

Issue Brief: Support medical criteria for medical necessity determinations for mental health and substance use disorders

Physicians rely on medical criteria and professional guidelines when determining the best course of action to treat their patients. This includes those developed by non-profit, professional medical associations, such as the American Society of Addiction Medicine (ASAM) criteria as well as guidance and criteria, supported by the American Academy of Child and Adolescent Psychiatry (AACAP) and American Association of Community Psychiatrists. This includes:

- [The ASAM Criteria](#) is the most widely used and comprehensive set of standards for placement, continued service, and transfer of patients with addiction and co-occurring conditions.
- [Level of Care Utilization System for Psychiatric and Addiction Services \(LOCUS\)](#) provides a common language and set of standards with which to make consistently sound judgments and recommendations.
- The [Child and Adolescent Level of Care Utilization System and the Child and Adolescent Service Intensity Instrument \(CALOCUS-CASII\)](#) is a standardized assessment tool that provides determination of the appropriate intensity of services needed by a child or adolescent (ages 6-18) and their family, and guides provision of ongoing service planning and treatment outcome monitoring in all clinical and community-based settings.
- [The Early Childhood Service Intensity Instrument \(ECSII\)](#) is used by providers involved in the care of young children (ages 0-5) with emotional, behavioral, and/or developmental needs including those children and families experiencing environmental stressors that may put them at risk for such problems. The instrument provides guidance for providers and families seeking services from a variety of agencies and providers including child welfare, mental health, primary and specialty health care, and other community-based supports. The ECSII provides a common language for these diverse individuals and offers guidance in selecting specific services at the appropriate intensity for the young child.

These criteria are based on best practice clinical approaches and provide a holistic view of each patient's needs through a multidimensional assessment that puts patients first. Critically, these criteria are developed by the field through an open and transparent process, with peer-reviewed research and validation studies published in clinical journals.

Don't be fooled by proprietary, financially-driven criteria

Using criteria developed and endorsed by professional medical associations is common sense. Some health plans, however, use their own proprietary, financially-based criteria. These criteria often lead to delayed care through prior authorization and denied care through other financially driven, profit-based motives. The AMA cautions that even when health plans claim that they are using one or more of the non-profit criteria, they may also still be using proprietary, financially-driven criteria for some of their decisions. In addition, the AMA cautions that there is often a vast difference between entities saying their criteria is "based" on non-profit, professional medical association recommendations versus using the original. If there are any deviations from the integrity of non-profit, professional medical association recommendations/criteria, the AMA is concerned that would adversely affect patients.

The AMA urges all payers to use criteria for medical necessity determinations based on the same criteria used by board certified physicians in addiction medicine and psychiatry, as well as child psychiatry. While some payers argue that their own criteria are just fine, other payers have finally started to use criteria that benefit patients.

Key definitions to use in state parity laws

“Generally accepted standards of mental health and substance use disorder care” means standards of care and clinical practice that are generally recognized by health care providers practicing in relevant clinical specialties such as psychiatry, psychology, clinical sociology, addiction medicine and counseling, and behavioral health treatment. Valid, evidence-based sources reflecting generally accepted standards of mental health and substance use disorder care include peer-reviewed scientific studies and medical literature, recommendations of nonprofit health care provider professional associations and specialty societies, including but not limited to patient placement criteria and clinical practice guidelines, recommendations of federal government agencies, and drug labeling approved by the United States Food and Drug Administration.

“Medically necessary treatment of a mental health or substance use disorder” means a service or product addressing the specific needs of that patient, for the purpose of screening, preventing, diagnosing, managing or treating an illness, injury, condition, or its symptoms, including minimizing the progression of an illness, injury, condition, or its symptoms, in a manner that is all of the following:

- (i) In accordance with the generally accepted standards of mental health and substance use disorder care.
- (ii) Clinically appropriate in terms of type, frequency, extent, site, and duration.
- (iii) Not primarily for the economic benefit of the insurer, purchaser, or for the convenience of the patient, treating physician, or other health care provider.

