Eligibility and Enrollment Unit Intensive Outpatient Program Discharge Utilization Review

Division of Substance Abuse and Mental Health (DSAMH)

Policy Number: DSAMH060
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Prepared By: DSAMH EEU UR
Applicability:

1. DSAMH State Providers

Approved By: Joanna Champney, Division Director



Date Signed: September 23, 2026

I. PURPOSE

The purpose of this policy is to promote and maintain objective, consistent, impartial, and fair utilization management decisions. The policy shall describe the authorization review process for mental health intensive outpatient treatment for Delaware residents eighteen (18) years of age or older who are uninsured or underinsured. These procedures pertain to all mental health intensive outpatient treatment providers contracted to provide care for the State.

II. POLICY STATEMENT

DSAMH shall conduct discharge reviews to ensure that clients receive discharge plans that reflect a continuity of care to the least restrictive level of care that is appropriate, feasible, affordable, and obtainable. The goal is that each patient has a discharge plan in place to promote best outcomes and prevent rapid readmission.

III. DEFINITIONS

"Authorization" means the agreement from DSAMH that a patient meets medical necessity for mental health intensive outpatient treatment.

"Covered mental health conditions" means for this policy adults with serious mental illnesses. Includes persons age 18 and older who have a diagnosable behavioral, mental, or emotional condition—as defined by the Psychiatric Association's Diagnostic and Statistical Manual (DSM) of Mental Disorders.

"Delaware resident" means an individual who is not eligible for an out-of-state Medicaid plan and meets either of the following criteria:

1. An individual is domiciled in a permanent location or maintains a place of abode in which they stay that is a building, structure, or vehicle within the limits of the State, and spends more than 183 days in the State.
2. A person who possesses a valid Delaware-issued identification card such as driver's license or non-driver identification card.

"Discharge Plan" means a plan developed to coordinate services of an individual to the next level of care. Discharge plans should include, but are not limited to, any information pertaining to appointments, medications, access to medication, transportation, housing, and any other identified health or social service needs.

"EOB" means Explanation of Benefits.

"Intensive outpatient treatment" or **"IOP"** means a structured mental health treatment program that provides more support than traditional outpatient therapy. IOP offers a balance of intensive treatment and personal freedom, allowing individuals to maintain their personal routines while receiving care.

"OP" means outpatient treatment services.

"PROMISE Program" means Promoting Optimal Mental Health for Individuals Through Supports and Empowerment (PROMISE) Home and Community-Based Services (HCBS) waiver program under DSAMH. PROMISE assesses clients for level of care needs and monitors services to ensure the client receives appropriate care from contracted providers.

"Underinsured" means a third-party payor exists, but the service is not a covered benefit under their active plan, the benefit was denied by the third-party payor, or their insurance benefits have been exhausted. The PM37 form must be used to determine underinsured eligibility and sliding scale fees (only applies to IMD programs).

"Uninsured" means no third-party payer exists; the client is considered indigent.

"Utilization Review" or "UR" means the review of clinical information to determine authorization approval or denial.

IV. SCOPE

This policy applies to all mental health IOP treatment providers contracted with the State to provide mental health IOP treatment for residents of Delaware who are uninsured, underinsured, or enrolled in the PROMISE program. The scope is limited to mental health conditions approved and defined by the DSAMH contract. This policy does not address substance use disorder treatment services that are covered under other agreements.

V. PROCEDURES/RESPONSIBILITIES

A. Discharge documentation will only be accepted via the DSAMH UR email box DSAMH_EEU_UR@delaware.gov within one (1) business day after discharge with

the words “Mental Health IOP discharge” in the subject line. The discharge instructions must include:

1. Aftercare appointment within seven (7) days of discharge with either a psychiatrist or therapist who accepts State pay if the client does not have Medicaid or other insurance which covers outpatient care,
2. A list of medications and prescriptions with sufficient medication doses until the client’s first appointment with a prescriber,
3. Address at discharge,
4. Community resources and emergency numbers, and
5. Discharge diagnosis.

B. Review of discharge documentation:
   1. DSAMH UR shall conduct a review of discharge documentation to provide determination of appropriateness of discharge plan.
   2. DSAMH UR will respond with the authorization or denial of request within two (2) business days of submission.
   3. DSAMH UR shall respond if coverage is rescinded due to failure in discharge planning.
   4. The information obtained from the discharge documentation is utilized for the final authorization.
   5. Incomplete, inappropriate, or late discharge plans will result in denial of payment from the State.

C. For any denials of authorization, reference DSAMH003 Provider Appeals Policy for next steps.

D. A table of timeline can be found below.

1. Provider shall:	**2. DSAMH UR shall:**
• Submit ALL discharge documentation via the DSAMH UR email box DSAMH_EEU_UR@delaware.gov with the words “Mental Health IOP discharge” in the subject line. • Within one (1) business day after discharge.	• Conduct a review of discharge documentation and will notify of rescinding of authorization due to incomplete discharge planning. • Within two (2) business days of submission.

VI. References

A. NQCA, HEIDIS, CMS

VII. POLICY LIFESPAN

This policy will be reviewed annually.

VIII. RESOURCES

A. N/A

IX. RELATED POLICIES

A. DSAMH003 Provider Appeals Policy
B. DSAMH059 Eligibility & Enrollment Unit Mental Health Intensive Outpatient Initial Utilization Review
C. DSAMH061 Eligibility and Enrollment Unit Intensive Outpatient Program Retroactive Utilization Review