



DATE: June 23, 2025

Behavioral Health Information Notice No.: 25-024

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
California Hospital Association
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations
County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators
Disability Rights California

SUBJECT: Interim Regulations for Licensure of Psychiatric Residential Treatment Facilities

PURPOSE: To notify providers and stakeholders of the following: (1) the Department of Health Care Services' (DHCS) publication of interim regulations for licensure and operation of Psychiatric Residential Treatment Facilities (PRTFs); (2) DHCS' forthcoming guidance on data collection; (3) claiming for PRTF services; (4) medical necessity requirements for services provided to Medi-Cal members; and (5) concurrent review requirements.

REFERENCE: Welfare and Institutions (W&I) Code § 4081-4083 and 5405; Health and Safety (HSC) Code § 1250.10.

BACKGROUND:

PRTFs are nonhospital facilities that provide inpatient psychiatric services to individuals under twenty-one (21) years of age (referred to as Medi-Cal's "psych under 21" benefit). Assembly Bill 2317 (Ramos, Chapter 589, Statutes of 2022) gives DHCS authority to license and monitor PRTFs. Senate Bill 137 (Committee on Budget and Fiscal Review, Chapter 191, Statutes of 2023) further updated PRTF statutory requirements to be consistent with federal Medicaid regulations regarding the composition of the



interdisciplinary team that is responsible for the development of a PRTF resident's plan of care.

DHCS has authority to issue PRTF licensing regulations by bulletin until DHCS formally promulgates regulations no later than December 31, 2027. (HSC Code, § 1250.10, subd. (e)(2); W&I Code, § 4081, subd. (w)(1).) DHCS also has authority to issue guidance regarding licensing fees and PRTF data collection by bulletin, without taking any further regulatory action. (W&I Code, § 4082, subd. (f); § 4083, subd. (d).)

POLICY:

Licensing and Certification of PRTFs

DHCS has the sole authority to license PRTFs. (W&I Code, § 4081, subd. (a)(1).) DHCS' PRTF Interim Regulations (Version I) are attached to this Behavioral Health Information Notice (BHIN) as Attachment A. They are effective immediately and enforceable as regulations. In addition to obtaining licensure from DHCS, PRTFs shall obtain and maintain certification from the State Department of Public Health to provide Medi-Cal inpatient psychiatric services for individuals under twenty-one (21) years of age in compliance with the Centers for Medicare and Medicaid Services requirements. (HSC Code, § 1250.10, subd. (a)(2).)

Only public agencies and private non-profit organizations may become licensed to operate PRTFs. (HSC Code, § 1250.10, subd. (a)(1).) To apply for a license to operate a PRTF, the public agency or private non-profit organization shall submit DHCS Form 6030 "Application for Initial Licensure for Psychiatric Residential Treatment Facility." This application can be submitted to DHCS by email or by certified mail to:

Department of Health Care Services
Licensing and Certification Division
ATTN: Mental Health Licensing and Certification Branch
P.O. Box 997413, MS 2800
Sacramento, CA 95899-7413
PRTF@dhcs.ca.gov

Applicants must also submit a one thousand (\$1,000) dollars nonrefundable application fee. Those applying for licensure can submit their nonrefundable application fee via certified mail at the address above or online using electronic money transfers. To pay the application fee online visit the [DHCS Electronic Fund Transfer](#) portal and follow the instructions provided.

DHCS Form 6030 “Application for Initial Licensure for Psychiatric Residential Treatment Facility” is also available at the following link: [DHCS 6030 APPLICATION FOR INITIAL LICENSURE FOR PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY](#)

PRTF Data Reporting Requirements

Subdivision (a) of W&I Code § 4083 of the PRTF Interim Regulations require PRTFs to provide DHCS with the data specified in subd. (c) and (d) of § 1250.10 of the HSC Code. DHCS will issue a **future BHIN** to implement these data reporting requirements.

Short Doyle Medi-Cal Claiming for PRTFs

The Short Doyle Medi-Cal (SD/MC) system is updated to include PRTFs as an eligible provider for inpatient psychiatric services for individuals under age twenty-one (21). Services may be claimed for Medi-Cal members under age twenty-one (21) who receive care from a certified PRTF. Claiming for services in a PRTF is consistent with existing requirements for psychiatric inpatient hospital services and psychiatric inpatient hospital professional services:

1. Claims for the standard set of inpatient psychiatric services for individuals under age twenty-one (21) shall be submitted on an 837I. The standard set of inpatient psychiatric services for individuals under age twenty-one (21) includes physician, pharmaceutical, psychiatric, nursing, dietetic services, behavioral health treatment and group activities.
2. Claims shall include revenue code 1001 - (Behavioral Health Accommodations – Psychiatric).
3. The claim shall also include Other Health Coverage if the member has other health coverage, such as Medicare.
4. Claims for Qualified Non-Facility Provider Services shall be submitted on an 837P using the most appropriate Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) code and modifier(s).

SD/MC will pay a [per diem rate](#)¹ for each day a member is admitted to a PRTF, except for the day of discharge. DHCS will pay the fee-for-service rate published in the appropriate [Medi-Cal Behavioral Health Fee Schedule](#) for the CPT or HCPCS code and modifier(s) submitted on the claim. For additional information, refer to the CalAIM Specialty Mental Health Services Medi-Cal Billing Manual posted on the [MEDCCC Library](#).

¹ As of the publication date of this BHIN, these rates are pending CMS' approval of State Plan Amendment (SPA) 24-0003.

PRTF Medical Necessity

Pursuant to subdivision (b)(1) of W&I Code § 14059.5 and subdivision (a) of W&I Code § 14184.402, a service is “medically necessary” or a “medical necessity” for Medi-Cal members under twenty-one (21) years of age if the service meets the standards set forth in Section 1396d(r)(5) of Title 42 of the United States Code, including all Medicaid-coverable health care services needed to correct or ameliorate mental illness and conditions. Consistent with federal guidance, services need not be curative or completely restorative to ameliorate a mental health condition. Services that sustain, support, improve, or make more tolerable a mental health condition are considered to ameliorate the mental health condition and are thus covered as Early and Periodic Screening, Diagnostic, and Treatment services.

Concurrent Review for Authorization of Psychiatric Inpatient Services in PRTFs

The concurrent review process established in [BHIN 22-017](#), and subsequent guidance issued by DHCS on the topic of concurrent review for authorization of inpatient psychiatric services, applies to psychiatric inpatient services provided to Medi-Cal members by PRTFs.

If you have any questions regarding this Information Notice, please contact the Mental Health Licensing and Certification Branch at PRTF@dhcs.ca.gov or (916) 323-1864.

Sincerely,

Original signed by

Janelle Ito-Orille, Chief
Licensing and Certification Division

Enclosures:

- Attachment A: Psychiatric Residential Treatment Facility Interim Regulations (Version I)
- Attachment B: DHCS 6030 Application for Initial Licensure for Psychiatric Residential Treatment Facility
- Attachment C: DHCS 6031 Psychiatric Residential Treatment Facility Affidavit Regarding Resident Money
- Attachment D: DHCS 6032 Annual Attestation of Compliance with Subpart G of Part 483 of Title 42 of the Code of Federal Regulations
- Attachment E: DHCS 6033 Application for Renewal of License for Psychiatric Residential Treatment Facility