“Mental health benefits” means benefits with respect to items or services for mental health conditions, as defined under the terms of the group health plan (or health insurance coverage offered by an issuer in connection with such a plan) and in accordance with applicable Federal and State law, but does not include medical/surgical benefits or substance use disorder benefits. Notwithstanding the preceding sentence, any condition defined by the plan or coverage as being or as not being a mental health condition must be defined consistent with the generally recognized standard of care. For the purpose of this definition, to be consistent with the generally recognized standard of care, the definition must include all conditions covered under the plan or coverage, except for substance use disorders, that fall under any of the diagnostic categories listed in the mental, behavioral, and neurodevelopmental disorders chapter (or equivalent chapter) of the most current version of the ICD or that are listed in the most current version of the DSM. To the extent the generally recognized standards of care do not address whether a condition is a mental health condition, plans and issuers may define the condition in accordance with applicable Federal and State law.

“Substance use disorder benefits” means benefits with respect to items or services for substance use disorders, as defined under the terms of the group health plan and in accordance with applicable Federal and State law, but does not include medical/surgical benefits or mental health benefits. Notwithstanding the preceding sentence, any disorder defined by the plan as being or as not being a substance use disorder must be defined consistent with generally recognized standard of care. For the purpose of this definition, to be consistent with generally recognized standard of care, the definition must include all disorders covered under the plan that fall under any of the diagnostic categories listed as a mental or behavioral disorder due to psychoactive substance use (or equivalent category) in the mental, behavioral, and neurodevelopmental disorders chapter (or equivalent chapter) of the most current version of the International Classification of Diseases or that are listed as a Substance Related and Addictive Disorder (or equivalent category) in the most current version of the American Psychiatric Association’s Diagnostic and Statistical Manual of Mental Disorders. To the extent generally recognized standards of care do not address whether a disorder is a substance use disorder, plans may define the disorder in accordance with applicable Federal and State law.

Who uses medical necessity criteria based on the currently accepted standard of care as put forward by non-profit professional medical associations?

- [Optum](#) (an affiliate of UnitedHealth Care). Endorses the use of LOCUS and CALOCUS because, in part, “The six dimensions provide a more holistic view of acuity and chronicity of behavioral condition, thereby promoting more appropriate care for patients and a better overall experience.”
- [Aetna](#) supports LOCUS, CALOCUS/CASII and ASAM criteria for its medical necessity reviews.
- [BlueCross BlueShield of Illinois](#). “On Jan. 1, 2025, Blue Cross and Blue Shield of Illinois will refer to ASAM’s new Criteria 4.0 in our medical necessity reviews of services rendered to adults. ASAM Criteria 3.0 will continue to apply in our medical necessity reviews of services rendered to adolescents.”
- [BlueCross BlueShield of Texas](#). “On Jan. 1, 2025, Blue Cross and Blue Shield of Texas will update our substance use medical necessity criteria for adults from ASAM Criteria 3.0 to ASAM’s new Criteria 4.0. ASAM Criteria 3.0 will continue to be used for medical necessity criteria for adolescents.”
- [Evernorth](#), a Cigna subsidiary. “Evernorth uses *The ASAM Criteria*, developed by the American Society of Addiction Medicine (ASAM), for guidance in conducting medical necessity reviews of substance use disorder levels of care for all health plan business, unless contractual requirements, federal or state law require use of other clinical criteria.”

Who uses criteria that are not based on professional medical association guidelines or recommendations?

- [Anthem in Kentucky](#) and [Ohio](#). Uses MCG Care Guidelines for medical necessity review for medical and behavioral health inpatient review, but says that “If MCG Care Guidelines do not cover a behavioral health service,” the payer will then use LOCUS for adults and CASII for children and adolescents. Anthem will use, however, ASAM criteria for substance use services according to state requirements.
- Premera Blue Cross in [Washington](#). Uses the InterQual guidelines for inpatient and resident mental health and substance use disorder treatment.
- Highmark BCBS in [Delaware](#). As of August 2024, Highmark uses MCG Care Guidelines for medical necessity reviews, including for mental health. In Delaware, for substance use disorder services, Highmark BCBS uses The ASAM Criteria, which is required by Delaware law.

Additional resources

- American Medical Association summary of MHPAEA final rule: <https://end-overdose-epidemic.org/wp-content/uploads/2024/12/AMA-summary-of-MHPAEA-final-rule-Dec-2024-FINAL.pdf>
- Jim Ramstad Model State Legislation to Advance Mental Health and Addiction Equity By Requiring Compliance with Generally Accepted Standards of Care: <https://www.thekennedyforum.org/app/uploads/2021/05/Ramstad-Model-Legislation-May-2021.pdf>
- Legal Action Center parity and addiction resources: <https://www.lac.org/work/priorities/building-health-equity/addiction-and-mental-health-parity>

For more information

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