Policy Review Annual Policy review. IRTS provider requirements were updated. Internal links within the policy and the UCare logo were updated.
October 1, 2018	On 5/16/2018 the MHCP Provider Manual to clarify that providers may bill for the date of admission but cannot bill for the date of discharge. This requirement has been added to the UCare policy as well.
May 1, 2018	The IRTS policy is implemented by UCare.

APPLICABLE PRODUCTS

This policy applies to the products checked below:

UCARE PRODUCT	PRODUCT TYPE	APPLIES TO
UCare Connect + Medicare (When MHCP is the primary payment methodology)	Dually Integrated	✓
UCare Minnesota Senior Health Options (MSHO) (When MHCP is the primary payment methodology)	Dually Integrated	✓
UCare Connect	Minnesota Health Care Programs (MHCP)	✓
UCare Minnesota Senior Care Plus (MSC+)	Minnesota Health Care Programs (MHCP)	✓
UCare MinnesotaCare	Minnesota Health Care Programs (MHCP)	✓
UCare Prepaid Medical Assistance (PMAP)	Minnesota Health Care Programs (MHCP)	✓

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PAYMENT POLICY INSTRUCTIONS

A payment policy assists in determining provider reimbursement for specific covered services. To receive payment, the provider must be in a contractual relationship with UCare and provide services to a member enrolled in one of UCare's products. This payment policy is intended to provide a foundation for system configuration, work instructions, call scripts, and provider communications. A payment policy describes the rules for payment, which include applicable fee schedules, additional payment rules by regulatory bodies, and contractual terms. This policy is a general guideline and may be superseded by specific provider contract language.

PAYMENT POLICY OVERVIEW

Intensive residential treatment services (IRTS) are a community-based medically monitored level of care for an adult client that uses established rehabilitative principles to promote a client's recovery and to develop and achieve psychiatric stability, personal and emotional adjustment, self-sufficiency, and other skills that help a client transition to a more independent setting. IRTS are provided by qualified mental health staff on-site 24 hours a day. IRTS are time-limited, directed to a targeted date of discharge with specific member outcomes. IRTS are consistent with evidence-based practices.

POLICY DEFINITIONS

TERM	NARRATIVE DESCRIPTION
Certified Peer Specialist	<p>A trained individual who uses a non-clinical approach that helps patients discover their strengths and develop their own unique recovery goals. The CPS models wellness, personal responsibility, self-advocacy, and hopefulness through appropriate sharing of his or her story based on lived experience.</p> <p>UCare recognizes two levels of certified peer specialists: Level I and Level II.</p> <p>Qualifications</p> <p>Level I Certified Peer Specialist</p> <p>Level I peer specialists must meet the following criteria:</p> <ul style="list-style-type: none">• Have or have had a primary diagnosis of mental illness• Is a current or former recipient of mental health services

TERM	NARRATIVE DESCRIPTION
	<ul style="list-style-type: none"> Successfully completes the DHS approved Certified Peer Specialist training and certification exam <p>Level II Certified Peer Specialist</p> <p>Level II peer specialists must meet all requirement of a Level I CPS and be qualified as a mental health practitioner.</p>
Clinical Trainee	A mental health practitioner who meets the qualifications specified in MN Statute 245I.04, subdivision 6.
Diagnostic Assessment	Functional face-to-face evaluation resulting in a complete written assessment that includes clinical considerations and severity of the client's general physical, developmental, family, social, psychiatric, and psychological history, and current condition. The Diagnostic Assessment will also note strengths, vulnerabilities, and needed mental health services.
Individual Treatment Plan	The person-centered process that focuses on developing a written plan that defines the course of treatment for the patient. The plan is focused on collaboratively determining real-life outcomes with a patient and developing a strategy to achieve those outcomes. The plan establishes goals, measurable objectives, target dates for achieving specific goals, identifies key participants in the process, and the responsible party for each treatment component. In addition, the plan outlines the recommended services based on the patient's diagnostic assessment and other patient specific data needed to aid the patient in their recovery and enhance resiliency. An individual treatment plan should be completed before mental health service delivery begins.
Intensive Residential Treatment Services (IRTS)	<p>Means time-limited mental health services provided in a residential setting. IRTS must be focused on a targeted discharge date aligned to specific patient outcomes consistent with evidence-based practices. IRTS are designed to develop and enhance the following:</p> <ul style="list-style-type: none"> Psychiatric stability Personal and emotional adjustment Skills to live in a more independent setting Self-sufficiency
Mental Health Practitioner	<p>Mental health practitioners are people who provide services to adults with mental illness or children with emotional disturbance.</p> <p>Mental Health Practitioners are not eligible for enrollment.</p> <p>They must be under the treatment supervision of a mental health professional and qualified in at least one of the ways outlined in MN Statute 245I.04, Subdivision 4.</p>

