



Date: 4/1/2022

To: MHCP Mental Health Providers, County Supervisors, and Case Managers

From: Behavioral Health Division (BHD)

RE: Medical Necessity Distinction: Children’s Residential Facilities (CRF) with Mental Health (MH) Certification and Psychiatric Residential Treatment Facilities

Minnesota continues to experience a significant shift in our children’s continuum of care. We have developed Psychiatric Residential Treatment Facilities (PRTF) to align with national standards for intensive psychiatric services for children and youth under 21 years old. This has created opportunities to better define how other services fit within the continuum of care. Children’s residential facilities (CRF) having a certification of Mental Health (MH) is one service we will define in this memo. Having a clear understanding of the differences between PRTF and CRF MH programs helps to ensure Minnesota’s youth are able to access safe and effective treatment. Two key difference between CRF MH programs and PRTF services include medical necessity, and the populations each facility is intended to serve.

PRTFs:

- Provide active treatment to children and youth under 21 with complex mental health conditions, including severe aggression and functional impairment.
- Considered an inpatient level of care provided in a residential facility instead of a hospital.
- Services are delivered under the direction of a physician seven days per week.

CRF with MH Certification:

- Provides rehabilitative services to children with Severe Emotional Disturbance (SED) under age 18 to prevent placement in higher levels of care.
- Services are delivered under clinical supervision of a mental health professional in a community setting.
- Must be designed to help child improve family living and social skills.

Medical Necessity Distinction:

Variables	CRF with MH Certification	PRTF
<p>Level of Care & Eligibility Determination</p>	<ul style="list-style-type: none"> • Severe Emotional Disturbance (SED), may include mental illness • County pre-placement screening committee makes the determination of necessity or level of care. Significant regional variations exist in the process of determining level of care. • Primary diagnosis cannot be substance use disorder 	<p>Mental illness as defined in most recent version of Diagnostic and Statistical Manual (DSM)</p> <ul style="list-style-type: none"> • Industry standardized tool used to determine medical necessity • State medical review agent determines medical necessity 256.0941 Subdivision 1 (a)(1) • Primary diagnosis may be substance use disorder • Requires treatment under direction of physician 256.0941 Subdivision 1 (a)(5)
<p>Level of Risk</p>	<ul style="list-style-type: none"> • Regional variations in level of risk determination 	<p>Moderate to high risk as evident by (256.841 subdivision1 (a)(3))</p> <ul style="list-style-type: none"> • Suicidal ideation • Harm to self or others • Runaway • Sexual acting out
<p>Support system</p>	<ul style="list-style-type: none"> • Counties and tribes encourage and may include family’s input in out of home placement screening • No clear criterion for support system 	<p>Child’s support system is one or more of the following (256.0941 Subdivision 1 (a)(4)):</p> <ul style="list-style-type: none"> • Unavailable • Unable to ensure safety • High-risk environment • Abusive • Intentionally sabotage treatment • Unable to manage intensity of symptom
<p>Treatment amenability or Past unsuccessful treatment</p>	<ul style="list-style-type: none"> • No prior evidence of poor treatment amenability to prior interventions required • Need for active treatment not evident 	<p>Clear evidence from child’s records that past treatment interventions have been unsuccessful (256B.0941 Subd. 1 (a)(6)). These may include:</p> <ul style="list-style-type: none"> • Psychiatric hospitalizations • Residential treatment • Treatment foster care • Intensive outpatient • Any combination of the above Need for active treatment evident by 256.0941 Subdivision 1 (a)(4)

Sources

- [Minnesota Statutes 256B.0945](#) Services for Children with Emotional Disturbance
- [Minnesota Statutes 245.4882](#) Residential Treatment Services
- [Minnesota Statutes 245.4885](#) Screening for Inpatient and Residential Treatment
- [Minnesota Statutes 256B.0941](#), Psychiatric Residential Treatment Facility for Persons Younger Than 21 Years of Age.
- [Minnesota Statutes 256B.0625, Subdivision 45a](#), Psychiatric Residential Treatment Facility Services for Persons Younger than 21 Years of Age.
- [Code of Federal Regulations: 42 CFR §441.151 through 441.182](#), for Inpatient Psychiatric Services for Individuals Under Age 21.
- [Code of Federal Regulations: 42 CFR §483.350 through 483.376](#), Conditions of Participation for use of Seclusion and Restraint.
- County placement and screening criteria based on responses received from County Directors during the period of July 20- August 3, 2018.
- Review of Implementing Family First Prevention Services Act residential placement practice requirements (effective Sept. 30, 2021), and [MN Statutes 260C.212 Children in Placement](#).

Disclaimers: This comparison is based on the review conducted between 7/20-8/3/18 of the material mentioned in this document. It should be noted that CRF and PRTF are dissimilar in the nature, scope and purpose of treatment with regards to CRF being an out-of-home, foster care placement and PRTF a medically necessary inpatient psychiatric admission. A PRTF is not an out-of-home placement or Institution of Mental Disease (IMD), and only CRF/MH certified programs were referenced in this document.

More information about PRTF and CRF

Department of Human Services' [Behavioral Health Division PRTF page](#)

MHCP Provider Manual section: [Psychiatric Residential Treatment Facility \(PRTF\)](#)

MHCP Provider Manual section: [Children's Mental Health Residential Treatment facility \(CRF\)](#)