Vaya Partners

Family Centered Treatment

H2022 U5 HE

H2022 U5U1 – Core
H2022 U5U2 – Encounter
H2022 U5U3 – 3 Months
H2022 U5U4 – 6 Months

Service

Family Centered Treatment® (FCT) is a comprehensive, evidence-based model of intensive in-home treatment for at-risk children and adolescents and their families. Designed to promote permanency goals and to reduce length of stay in residential and/or PRTF facilities, FCT treats the youth and his/her family through individualized therapeutic interventions. Children and adolescents eligible for FCT may be candidates for involvement in the juvenile justice system, out-of-home placements, and/or reunification and may display emotional and behavioral challenges, often severe, due to maltreatment (neglect, abuse), trauma (from domestic violence, sexual abuse, substance abuse, etc.), discord within the family system, and/or serious mental health disorders. By improving youth and family functioning, FCT provides an alternative to out-of-home placements or, when it is in the youth's best interest to receive treatment out of the home, may minimize the length of stay and reduce the risk of readmission. In addition, FCT assists with family stabilization and as a preventative service designed to end cycles of maladaptive family functioning. FCT is delivered by an assigned Qualified Professional (QP) with a caseload averaging 4-6 individuals/families. FCT includes supervision by a certified/trained FCT supervisor, or a FCT supervisor in the process of completing FCT Supervisor Certification. FCT provides first responder services to address crisis with the families. In FCT, a QP is available 24 hours a day, seven days a week during each phase of FCT to provide additional support and crisis services as needed.

FCT outcomes compare favorably with the best in the field, especially on such key dimensions such as:

- Preventing out of home placement
- Reunification
- Engagement rates
- Customer satisfaction and
- Readmission

FCT is a researched, viable alternative to residential placements, hospitalization, correctional facility placement, and other community-based services. A distinctive aspect of FCT is that it has been developed because of frontline practitioners' effective practice. FCT is one of few home-based treatment models with extensive experience with youth with severe emotional and behavioral challenges, dependency needs and mental health diagnosis as well as histories of delinquent behavior, otherwise known as crossover youth. In addition, FCT is extremely cost-effective and stabilizes youth at risk and their families.

FCT is based on eco-structural therapy and emotionally focused therapy. It focuses on addressing the functions of behavior, including system functions that look deeper than behavioral compliance getting, thus creating sustainable change and decreasing the likelihood of recidivism. Based on the understanding that families requiring such services may have experienced trauma, all phases incorporate **trauma-focused treatment**.

Copyright © 2026 Vaya Partners. All rights reserved.

The FCT provider shall provide "first responder" crisis response, as indicated in the Person-Centered Plan (PCP), 24 hours a day, seven days a week, 365 days a year, to beneficiaries of this service. Appropriate back up staffing shall be available in the event of multiple crisis events. The service is an alternative to Residential Level II and III treatment and may be used in lieu of these services. In situations where entry into Residential Level III treatment cannot be prevented, the addition of FCT will target reduction of the Level III to 90 days or less.

There are four phases to the service:

1. Joining and Assessment - Identify family strengths, gain acceptance and trust, assess for systematic changes and adjustments. (Family Centered Evaluation©)
2. Restructuring - Enactments (experiential practice) are targeted as shifting the repetitive interaction patterns that make up the structure of the family.
3. Valuing Change - Question and define reason for the change. Sustainable change in a family system occurs when the behavioral change made during restructuring are valued and seen as necessary by the family.
4. Generalization - Skill adoption and family success. Family becomes able to use strategies independently.

Specific treatment techniques are integrated from empirically supported behavioral and family therapies including eco-structural and emotionally focused treatment. In addition to focusing on the youth, FCT also engages the family in treatment. FCT therapists strengthen the family's problem-solving skills and operant family functioning systems, including how they communicate, handle conflict, meet the needs for closeness and manage the tasks of daily living that are known to be related to poor outcomes for children/youth. The therapist, in conjunction with the youth, family and other stakeholders, develops an individualized treatment plan. Using established psychotherapeutic techniques and intensive family therapy, the therapist works with the entire family, or a subset, to implement focused interventions and behavioral techniques designed to:

1. Enhance problem-solving
2. Improve limit-setting
3. Develop risk management techniques and safety plans
4. Enhance communication
5. Build skills to strengthen the family
6. Advance therapeutic goals
7. Improve ineffective patterns of interaction
8. Identify and utilize natural supports and community resources for the youth and parent/caregiver(s) to promote sustainability of treatment gains

FCT's personalized interventions are designed to strengthen the family's capacity to improve the youth's functioning in the home and community with a goal of preventing the need for a youth's admission to an inpatient hospital, psychiatric residential treatment facility, or other treatment setting. FCT utilizes a highly thorough and frequent session schedule to promote change for families with intensive needs.

FCT therapists are required to provide a minimum of two multiple-hour sessions per week and increase this as indicated by the youth and family's evolving needs. Frequent, intensive therapy in the context of the family/home setting facilitates sustainable change via immediate and on-site enactments or coaching to parents, offering support where and when suggestions are most needed. Phone contact and consultation are provided as part of the intervention. In addition, unlike other in-home models, the first and last month of FCT treatment—joining and discharge respectively—are not tied to the minimum standard due to the titration up and down of service provision.

With FCT, a therapist is available 24 hours a day, seven days a week during each phase of FCT to provide additional support and crisis services as indicated.

Copyright © 2026 Vaya Partners. All rights reserved.

When/where applicable, best practice standards of in-home therapy are paramount. All FCT therapists must understand and abide by best practice standards for in home therapy including but not limited to safety of client/family/others & self, coordination of services including medical, on-call and crisis service, quick and timely responses to intake of services, and interventions that are timely, accessible, and not experimental in nature.

Treatment Program Philosophy, Goals and Objectives

The evidence-based model Family Centered Treatment® (FCT) is founded in the belief that families seemingly stuck in a downward spiral can make positive, lasting changes. Resilience theory holds that children and families have the capacity to function well in the face of significant life challenges. Because of this belief, all aspects of treatment value the youth and family's voice in the process and employ strength-based approaches that focus on hope rather than on deficits, challenges, and barriers. The intention is to promote permanency goals while preserving the dignity of youth and families within their culture and community.

FCT's origins derive from practitioners' efforts to find practical, commonsense solutions for families faced with forced removal of their children from the home or dissolution of the family, due to both external and internal stressors and circumstances. FCT is an alternative model grounded in the use of sound and research-based treatment. Personalized techniques are integrated from empirically supported behavioral and family therapies and services are provided frequently, with FCT therapists available 24/7 to support the youth and family when needed. Addressing needs while observing strengths and patterns of interaction as they are happening allows skilled practitioners to help families create change in the core components of family functioning.

Another guiding principle of FCT is that it is family centered. While the referred client is integral to the treatment process, FCT is a family system model of home-based treatment and treatment can and does occur with other members when their behaviors or roles are critical to the progress of the referred family member (client). All phases of FCT involve the family intensively in treatment. During the assessment phase, the family defines their "family constellation," and those members are invited to participate in the structural family assessment and subsequent treatment activities as directed. Other individuals who may have key roles in the youth's wellbeing (e.g., caregivers, stakeholders, psychiatrists, etc.) are also viewed as critical to the success of FCT and are, at minimum, informed of treatment progress. They can be more integrally involved based on the family's need.

FCT places emphasis on the value of support systems—both during and after treatment. FCT develops a system of community resources and natural supports based on the youth and family's needs and preferences to enhance the individualized treatment plan by providing opportunities for further skill development. Building a network of support will also promote sustainable outcomes by providing the youth and family with resources to utilize after discharge.

Objectives and goals of the service include, but are not limited to, the following: The overarching objective of providing FCT to families is to keep children safe and thriving in their home environment. Specifically, the objective of FCT is to provide an alternative to out-of-home placements, minimize the length of stay in out-of-home placements, and reduce the risk of additional out-of-home placements by improving child/youth and family functioning. To achieve this, targeted goals for FCT include:

- Improvement and sustained developmentally appropriate functioning in specified life domains
- Achievement of family stability via preservation of or development of a family placement
- Achievement of the necessary changes in the critical areas of family functioning that are the underlying causes for the risk of family dissolution
- Development of an emotional and functioning balance in the family so that the family system can cope effectively with any individual member's intrinsic or unresolvable challenges

Copyright © 2026 Vaya Partners. All rights reserved.