TERM	NARRATIVE DESCRIPTION
	<p>In addition to the criteria outlined in MN Statute 245I.04, MHCP requires:</p> <ul style="list-style-type: none"> • A mental health practitioner for a child member must have training working with children. • A mental health practitioner for an adult member must have training working with adults.
Mental Health Professional	<p>One of the following providers:</p> <ul style="list-style-type: none"> • Clinical Nurse Specialist (CNS-MH) • Clinical nurse specialist (CNS) • Licensed independent clinical social worker (LICSW) • Licensed marriage and family therapist (LMFT) • Licensed professional clinical counselor (LPCC) • Licensed psychologist (LP) • Mental health rehabilitative professional • Psychiatric nurse practitioner (NP) • Psychiatry or an osteopathic physician • Tribal-certified professional
Mental Health Rehabilitation Worker	<p>Mental Health Rehabilitation workers must have a high school diploma or equivalent and meet one of the following:</p> <ul style="list-style-type: none"> • Be fluent in the non-English language or competent in the culture of the ethnic group to which at least 20 percent of the mental health rehabilitation worker's clients belong, or • Have an associate of arts degree, or • Have two years of full-time postsecondary education or a total of 15 semester hours or 23 quarter hours in behavioral sciences or related fields, or • Be a registered nurse, or • Have, within the previous 10 years, three years of personal life experience with mental illness, or • Have, within the previous 10 years, three years of life experience as a primary caregiver to an adult with a mental illness, traumatic brain injury, substance use disorder, or developmental disability, or • Have, within the previous 10 years, 2,000 hours of work experience providing health and human services to individuals

TERM	NARRATIVE DESCRIPTION
	Mental health rehabilitation workers under the treatment supervision of a mental health professional or certified rehabilitation specialist may provide rehabilitative mental health services to an adult client according to the client's treatment plan.

ENROLLEE ELIGIBILITY CRITERIA

THIS SECTION OF THE POLICY PROVIDES INFORMATION THAT IS SPECIFIC TO THE UCARE MEMBER, INCLUDING INFORMATION ABOUT THE CRITERIA THE MEMBER MUST MEET IN ORDER FOR THE SERVICE(S) IN THE POLICY TO BE ELIGIBLE FOR PAYMENT.

To be eligible for IRTS, the member must:

- Be enrolled in an MHCP product listed above,
- Be eighteen (18) years old or older; and
- Meet IRTS admission criteria.

Individuals who are 17 years old and transitioning to adult mental health services may be considered for IRTS if the service is determined to best meet their needs. IRTS providers must secure a licensing variance before admitting the member.

IRTS Admission Criteria

An eligible IRTS member must meet the following:

- Diagnosed with a mental illness
- Functional impairment because of mental illness, in three or more areas, utilizing the functional assessment
- One or more of the following:
 - History of recurring or prolonged inpatient hospitalizations in the past year
 - Significant independent living instability
 - Homelessness
 - Frequent use of mental health and related services yielding poor outcomes
- Has the need for mental health services that cannot be met with other available community-based services, or is likely to experience a mental health crisis or require a more restrictive setting if intensive rehabilitative mental health services are not provided as determined by the written opinion of a mental health professional

The program may consult with the member's:

- Mental health case manager
- County advocate
- Family or other natural supports (with member's consent)

Members may receive IRTS instead of hospitalization, if appropriate.

IRTS Continuing Stay Criteria

Continue the member's stay in IRTS when a mental health professional determines the member meets all the following criteria:

- The member's mental health needs cannot be met by other less-intensive community-based services
- The member continues to meet admission criteria as evidenced by active psychiatric symptoms and continued functional impairment
- Documentation indicates that symptoms are reduced, but discharge criteria have not been met
- The essential goals are expected to be accomplished within the requested time frame
- Attempts to coordinate care and transition the member to other services have been documented

IRTS Discharge Criteria

Discharge a member from IRTS and categorize the discharge by one of the following:

Successful discharge when all the following are met:

- Substantially meets the treatment plan goals and objectives
- Discharge plan is completed with the treatment team
- Continuing care at a less intensive level of care after discharge is arranged

Discharge summary, written in plain language, must be completed prior to discharge and include the following:

- Review of problems, strengths during the IRTS stay
- Member's response to the treatment plan
- Recommended goals and objectives the provider recommends being addressed during the first three months after discharge
- Recommended actions, supports, and services that will assist the client with successful transition
- Crisis plan
- Member's forwarding address and telephone number

Non-program-initiated discharge when the following is met:

- Competent member withdraws consent for treatment and does not meet the criteria for an emergency hold
- Member leaves against medical advice for an extended period (determined by written procedures of provider agency)
- Legal authority removes the member
- Source of payment for the services is no longer available

Discharge summary, written in plain language, must be completed within 10 days, and including the following:

- Reason for discharge
- Provider attempts to engage the member to continue or consent to treatment
- Recommended actions, supports, and services that will assist the client with successful transition

Program-initiated discharge when the following is met:

- Level of care is ineffective or unsafe because a competent member has not participated or has not followed program rules or regulations. Multiple attempts to address the lack of participation in treatment must be documented.
- Progress toward the treatment goals and objectives has not been made despite efforts to engage the member, and there is no reasonable expectation that progress will be made at the IRTS level of care nor does the member require the IRTS level of care to maintain current functioning
- Court order or legal status requires the member to participate, but the member leaves against medical advice
- A more intensive level of care is needed and available

Before a program-initiated discharge, a discharge review process not exceeding five working days must be completed and must include the following:

- Consultation with the member, member's family, or other natural supports (with member consent), and case manager (if applicable), to review the program's decision to discharge
- Determine whether additional strategies can be developed to resolve the issues leading to discharge to permit the member to continue services

Discharge summary, written in plain language, including the following:

- Reason for discharge
- Alternatives to discharge considered or attempted to be implemented
- Names of individuals involved in the decision to discharge and a description of the individual's involvement
- Recommended actions, supports, and services that will assist the client with successful transition

ELIGIBLE PROVIDERS OR FACILITIES

OUTLINED BELOW IS THE SPECIFIC CRITERIA A PROVIDER MUST MEET IN ORDER FOR THE SERVICE(S) IN THIS POLICY TO BE ELIGIBLE FOR PAYMENT.

IRTS facilities must:

- [Licensed by DHS](#) to provide IRTS and/or residential crisis stabilization according to Minnesota Statutes 245I;
- Have at least 5, up to 16 beds and not be an institution for mental disease (IMD);
- Have a rate approved by Minnesota Department of Human Services (DHS); and
- Have either a statement of need from the local mental health authority or an approved need determination from the Minnesota Department of Human Services (DHS) commissioner.

IRTS providers may provide adult residential crisis stabilization (RCS) within the same facility.

Required IRTS treatment team staff:

- Program director (qualifies at minimum as mental health practitioner)
- Treatment director (mental health professional)
- Registered nurse qualified as a mental health practitioner at the program at least eight hours a week

IRTS treatment team members must be qualified in one of the following roles:

- Mental health professional
- Certified rehabilitation specialist
- Clinical trainee
- Mental health practitioner
- Certified peer specialist
- Mental health rehabilitation worker

EXCLUDED PROVIDER TYPES**OUTLINED BELOW IS INFORMATION REGARDING PROVIDERS WHO ARE NOT ELIGIBLE TO FURNISH THE SERVICE(S) LISTED IN THIS POLICY.**

Not applicable.

MODIFIERS, CPT, HCPCS, AND REVENUE CODES**General Information**

The Current Procedural Terminology (CPT®), Healthcare Common Procedure Coding System (HCPCS), and Revenue codes listed in this policy are for reference purposes only. Including information in this policy does not imply that the service described by a code is a covered or non-covered health service. The inclusion of a code does not imply any right to reimbursement or guarantee of claim payment.

Modifiers

There are no required modifiers that must be submitted with IRTS.

CPT and/or HCPCS Code(s)

CPT AND/OR HCPCS CODE(S)	MODIFIER(S)	NARRATIVE DESCRIPTION
H0019		Behavioral health: long-term residential (non-medical, non-acute care in a residential treatment program where stay is typically longer than 30 days), without room and board, per diem

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Revenue Codes

CPT AND/OR HCPCS CODE(S)	MODIFIER(S)	NARRATIVE DESCRIPTION
*1001		Room and board

* Room and board is applicable for MinnesotaCare products only.

PAYMENT INFORMATION**Payment Adjustments**

Payment Reductions

Based on MHCP guidelines when certain mental services are furnished by a master's level provider a twenty percent (20%) reduction is applied to the allowed amount. Master's level providers may include:

- Clinical Nurse Specialist (CNS-MH)
- Licensed Independent Clinical Social Worker (LICSW)
- Licensed Marriage and Family Therapist (LMFT)
- Licensed Professional Clinical Counselor (LPCC)
- Licensed Psychologist (LP) master's Level
- Psychiatric Nurse Practitioner
- Master's Level enrolled provider

Master's level reductions are not applied to mental health services when they are furnished:

- In a Community Mental Health Center (CMHC)
- By a Mental Health Practitioner qualified to work as a clinical trainee.

