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**State/Territory Name: DC** 

State Plan Amendment (SPA) #: 22-0005

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

#### **DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services Center for Medicaid & CHIP Services 233 North Michigan Ave., Suite 600 Chicago, Illinois 60601



## **Financial Management Group**

August 3, 2022

Melisa Byrd Senior Deputy Director/Medicaid Director 441 4<sup>th</sup> Street, NW, 9<sup>th</sup> Floor, South Washington, DC 20001

RE: TN 22-0005

Dear Ms. Byrd:

We have reviewed the proposed D.C. State Plan Amendment (SPA) to Attachment 4.19-B DC 22-0005, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 16, 2022. This plan amendment is for reimbursement increase for Behavioral Health Rehabilitation Services.

Based upon the information provided by the State, we have approved the amendment with an effective date of April 1, 2022. We are enclosing the approved CMS-179 and the state plan pages.

If you have any additional questions or need further assistance, please contact Lindsay Michael at 410-786-7197 or Lindsay.michael@cms.hhs.gov

Sincerely,

Todd McMillion
Director

Division of Reimbursement Review

Enclosures

| TRANSMITTAL AND NOTICE OF ADDROVAL  | 1. TRANSMITTAL NUMBER:   | 2. STATE:            |  |
|---|--|----------------------|--|
| TRANSMITTAL AND NOTICE OF APPROVAL  OFSTATE PLAN MATERIAL   | 22-005   | District of Columbia |  |
| FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES   | 3. PROGRAM IDENTIFICATION:   |                      |  |
|   | TITLE XIX OF THE SOCIAL SECURITY ACT   |                      |  |
| TO: CENTER DIRECTOR   | 4. PROPOSED EFFECTIVE DATE:  |                      |  |
| CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES  | April 1, 2022  |                      |  |
| 5. FEDERAL STATUTE/REGULATION CITATION:   | 6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars):   |                      |  |
| Section 1905(a)(13) of the Social Security Act  | a. FFY 2022: \$2,319,000,00<br>b. FFY 2023: \$7,526,000.00   |                      |  |
| 7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:   | 8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):   |                      |  |
| Supplement 2 to<br>Attachment 4.19B pp.   | Supplement 2 to Attachment 4.19B pp. 1-4   |                      |  |
| 1-4   | Supplement 2 to Attachment 4.195 pp. 1-4   |                      |  |
| 9. SUBJECT OF AMENDMENT:  |  |                      |  |
| Reimbursement Increase for Behavioral Health Rehabilitation Services  |  |                      |  |
| 10. GOVERNOR'S REVIEW (Check One)  GOVERNOR'S OFFICE REPORTED NO COMMENT COMMENTS OF GOVERNOR'S OFFICE ENCLOSED NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | ☑ OTHER, AS SPECIFIED: D.C. Act: 22-434  |                      |  |
| 11. SIGNATURE OF STATE AGENCY OFFICIAL  | 15. RETURN TO  |                      |  |
|   | Melisa Byrd  |                      |  |
| 12. T   | Senior Deputy Director/Medicaid Director   |                      |  |
| Melisa Byrd   | Department of Health Care Finance  |                      |  |
| 13. TITLE   | 441 4 <sup>th</sup> Street, NW, 9 <sup>th</sup> Floor, South<br>Washington, DC 20001   |                      |  |
| Senior Deputy Director/Medicaid Director  | , and the second |                      |  |
| 14. DATE SUBMITTED  |  |                      |  |
|   |  |                      |  |
| FOR CMS USE ONLY  |  |                      |  |
| 16. DATE RECEIVED   | 17. DATE APPROVED  |                      |  |
| 6/16/2022<br>PI AN APPROVED – O   | August 3, 2022 ONE COPY ATTACHED   |                      |  |
| 18. EFFECTIVE DATE OF APPROVED MATERIAL   | According to the Control of the Cont |                      |  |
| 4/1/2022  |  |                      |  |
| 20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion   | 21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review   |                      |  |