- Achievement of changes in referred client behavior to include family system involvement so that changes are not dependent upon the presence of the FCT Staff
- Discovery and effective use of the intrinsic strengths necessary for sustaining the changes made and enabling stability
- Successful transitions of care from residential services to home settings

FCT services are delivered to children and adolescents, primarily in their living environments, with a family focus, and include, but are not limited to, the following interventions as clinically indicated:

- Individual and family therapy;
- Substance use disorder treatment interventions;
- Developing and implementing a home-based behavioral support plan with the member and the member's caregivers;
- Psychoeducation imparts information about the member's diagnosis, condition, and treatment to the member, family, caregivers, or other individuals involved with the member's care;
- Intensive case management includes the following:
    - Assessment
    - Planning
    - Linkage and referral to paid and natural supports
    - Monitoring and follow up
- Arrangements for psychological and psychiatric evaluations
- Crisis management

Anticipated Outcomes

Expected Outcome as identified by the Family Centered Treatment Foundations:

- Decrease in trauma symptomology
- Decrease in psychiatric or substance use disorder symptoms
- Reduction of hurtful and harmful behaviors affecting family functioning
- Improved family functioning
- Improved functioning in the home, school, and community settings
- Increased utilization of learned coping skills and social skills
- Increased utilization of natural supports in the community
- Increased capacity to monitor and manage the individual's behavior
- Increased connection to community services and resources
- Increased family engagement in treatment (85%)
- Increased rates of permanency (80% of members will either remain in their home, reunite with their family, live independently, or have a planned placement upon discharge)

Expected Outcomes Measured by Tailored Plan:

- Decrease in the number of crisis episodes and psychiatric inpatient stays
- Decrease in the length of stay in out of home placements (i.e., inpatient, crisis facilities, group homes, Psychiatric Residential Treatment Facility (PRTF) care and other residential placements).
- Decrease in the number of Emergency Department (ED) visits
- Maintenance of low recidivism rate (target = less than 10% of clients will require future FCT services minimally six months post discharge because of an increase in sustainability and stability due to focus on family functioning)

Copyright © 2026 Vaya Partners. All rights reserved.

Service Frequency And Intensity

Services include both direct face-to-face and indirect contacts, and collaboration with the school or other systems. However, most contacts are direct, either with the individual or other family members. Telehealth is only allowable under the direction and approval of the FCT Foundation. The service intensity is varied over the course of treatment and is increased or decreased based on the family needs. The intent of the last treatment phase is to validate that the interventions have been effective and that outcomes are likely to be able to be maintained upon service discharge. Service is billed one unit per month.

Outcome payments three and six months are eligible for FCT recipients who are discharged from episode duration of one to six months.

Eligibility for Outcome Payments dependent upon the following criteria:

- No inpatient, Facility Based Crisis admissions
- No residential Level II or higher from discharge (planned or unplanned)
- No return to FCT, admission to IIH, MST or Intercept or comparable Adult Services

Provider Requirements

The provider delivering this service shall meet the following requirements:

1. Provider must meet qualification for participation in NC Medicaid program, be credentialed by NC Division of Health Benefits, and be enrolled in NC Tracks.
2. Provider must be enrolled as a network provider in Vaya Partners Closed Provider Network, in good standing, and contracted to deliver the service.
3. Provider must verify employee/independent contractor qualifications at the time employee is hired/contracted. Providers must provide verification of staff qualifications on at least an annual basis.
4. Provider must comply with all terms and conditions of its contract with Vaya Partners, other applicable written agreements, and all applicable federal, state, and local laws, rules, and regulations.
5. FCT services shall be delivered by practitioners employed by mental health or substance use provider organizations that meet the provider qualification policies, procedures, and standards established by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (MHDDSAS); and fulfill the requirements of 10A NCAC Subchapter 27G, which set forth the administrative, financial, clinical, quality improvement, and information services infrastructure necessary to provide services.
6. Provider is established as a legally recognized entity in the United States and qualified/registered to do business as a corporate entity in the State of North Carolina.
7. Provider obtains national accreditation with one of the accrediting bodies approved by the N.C. Department of Health and Human Services (NCDHHS) within one year of enrollment as a provider with NC Medicaid In addition, the provider agency must maintain FCT licensure and all staff must maintain the required certification, which includes all recertification requirements and field observations.

