

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



Office of the Senior Deputy Director and Medicaid Director

Transmittal 23-39

TO: All District Assertive Community Treatment Providers

FROM: Melisa Byrd
Senior Deputy Director and Medicaid Director

DATE: August 30, 2023

**SUBJECT: Changes to Delivery and Billing Requirements to Receive Reimbursement
for Assertive Community Treatment (ACT)**

Purpose

The purpose of this transmittal is to inform all Assertive Community Treatment (ACT) providers of changes the District Medicaid program is implementing to update billing, reimbursement, and service delivery requirements for ACT. Providers must meet the requirements outlined in the transmittal to receive reimbursement. This policy is effective for services delivered on or after **September 1, 2023**.

Details

The Department of Health Care Finance (DHCF) and the Department of Behavioral Health (DBH) are working on efforts to redesign the behavioral health system in the District. Ultimately, the systematic changes will include Mental Health Rehabilitation Services (MHRS) and Adult Substance Use Disorder Rehabilitation Services (ASURS) in managed care contracts. Currently, beneficiaries enrolled in managed care do not receive MHRS and ASURS through their managed care plan.

In addition to benefit carve-in, DHCF has revisited various rate methodologies for MHRS and ASURS, including ACT. ACT is an intensive and highly specialized, community-based service provided by an interdisciplinary team, to adults with serious and persistent mental illness, who experience or are at risk of experiencing inpatient hospitalization. Because ACT is provided in a team model with high utilization, District agencies, ACT providers, and community stakeholders expressed a preference to shift away from a fifteen (15)-minute billing unit. The new payment methodology will allow ACT providers to deliver services in a more dynamic and person-centered approach, while maintaining the intensity and frequency of services indicated by the ACT Model, with an enhanced rate commensurate to the effort necessary to treat some of the District's most vulnerable residents.

New Policy

DHCF is changing the billing and reimbursement structure for ACT, moving from a fifteen (15) minute billing unit to a calendar month reimbursement. To support this change, DHCF and DBH

are implementing new billing processes, as well as additional service delivery requirements for providers to receive reimbursement.

Billing and Reimbursement

Historically, ACT has been billed in fifteen (15) minute increments. Beginning September 1, 2023, ACT will be billed using a **calendar month unit**.

To receive reimbursement, an ACT team must have at least eight contacts with the client enrolled in ACT during the month and must also meet the service delivery requirements outlined below.

The new rates for ACT are as follows:

Service	Procedure Code	Modifier	Rate
ACT	H0040	--	\$2,375.43
ACT – Deaf/Hard of Hearing	H0040	HK	\$3,206.83

Submitting Claims Under the New Reimbursement Methodology

Billing during September 2023: DHCF and DBH understand that adjusting to the new reimbursement methodology and requirements will take time. In order to support providers and beneficiaries during the first month of implementation, providers may receive half of the new reimbursement rate up front upon submission of a claim to DHCF, using the following process:

	Servicing Provider	Procedure Code
Line 1	The NPI of one of the providers seeing the client must be reflected on the claim. The line must represent a single date of service within the implementation month; the claim must be billed with only one line.	H0039 -X1

Full month billing: ACT teams will submit a single claim that captures the entire month of services for each individual enrolled in ACT. Claims should only be submitted at the end of the month. The claim should be structured as follows:

	Servicing Provider	Procedure Code
Line 1	An MD from the agency will be listed as the servicing provider, include the total units and span billing for all dates of service on the claim.	H0040
Lines 2 - X	The individual provider performing the service will be listed as the servicing provider and should include their NPI number. Each line should represent a single contact.	H0039

Each claim must reflect the following information:

- Each contact and the respective servicing provider will be tracked on the claims using the procedure code H0039.
 - Up to two contacts may be provided in a single day.
 - If two contacts are provided in a single day by a single provider, the modifier “XE” should be used on the line with the corresponding H0039.
 - H0039 should be billed at \$0.01.
- At least eight (8) payable units of H0039 must be reflected on the claim to receive reimbursement.
- The date of service on each line must fall within the month.
- Any services that were provided beyond the minimum eight (8) contacts required for payment during the month.

Service Delivery Requirements

In order to receive reimbursement, the eight (8) required contacts provided during the month must meet the following requirements:

- A minimum of five (5) contacts must be face to face and in person;
- A maximum of three (3) contacts may be collateral contacts. Collateral contacts may be delivered via telehealth or in person;
- A minimum of three (3) contacts must be made by any of the qualified practitioners for ACT.
 - Qualified Practitioners: Psychiatrists, Psychologists, Licensed Independent Clinical Social Workers (LICSWs), Advanced Practice Registered Nurses (APRNs), Licensed Independent Social Workers (LISWs), Licensed Professional Counselors (LPCs), Registered Nurses (RNs), Licensed Marriage and Family Therapists (LMFTs), Licensed Graduate Social Workers (LGSWs), Licensed Graduate Professional Counselors (LGPCs), Psychology Associates, and Certified Addiction Counselors (CACs) I and II.
 - Credentialed staff may provide ACT service components under the supervision of an independently licensed qualified practitioner.
- Each consumer must have one (1) scheduled appointment with the Psychiatrist or APRN during the service period.
 - Providers will not be penalized for a missed appointment, however a missed appointment will *not* count as a contact.
 - The Psychiatrist/APRN contact is the only non-collateral ACT contact that may be completed via telehealth.
- Up to two (2) contacts per day may count towards the eight (8) required contacts during the month.

