

Montana Medicaid Reimbursement for
Mental Health Services Presentation for
Child and Families Health and Human
Services Interim Committee November 15,
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How are Mental Health Services Reimbursed in Montana Today?

- The reimbursement methodology for mental health services is determined by the billing provider type program requirements.
 - Fee-for-Service Reimbursement
 - Encounter Based Reimbursement
 - Federally Qualified Health Centers (FQHC) Prospective Payment System (PPS) Reimbursement
 - Indian Health Service (IHS) and Tribal 638 All-Inclusive Rate (AIR)
 - Patient Centered Medical Home (PCMH)
 - Comprehensive Primary Care Plus (CPC+)

Fee-for-Service (FFS) Reimbursement

- **Fee-for-Service:** Each mental health procedure code billed will be reimbursed under the appropriate billing provider type fee schedule.
- Behavioral health services administered for youth and adult mental health and substance use disorders (SUD) are reimbursed using Fee-for-Service.
- A rate set at the procedure code level
 - Examples:
 - Evaluation and Management codes
 - MRI/CT services
 - Laboratory services
 - Outpatient Therapy
 - Specialized behavioral health services
- Multiple services can be billed and reimbursed for one provider visit.
- Montana Medicaid utilizes several FFS methodologies. Examples include, but are not limited to:
 - Resources-Based Relative Value Scale (RBRVS)
 - Medicare
 - Medicaid set

Fee-for-Service (FFS) Reimbursement Continued

- Some FFS services are bundled for payment.
- Some specialized mental health services require the provider to be licensed as a Mental Health Center.
 - [Administrative Rules of Montana: Title 37, Chapter 106, Subchapter 19](#)
- SUD providers must be state approved.
 - [Administrative Rules of Montana: Title 37, Chapter 27, Subchapter 1](#)
- Fee schedules for behavioral health services can be found at:
 - [Montana Medicaid Provider Website](#)

Encounter-Based Reimbursement

- Federally Qualified Health Centers (FQHC) are reimbursed through the Prospective Payment System (PPS) Reimbursement
 - The PPS rate is calculated by dividing the allowable costs by the allowable encounters from Medicare cost reports for 2 full fiscal years.
 - Once the baseline PPS rate is established, it can only be modified if an FQHC experiences a change to their scope of services or by the annual Medicare Economic Index increase, determined by Medicare.
 - The PPS rate is a single, bundled rate for each qualifying visit as defined in ARM 37.86.4402, regardless of the type of service.
 - All services and supplies rendered during each qualifying visit are included in the bundled rate.
 - Each qualifying mental health visit is reimbursed at the facility specific FQHC Prospective Payment System (PPS) rate.

Encounter-Based Reimbursement Continued

- Indian Health Service (IHS) and Tribal 638 All-Inclusive Rate (AIR)
- Like FQHC reimbursement, IHS and tribal facilities are reimbursed under an encounter-based reimbursement methodology, not per itemized service.
- IHS/Tribal 638 providers are reimbursed an all-inclusive rate for covered services as allowed in the State Plan.
 - Eligible member, eligible service, eligible provider.
- The HIS/Tribal 638 rate is mandated by the Department of Health and Human Services and is published yearly in the Federal Register.

Fee-for-Service vs. Encounter Based Reimbursement

- **Fee-for-Service (FFS):** Services provided are unbundled and reimbursed separately. FFS reimbursement may include testing, supplies, coordination of care and/or multiple units of service.
 - Montana Medicaid FFS provider types include but are not limited to mental health centers, dentists, physicians, outpatient hospitals, LCPCs, family planning clinics, social workers, etc.
- **Encounter Rate:** Average rate that includes all services provided into one bundled payment for each visit between a Montana Medicaid member and provider. Testing, supplies and coordination of care is not separately reimbursable and multiple units of service may not be billed.

Patient Centered Medical Home

Montana Medicaid's PCMH model includes a Complex Care Management (CCM) component designed to reduce costly services for Medicaid members with high utilization known as tier four.

- Participating PCMH providers with care teams work with Medicaid members face to face in the member's home.
- A CCM care team must include a nurse and a Licensed Behavioral Health Professional or a paraprofessional with at least 40 hours of behavior health training.
- CCM improves the health of members by focusing on both medical and non-medical factors that impact the member's health.
- Providers are reimbursed a per member per month fee (PMPM).
- PMPM care management fees are paid in addition to reimbursement for medical services.

Comprehensive Primary Care Plus

Comprehensive Primary Care Plus (CPC+) is a national advanced primary care medical home model that aims to strengthen primary care through regionally-based, multi-payer payment reform and care delivery transformation.

- CPC+ seeks to improve quality, access, and efficiency of primary care as defined at ARM 37.86.5102.
- The program includes Track 1 and Track 2 practices
- Practices in both tracks deliver care centered on key Comprehensive Primary Care Functions: (1) Access and Continuity; (2) Care Management; (3) Comprehensiveness and Coordination; (4) Patient and Caregiver Engagement; and (5) Planned Care and Population Health.
- Track 2 practices have additional care delivery requirements including requiring integrated behavioral health.

Comprehensive Primary Care Plus - Continued

CPC+ is an initiative developed by CMS that transitions Medicare fee-for-service to value-based payments in collaboration with Medicaid and commercial payers in selected regions.

- In addition to service payments, providers are reimbursed risk-stratified PMPM care management fees.
- Providers are eligible for annual quality incentive payments for meeting quality measure benchmarks.
- Members are assigned a health risk score based on their score of potential health risks and are divided into tiers 5 tiers.

Currently CMS does not allow FQHCs to participate in CPC+.