The FCT Foundation, as owner of the FCT model, monitors and tracks staff training and certification development. Upon successful passing grade completion of the three training components including the Wheels of Change online audio/visual training course, field-based practice of the required FCT core skills and field-based performance evaluation to assess competency, FCT Foundation will issue certification as an FCT clinician to the staff member.

Staffing Requirements

Staff must meet the requirements specified for Qualified Professional (QP) status according to 10A NCAC 27G.0104. Required training and supervision:

- Completion of the FCT comprehensive training course, which includes staff certification (90 hours of training).

Copyright © 2026 Vaya Partners. All rights reserved.

This training includes both a guided self-study process using the Wheels of Change© course and field-based certification.

- Supervisors are required to complete the basic certification courses, as well as the FCT Supervision Curriculum.
- FCT teams meet no less than two hours weekly for clinical case supervision and oversight, but clinical supervision must be available daily as needed.

Member Eligibility Requirements

To be eligible for HFW, the member must have NC Medicaid based on residence in a county located within Vaya Partners' region and be enrolled in Vaya Partners' Behavioral Health and Intellectual/Developmental Disabilities Tailored Plan, and meet the following criteria:

- Be age 3 to 21; AND
- There is a mental health or substance use disorder diagnosis (as defined by the DSM-5, or any subsequent editions of this reference material), other than a sole diagnosis of intellectual and developmental disability
- The member has a caregiver who is available to participate with service providers for the duration of the treatment
- There are aspects of family functioning that are likely to impede the ability of the member to remain in the home (e.g., problem solving, communication, role performance, affective responsiveness and involvement, and behavioral control) identified in clinical assessment
- A Comprehensive Clinical Assessment determines that FCT is an appropriate intervention
- Outpatient treatment services were considered or previously attempted, but were found to be inappropriate or not effective
- The member has current symptoms or behaviors that increase the likelihood of crisis intervention including suicidal or homicidal ideation, physical aggression toward others, behaviors related to trauma, self-injurious behavior, serious risk-taking behavior (e.g., running away, sexual aggression, sexually reactive behavior, or substance use)
- The member's symptoms and behaviors are unmanageable at home, school, or in other community settings due to the deterioration of the member's mental health or substance use disorder condition, requiring intensive, coordinated clinical interventions
- The member is at increased or imminent risk of out-of-home placement or is currently in an out-of-home placement and a return home is imminent; and
- There is no evidence to support that alternative interventions would be equally or more effective, based on North Carolina community practice standards (Best Practice Guidelines of the American Academy of Child and Adolescent Psychiatry, American Psychiatric Association, American Society of Addiction Medicine).

Utilization Management

Utilization management of covered services is a part of the assurance of medically necessary service provision. Authorization, which is an aspect of utilization management, validates approval to provide a medically necessary covered service to eligible beneficiaries.

Prior Approval Requirements

No prior Authorization for FCT is required. However a notification Service Authorization Request (SAR) is required at the time of service initiation.

Initial authorization for services may not exceed six months. After initial authorization period, reauthorizations may be requested for additional 60-day periods.

This service shall be covered when the service is medically necessary and:

a. The procedure, product, or service is individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and not in excess of the member's needs;

Copyright © 2026 Vaya Partners. All rights reserved.

b. The procedure, product, or service can be safely furnished, and no equally effective and more conservative or less costly treatment is available statewide;
c. The procedure, product, or service is furnished in a manner not primarily intended for the convenience of the member, the member's caretaker, or the provider; and
d. The member meets and continues to meet the eligibility requirements for this service, and treatment goals have not yet been achieved. Services and interventions must be reviewed for effectiveness, and interventions should be modified, if necessary, so that the individual makes greater progress.