Although conditions of payment are outlined above for each member of the ACT Team, the broader expectations of each team member, throughout the course of treatment, should align with the ACT model of care. All services must be delivered in accordance with requirements set forth in Chapter 34 of Title 22-A DCMR, and all contacts past the eight (8) required for payment should be documented. Activities that constitute a contact are described in Memorandum on Updates for Assertive Community Treatment and will be finalized through rulemaking from the Department of Behavioral Health.

Prior Authorization

Providers must still obtain prior authorization for beneficiaries to be enrolled in ACT. Historically, DBH has been the agency responsible for prior authorization. They will remain responsible for ACT prior authorizations until further notice.

Effective Date and Provider Support.

The policy changes outlined in this transmittal will become **effective for all services delivered on or after September 1, 2023**. All ACT providers will be expected to meet these requirements in order to receive reimbursement.

However, DHCF and DBH appreciate that full compliance may not be immediately achievable, given the changes to requirements. DHCF and DBH will partner with providers during a transition period from September 1, 2023, through January 31, 2024, to ensure the successful implementation of ACT. Please refer to the Memorandum on Updates for Assertive Community Treatment for more information. DBH will continue to be the lead agency for certification standards and performance of the ACT provider network.

Contact


If you have any questions, please contact Jennifer Joyce, Behavioral Health Coordinator, Health Care Delivery Management Administration, Department of Health Care Finance via email at Jennifer.joyce@dc.gov, or via telephone at (202) 478-2434.

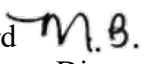
Cc: DC Behavioral Health Association
DC Coalition of Disability Service Providers
DC Health Care Association
DC Home Health Association
DC Hospital Association
DC Medical Care Advisory Committee Stakeholders
DC Primary Care Association
Medical Society of DC



MEMORANDUM

TO: DBH Provider Partners

FROM: Barbara J. Bazron, Ph.D. 
Director, Department of Behavioral Health

Melisa Byrd 
Senior Deputy Director and State Medicaid Director,
Department of Health Care Finance

DATE: June 21, 2023 (**UPDATED July 28, 2023**)

RE: Updates for Assertive Community Treatment

UPDATE (July 28, 2023)

We write to update the operationalization and implementation plan for the Assertive Community Treatment (ACT) based on your ongoing feedback. We appreciate our continuing partnership and collaboration as we move forward in implementing the new ACT rate.

As a reminder, all policy changes detailed in this memorandum will take effect upon the promulgation of updated regulations and the approval of amendments to the District of Columbia Medicaid State Plan by the Centers for Medicare & Medicaid Services.

- *Monthly Billing Cycle: the monthly billing cycle will be based on the calendar month (e.g., August) instead of thirty days.*
- *Same Day / Same Provider: Providers may submit ACT claims for same beneficiary, same service, and same rendering practitioner on September 1, 2023. Up to two services by the same rendering practitioner on the same day will count toward the required eight contacts per month.*
- *Effective Date for Service and Rate Changes: The implementation date of the new ACT rate is September 1, 2023. This change is necessary to allow sufficient time for MMIS system reconfigurations to support the change to the same day/same provider billing and the calendar month billing cycle.*

Changes are denoted below in *italics* and ~~strikethrough~~.

We appreciate the time and attention you have devoted in our work together to fully integrate behavioral health services into the District of Columbia's managed care program to support whole person care. Together, we are focusing attention on strengthening access and quality of care and ensuring appropriate reimbursement rates for services. You participated in the rate study by the Public Consulting Group (PCG) through the Behavioral Health Provider Survey, a provider focus group and ongoing discussion about proposed rate changes. The Department of Behavioral Health (DBH) and the Department of Health Care Finance (DHCF) are committed to public involvement in decisions that impact access to and delivery of high-quality services and have jointly incorporated your feedback in the updated Assertive Community Treatment (ACT) reimbursement methodology and rate.

We write to clarify the operationalization and implementation plan for the updated ACT rate.

All policy changes detailed in this memorandum will take effect upon the promulgation of updated regulations and the approval of amendments to the District of Columbia Medicaid State Plan by the Centers for Medicare & Medicaid Services. We will discuss these plans at our Provider Meeting on June 22, 2023. Please bring any questions or comments you have to the meeting so we can have a rich discussion.