22. REMARKS

Reimbursement Methodology: <u>Other Diagnostic</u>, <u>Screening</u>, <u>Preventive</u>, <u>and Rehabilitative</u> Services, i.e., Other Than Those Provided Elsewhere in the Plan

## I. Mental Health Rehabilitation Services (MHRS)

- A. The following Mental Health Rehabilitation Services (MHRS), when rendered by providers certified by the Department of Behavioral Health, are available for all Medicaid eligible individuals who elect to receive, or have a legally authorized representative elect on their behalf, Rehabilitation Option services and who have mental illness or a serious emotional disturbance:
  - 1. Screening, Assessment, and Diagnosis
  - 2. Medication/Somatic Treatment
  - 3. Counseling/Therapy
  - 4. Community Support
  - 5. Crisis/Emergency Services
  - 6. Clinical Care Coordination
  - 7. Rehabilitation Day Services
  - 8. Intensive Day Treatment
  - 9. Community Based Intervention
  - 10. Assertive Community Treatment
  - 11. Child-Parent Psychotherapy
  - 12. Trauma-Focused Cognitive Behavioral Therapy
  - 13. Functional Family Therapy
  - 14. Trauma Recovery and Empowerment Services
  - 15. Trauma Systems Therapy
  - 16. Psychosocial Rehabilitative Services ("Clubhouse")
- A. MHRS shall be reimbursed according to a fee schedule rate for each MHRS identified in an individualized Plan of Care and rendered to eligible consumers. The DHCF fee schedule is effective for service provided on or after April 1, 2022. All rates are published on the state agency's website at <a href="www.dc-medicaid.com/dcwebportal/home">www.dc-medicaid.com/dcwebportal/home</a>. Effective October 1, 2022 rates shall be increased by the Market Basket Medicare Economic Index established by the Centers for Medicare and Medicaid Services.
- B. A fee schedule rate for each MHRS shall be established based on analysis of comparable services rendered by similar professionals in the District of Columbia and other states. Rates shall be reviewed annually.
- C. The reimbursable unit of service for Screening, Assessment, and Diagnosis services shall be per occurrence.
  - 1. The reimbursable unit of service of Medication/Somatic Treatment, Counseling/Therapy, Community Support, Crisis/Emergency Services, Clinical Care Coordination, Assertive Community Treatment, Community Based Intervention, Child-Parent Psychotherapy, Trauma-Focused Cognitive Behavioral Therapy, Functional Family Therapy, Trauma Recovery and Empowerment Services, and

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- Trauma Systems Therapy shall be fifteen (15) minutes. Separate reimbursement rates shall be established for services eligible to be rendered either off-site or in group settings.
- 2. The reimbursable unit of service for Rehabilitation Day Services, Intensive Day Treatment, and Clubhouse shall be one (1) day.
- D. Rates shall be consistent with efficiency, economy, and quality of care.

#### II. Adult Substance Use Rehabilitative Services (ASURS)

- B. The following Adult Substance Use Rehabilitative Services (ASURS), when provided by programs certified by the Department of Behavioral Health, are available to all Medicaid eligible individuals eighteen (18) years of age and older who elect to receive, have a legally authorized representative elect on their behalf, or are otherwise legally obligated to seek rehabilitative services for substance use disorder. Medicaid-reimbursable ASURS include the following categories of services:
  - 1. Screening, Assessment, and Diagnosis
  - 2. Clinical Care Coordination
  - 3. Crisis Intervention
  - 4. Counseling/Therapy
  - 5. Trauma Recovery Empowerment Services
  - 6. Medication/Somatic Treatment
  - 7. Medication Management
  - 8. Recovery Support Services
  - 9. Methadone Services in Opioid Treatment Programs
  - 10. Medically Monitored Inpatient Withdrawal Management
- C. ASURS shall be reimbursed according to a fee schedule rate for each ASURS identified in an approved treatment plan. Reimbursement shall not be allowed for any costs associated with room and board.
- D. Rates shall be consistent with efficiency, economy, and quality of care.
- E. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of adult substance abuse rehabilitative services. The DHCF fee schedule is effective for service provided on or after April 1, 2022. All rates are published on the state agency's website at <a href="www.dc-medicaid.com/dcwebportal/home">www.dc-medicaid.com/dcwebportal/home</a>. Effective October 1, 2022 rates shall be increased by the Market Basket Medicare Economic Index established by the Centers for Medicare and Medicaid Services.