Payment Enhancements

In addition to the master's level provider reduction, UCare also applies a legislated adjustment to specific mental health services when furnished by the providers listed below.

July 2007 through December 2024, the legislated adjustment was 23.7%.

Effective January 2025, the legislated adjustment is 11.85%.

Effective January 2026, the legislated adjustment is 5.92%.

- Psychiatrists;
- Advance Practice Nurses;
 - Clinical Nurse Specialist
 - Nurse Practitioner
- Community Mental Health Centers;
- Mental health clinics and centers certified under Rule 29 and designated by the Minnesota Department of Mental Health as an essential community provider;
- Hospital outpatient psychiatric departments designated by the Minnesota Department of Mental Health as an essential community provider; and
- Children's Therapeutic Services and Supports (CTSS) providers for services identified as CTSS in the DHS mental health procedure CPT or HCPCs codes and rates chart.

Information on UCare fee schedule updates can be found in the [UCare Provider Manual](#).

BILLING REQUIREMENTS AND DIRECTIONS

The guidelines for billing inpatient residential treatment services are outlined below:

- Bill only direct mental health service days; do not bill for days when direct services were not provided.
- Use the MN-ITS 837P to bill the treatment procedure code H0019.
- Use the MN-ITS 837I to bill for room and board revenue code 1001.
 - Room and board for members enrolled in Medical Assistance:
 - Bill room and board service days that are authorized by the MCO directly to MHCP
 - See the MHCP Provider Manual for billing requirements
 - For MinnesotaCare members only:
 - Include the date of admission.
 - Type of Bill (TOB) 86X
 - Value Code 24
 - Enter the five-digit code 90019
 - Value Code 80
 - Enter the number of days for covered inpatient days
 - Value Code 81
 - Enter the number of days for noncovered inpatient days

PRIOR AUTHORIZATION, NOTIFICATION, AND THRESHOLD INFORMATION

Prior Authorization, Notification, and Threshold Requirements

UCare does update authorization, notification, and threshold requirements from time-to-time. The most current prior authorization requirements can be found [here](#).

RELATED PAYMENT POLICY INFORMATION

OUTLINED BELOW ARE OTHER POLICIES THAT MAY RELATE TO THIS POLICY AND/OR MAY HAVE AN IMPACT ON THIS POLICY.

POLICY NUMBER	POLICY TITLE
SC14P0026A3	Certified Peer Specialist
SC14P0004A2	Diagnostic Assessments

SOURCE DOCUMENTS AND REGULATORY REFERENCES**LISTED BELOW ARE LINKS TO CMS, MHCP, AND STATUTORY AND REGULATORY REFERENCES USED TO CREATE THIS POLICY.**

[DHS MH Procedure CPT or HCPC Codes and Rates Chart.](#)

[MHCP Provider Manual, Mental Health Services, IRTS](#)

[MHCP Provider Manual, Mental Health Services, IRTS, Rule 36 Variance](#)

[Minnesota Statutes 256B.0622](#), Assertive Community Treatment and Intensive Residential Treatment Services

[Minnesota Statutes 256B.0632](#), Intensive Residential Treatment Services

[Minnesota Statutes 245.461 to 245.486](#), Adult Mental Health Act

[Minnesota Rules 9505.0322](#), Mental Health Case Management Services

[Minnesota Statutes 245I.01 to 245I.13 and 245I.23](#), Mental Health Uniform Service Standards

DISCLAIMER

“Payment Policies assist in administering payment for UCare benefits under UCare’s health benefit Plans. Payment Policies are intended to serve only as a general reference resource regarding UCare’s administration of health benefits and are not intended to address all issues related to payment for health care services provided to UCare members. When submitting claims, all providers must first identify member eligibility, federal and state legislation, or regulatory guidance regarding claims submission, UCare provider participation agreement contract terms, and the member-specific Evidence of Coverage (EOC) or other benefit document. In the event of a conflict, these sources supersede the Payment Policies. Payment Policies are provided for informational purposes and do not constitute coding or compliance advice. Providers are responsible for submission of accurate and compliant claims. In addition to Payment Policies, UCare also uses tools developed by third parties, such as the Current Procedural Terminology (CPT®*), InterQual guidelines, Centers for Medicare and Medicaid Services (CMS), the Minnesota Department of Human Services (DHS), or other coding guidelines, to assist in administering health benefits. References to CPT® or other sources in UCare Payment Policies are for definitional purposes only and do not imply any right to payment. Other UCare Policies and Coverage Determination Guidelines may also apply. UCare reserves the right, in its sole discretion, to modify its Policies and Guidelines as necessary and to administer payments in a manner other than as described by UCare Payment Policies when necessitated by operational considerations.”