Currently, approximately 2,300 consumers are receiving ACT services in the District.

As part of the behavioral health integration in Medicaid managed care, DBH and DHCF contracted with PCG to conduct a comprehensive rate study of DBH-certified behavioral health services, including ACT. As part of the rate study, PCG utilized data from Fiscal Years 2018 through 2021, input from providers through the Behavioral Health Provider Survey, a provider focus group and discussions with providers, DBH and DHCF subject matter experts, program staff and leadership to advise about the adoption of a proposed rate changes.

Currently, the District reimburses ACT providers through a fee-for-service model billed in fifteen minute units. DBH and DHCF are amending the ACT reimbursement methodology to a proposed \$2,375.43 monthly rate, effective ~~September 1, 2023~~ ~~August 1, 2023~~. A final rate review will be conducted to ensure the changes to the ACT requirements align with the rate assumptions. Once completed, DHCF will publish a provider transmittal announcing the final rate. In support of the monthly rate, ACT providers must document at least eight contacts with a consumer during a thirty-day billing cycle. ACT providers may submit up to two contacts per day. The following activities constitute one contact each:

1. Daily Team Meeting – The ACT provider may submit one daily team meeting per consumer as a contact within the *calendar month* ~~thirty-day billing cycle~~;
2. Contact with an Advanced Practice Registered Nurse (APRN) or Medical Doctor (MD) – The ACT provider must ensure that each consumer has at least one scheduled appointment per thirty-day billing cycle with an APRN or MD. The ACT provider must document whether a consumer attends the scheduled APRN/MD appointment in their electronic health record. If the consumer attends, the appointment will count as one contact. If a consumer fails or refuses to attend the provider will not be

penalized, but the appointment will not count towards the eight monthly contacts. Collateral contacts initiated by the APRN or MD and daily team meetings attended by the APRN or MD shall not be sufficient to meet this requirement;

3. Any face-to-face contact with a member of the ACT team during which the ACT team member delivers services consistent with the consumer's Individual Plan of Care (IPC);
4. A crisis/emergency service;
5. Hospital engagement including face-to-face contact with the consumer or a collateral contact with the hospital social worker, the psychiatrist, or the discharge planning team;
6. A contact with a consumer's natural support;
7. Psychotherapy services;
8. Psychoeducation services delivered to the consumer or to their natural support;
9. Independent skills teaching;
10. Case management episode;
11. Engagement episode; and
12. Collateral contact.

During the *calendar month* ~~thirty-day~~ billing cycle, the ACT provider must deliver at least five contacts face-to-face and may deliver up to three contacts via telehealth, including collateral contacts and the monthly MD/APRN contact. At least three contacts must be delivered by distinct qualified practitioners eligible to deliver ACT services pursuant to Title 22-A DCMR Chapter 34.

We understand the enormity of the changes to ACT and that a transition period is necessary to ensure Medicaid beneficiaries continued access to care while providers implement new service requirements. Effective *September 1, 2023* ~~August 1, 2023~~, DBH and DHCF expect adherence to the new ACT requirements. However, we also appreciate that full compliance may not be immediately achievable given the changes in service delivery, staffing, and billing requirements. DBH and DHCF will partner with providers during a transition period from *September 1, 2023* ~~August 1, 2023~~ through January 31, 2024 to ensure the successful implementation of ACT. Specifically, we are putting measures in place to support the transition to the new requirements, including the following:

1. *Provider Readiness*: To assist ACT providers with operationalizing these changes, DBH will offer grants of up to \$10,000.00 per ACT team to be used for start-up costs,

including staffing, staff retention, and training. DBH released a short grant application June 20, 2023. All applications will be due by close of business on June 28, 2023. DBH anticipates announcing all awards by no later than July 1, 2023. Please contact Michael Neff, Chief Operating Officer (Michael.Neff@dc.gov) for more information about ACT grants.

2. *Provider Sustainability and Payment Continuity:* To support the transition from the fee-for-service payment to the new monthly ACT payment, providers can bill at the beginning of the month and receive a partial payment for ACT services provided in August 2023. The partial payment will be equal to half of the ACT monthly rate. Providers can bill for the remainder of the monthly rate after completing the service requirements within the thirty-day billing cycle.
3. *Provider Technical Assistance:* DBH and DHCF will monitor service implementation during the transition period to identify technical assistance needs or potential modifications to the service delivery requirements. Providers should not rely solely on DBH and DHCF to identify challenges but rather should engage DBH and DHCF on any implementation challenges you experience.

DBH and DHCF will publish an updated ACT memorandum *and or issue a provider transmittal* by August 15, 2023 ~~June 27 2023~~, including billing guidance. In addition, DBH and DHCF anticipate publishing updated ACT regulations by August 4, 2023, ~~with an August 1, 2023 effective date.~~