Continued Stay Criteria

The member is eligible to continue this service if the desired outcome or level of functioning has not been restored, improved, or sustained over the time frame outlined in the Person-Centered Plan (PCP) or the member continues to be at risk for out-of-home placement and one of the following applies:

- The member has achieved current PCP goals and additional goals are indicated as evidenced by documented symptoms
- The member is making satisfactory progress toward meeting goals and there is documentation that supports that continuation of this service will be effective in addressing the goals outlined in the PCP
- The member is making some progress, but the specific interventions in the PCP need to be modified so that greater gains, which are consistent with the member's premorbid level of functioning, are possible *or*
  The member fails to make progress or demonstrates regression in meeting goals through the interventions outlined in the PCP. The member's diagnosis should be reassessed to identify any unrecognized co-occurring disorders, and interventions or treatment recommendations shall be revised based on the findings. This includes consideration of alternative or additional services.

Discharge Criteria

The member meets the criteria for discharge if any one of the following applies:

- The member has achieved goals and is no longer in need of FCT® services
- The member's level of functioning has improved with respect to the goals outlined in the PCP, inclusive of a transition plan to step down to a lower level of care
- The member is not making sufficient progress or is regressing, and all reasonable strategies and interventions have been exhausted, indicating a need for more intensive services *or*
- The member or legally responsible person no longer wishes to receive FCT services

EPSDT SPECIAL PROVISION

Exception to Policy Limitations for a Medicaid Beneficiary under 21 Years of Age

42 U.S.C. § 1396d(r) [1905(r) of the Social Security Act]

Early and Periodic Screening, Diagnostic and Treatment (EPSDT) is a federal Medicaid requirement that requires the state Medicaid agency to cover services, products, or procedures for Medicaid beneficiary under 21 years of age if the service is medically necessary health care to correct or ameliorate a defect, physical or mental illness, or a condition [health problem] identified through a screening examination (includes any evaluation by a physician or other licensed practitioner). This means EPSDT covers most of the medical or remedial care a child needs to improve or maintain his or her health in the best condition possible, compensate for a health problem, prevent it from worsening or prevent the development of additional health problems.

Medically necessary services will be provided in the most economic mode, as long as the treatment made available is similarly efficacious to the service requested by the beneficiary's physician, therapist, or other licensed practitioner; the determination process does not delay the delivery of the needed service; and the determination does not limit the beneficiary's right to a free choice of providers.

Copyright © 2026 Vaya Partners. All rights reserved.

EPSDT does not require the state Medicaid agency to provide any service, product, or procedure:

- That is unsafe, ineffective, or experimental or investigational
- That is not medical in nature or not generally recognized as an accepted method of medical practice or treatment

EPSDT and Prior Approval Requirements

If the service, product, or procedure requires prior approval, the fact that the beneficiary is under 21 years of age does NOT eliminate the requirement for prior approval.

Important additional information about EPSDT and prior approval is found in the NC Tracks Provider Claims and Billing Assistance Guide and on NC DHHS: Early Periodic Screening, Diagnostic and Treatment Medicaid Services for Children.

Service limitations on scope, amount, duration, frequency, location of service and other specific criteria described in clinical coverage policies may be exceeded or may not apply as long as the provider's documentation shows that the requested service is medically necessary "to correct or ameliorate a defect, physical or mental illness, or a condition" [health problem]; that is, provider documentation shows how the service, product or procedure meets all EPSDT criteria, including to correct or improve or maintain the beneficiary's health in the best condition possible, compensate for a health problem, prevent it from worsening or prevent the development of additional health problem.

Documentation Requirements

These services shall be properly and contemporaneously documented in accordance with this section and the DMH/DD/SAS Records Management and Documentation Manual 45-2 (RMDM) prior to seeking reimbursement from Vaya Partners.

Regardless of the service type, significant events in an individual's life that require additional activities or interventions shall be documented over and above the minimum frequency requirements.

Providers shall make all documentation supporting claims for services reimbursed by Vaya Partners available to Vaya Partners, NCDHHS, and CMS upon request.

Treatment Plan Each individual receiving FCT is required to have a Person-Centered Plan (PCP) that is fully complete prior to or on the first date of service. The PCP must meet all the requirements, including an enhanced crisis plan, as outlined in the NC PCP Instruction Manual. The amount, duration, and frequency of the service must be included in the PCP.

