**GOVERNMENT OF THE DISTRICT OF COLUMBIA**
**Department of Health Care Finance**

**Office of the Senior Deputy/State Medicaid Director** **Transmittal # 24-12**

**To:** District of Columbia Medicaid Managed Care Organizations (MCO)

**From:** Melisa Byrd, Senior Deputy Director and State Medicaid Director *MB*

**Date:** March 25, 2024

**Subject:** Billing Modifications for Assertive Community Treatment Procedure Code H0040, supplementing Transmittal 24-11

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## Purpose

This transmittal supplements Transmittal 24-11 with information regarding modifications made to the Department of Health Care Finance's (DHCF) claims adjudication system, MMIS, to enable successful submission of Assertive Community Treatment (ACT) claims utilizing the H0040 billing code, representing the monthly billing unit implemented on September 1, 2023.

## Background and Implementation

Effective September 1, 2023, the billable unit of service for Assertive Community Treatment (ACT) was changed from fifteen (15) minutes (procedure code H0039), to a monthly unit comprised of at least eight (8) contacts with the ACT enrollee (procedure code H0040). By December 1, 2023, DHCF and DBH learned that ACT providers were experiencing challenges in billing with the new H0040 procedure code. Upon request by DBH to address these challenges, DHCF made changes to MMIS, effective on **February 1, 2024**, that are outlined below.

- Upon receiving an H0040 claim, the claim processing logic will count the payable H0039 lines on that claim and consider any previously processed claims with payable H0039 lines within the calendar month of the H0040 claim.
  - If there are eight total payable lines for a calendar month, a payment will be issued; a full payment if an H0039 X1 has not been requested and paid, and a partial ½ payment if a H0039 X1 claim had been requested and paid. H0039 with modifier x1 can be billed for the half monthly rate until **April 30, 2024.**
  - A single line of H0040 claims and H0039 claims should not be submitted in the same file, as the MMIS can't ensure they will be processed in the correct order. H0039x1 does "count" as one of the eight (8) contacts to release the payment associated with H0040. These changes are retroactive to September 1, 2023.

- Billing Rules
  - A claim billed with one H0040 line is acceptable if:
    - It does not span months,
    - Is the only H0040 submitted on the claim,
    - Does not include other non-ACT services,
    - Does not include a H0039 X1 line.
  - A claim billed with one or more H0039 lines is acceptable if:
    - The H0039 line DOS, begin and end date, are the same,
    - Does not include other non-ACT services.
  - A claim with both H0040 and H0039 billed together is acceptable if:
    - The H0040 is on the first line on the claim,
    - The H0040 does not span months,
    - It only has one H0040 line submitted on the claim,
    - Does not include other non-ACT services,
    - Does not include a H0039 X1 line,
    - The H0039 falls within the H0040 begin and end dates,
    - The H0039 line DOS, begin and end dates, are the same.
  - H0039 X1 is still applicable at half the monthly rate through **April 30, 2024**.
    - The H0039 X1 must be billed as a one-line claim.

**Contact**

If you have questions, please contact Donald Shearer, Director, Health Care Operations Administration, Department of Health Care Finance (DHCF) at donald.shearer@dc.gov.

**Cc:**

DC Behavioral Health Association
DC Coalition of Disability Service Providers
DC Health Care Association
DC Home Health Association
DC Hospital Association
DC Primary Care Association
Medical Society of the District of Columbia