#### III. Behavioral Health Stabilization Services

TN No. <u>22-005</u> Supersedes TN No. <u>21-0010</u>

- A. Behavioral health stabilization services are twenty-four (24) hours per day, seven (7) days per week, year round services that address an unplanned event requiring a response when an individual struggles to manage their psychiatric or substance use related symptoms without de-escalation or other intervention. This also includes situations in which daily life challenges result in or put an individual at risk of an escalation in symptoms. These services are community-based and intended for individuals who are experiencing a behavioral health crisis but who do not require hospitalization. Stabilization services include:
  - 1. Comprehensive Psychiatric Emergency Program;
  - 2. Adult Mobile Crisis and Outreach;
  - 3. Youth Mobile Crisis; and
  - 4. Psychiatric Crisis Stabilization.
- B. Rates shall be consistent with efficiency, economy, and quality of care.
- C. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of crisis stabilization services. The DHCF fee schedule is effective for service provided on or after April 1, 2022. All rates are published on the state agency's website at <a href="www.dc-medicaid.com/dcwebportal/home">www.dc-medicaid.com/dcwebportal/home</a>. Effective October 1, 2022 rates shall be increased by the Market Basket Medicare Economic Index established by the Centers for Medicare and Medicaid Services.

## IV. Transition Planning Service

- A. Reimbursement for the Transition Planning Service, when rendered by providers certified by the Department of Behavioral Health, is available for beneficiaries who are stepping down from certain institutional treatment settings after an admission related to a primary mental health or substance use disorder diagnosis.
- B. The rate shall be consistent with efficiency, economy, and quality of care.
- C. The fee development methodology will primarily be composed of provider cost modeling, through DC provider compensation studies, and cost data, and fees from similar State Medicaid programs may also be considered. The following list outlines the major components of the cost model to be used in developing the fee methodology:
  - 1. Staffing Direct Wages. including but not limited to: salaries, fringe benefits (e.g., health and dental insurance, Medicare tax, employment tax), and contract costs for eligible direct care service providers;
  - 2. Direct Program Costs, including but not limited to: materials; supplies; staff travel and training costs; program, clinical, and support salary and benefit costs; and additional allocable direct service costs unique to a provider;
  - 3. Indirect Costs, including but not limited to: administrative personnel costs, management personnel costs, occupancy costs, security costs, and maintenance, insurance and repair costs;

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- 4. Service utilization statistics, including but not limited to: the total units of service provided and data related to service volume;
- 5. Productivity Factors, including but not limited to hours of service; and
- 6. Unique Program Costs
- D. Except as otherwise noted in the plan, state-developed fee schedule rate is the same for both governmental and private providers of the Transition Planning Service. The DHCF fee schedule is effective for services provided on or after April 1, 2022. All rates are published on the state agency's website at <a href="www.dc-medicaid.com/dcwebportal/home">www.dc-medicaid.com/dcwebportal/home</a>. Effective October 1, 2022 rates shall be increased by the Market Basket Medicare Economic Index established by the Centers for Medicare and Medicaid Services.
- E. The reimbursable unit of service for the Transition Planning Service shall be one (1) unit per eligible discharge.

TN No. <u>22-005</u> Supersedes TN No. <u>21-0010</u>