Service Documentation A full service note that meets the requirements per APSM 45-2 is required for each contact or intervention (such as individual session, case management, crisis response) for each date of service. Each service note must include the following information:

- Recipient's name
- Service record number
- Medicaid identification number (as applicable)
- Name of service provided
- Full date of service
- Place of service
- Type of contact (face to face, telephone call, collateral, etc.)
- Purpose of contact as it relates to the goal(s) on the PCP
- Description of the interventions provided
- Time spent providing interventions (i.e., duration)

Copyright © 2026 Vaya Partners. All rights reserved.

- Assessment of effectiveness of intervention and/or the recipient's progress towards the goal(s)
- Signature and credentials of the staff member(s) providing the service

Discharge Planning Beginning at the time of admission, all interventions/activities regarding discharge planning and transition with youth, family/caregiver, and child and family team will be documented. A documented discharge plan shall be discussed with the individual and included in the service record.

Monitoring Activities
The FCT Foundation oversees and consistently performs program evaluation through data analysis on a quarterly basis. Vaya Partners receives copies of the external fidelity reviews and will conduct post service or clinical quality reviews to ensure eligibility for outcome payments.

Monitoring activities will occur as outlined in Vaya Partners' monitoring plan to assess compliance with the definition and requirements. Focused Monitoring, Complaint Investigations or post payment reviews will occur when quality concerns are identified.

Provider Level Monitoring Activities:
The FCT Foundation, as owner of the FCT model, monitors and tracks staff training and certification development. Upon successful passing grade completion of the three training components including the Wheels of Change online audio/visual training course, field-based practice of the required FCT core skills and field-based performance evaluation to assess competency, FCT Foundation will issue certification as an FCT clinician to the staff member.

Claims-Related Information

Providers shall comply with the NC Tracks Provider Claims and Billing Assistance Guide, applicable Medicaid bulletins issued by the NC Division of Health Benefits (DHB), applicable NC Medicaid/NCHC Clinical Coverage Policies, this service definition, Vaya Partners' fee schedule and other requirements and any other relevant documents for specific coverage and reimbursement for NC Medicaid.

- **Claim Type:** Professional (CMS-1500/837P transaction) billed through Vaya Partners.
- **International Classification of Diseases, Tenth Revisions, Clinical Modification (ICD-10-CM) and Procedural Coding System (PCS):**
    - Provider(s) shall report the ICD-10-CM and Procedural Coding to the highest level of specificity that supports medical necessity. Provider(s) shall use the current ICD-10 edition and any subsequent editions in effect at the time of service. Provider(s) shall refer to the applicable edition for code description.
    - A diagnosis of an intellectual disability or a related condition must be present to bill for this service. (See 42 CFR § 435.110)
- **Codes and Modifiers:** Provider(s) shall report the most specific billing code that accurately and completely describes the procedure, product or service provided. Provider(s) shall use the Current Procedural Terminology (CPT), Health Care Procedure Coding System (HCPCS), and UB-04 Data Specifications Manual (for a complete listing of valid revenue codes) and any subsequent editions in effect at the time of service. Provider(s) shall refer to the applicable edition for the code description. If no such specific CPT or HCPCS code exists, then the provider(s) shall report the procedure, product or service using the appropriate unlisted procedure or service code.
- **Billing Units:** Providers bill this service on a per month basis, with a monthly unit consisting of a minimum of 10 documented treatment hours.
- **Place of Service:** Member's Home/Community setting
- **Prior Authorization:** No prior authorization is required.
- **NC Tracks Enrollment:** Providers must be enrolled through NCTracks and ensure valid NPIs, taxonomies, sites, zip code (+4) and all other provider demographic information provided to Vaya Partners matches the information in NCTracks

Copyright © 2026 Vaya Partners. All rights reserved.

to bill Vaya Partners and be reimbursed for this service.

- **Coordination of Benefits:** Providers must file with primary payor(s) prior to submission of claims for payment to Vaya Partners, if applicable.
- **Reimbursement:** Vaya Partners reimburses providers for clean claims for services rendered in accordance with this Service Definition.

Copyright © 2026 Vaya Partners. All rights reserved.