MEMORANDUM

IHA Update: Illinois Medicaid Behavioral Health Initiative

As a follow up to IHA’s June 21 Memo on the Illinois Medicaid Better Care Illinois Behavioral Health Initiative, below are several new Medicaid-related behavioral healthcare updates, including:

- A final rule and Dept. of Healthcare and Family Services (HFS) Provider Notice providing guidance for hospitals to apply for Behavioral Health Clinic designation, creating a path for direct community mental health reimbursement, as well as Waiver pilot and SPA eligibility (see more below);
- Other HFS Provider Notices; and,
- An IHA comment letter to HFS regarding our remaining concerns about the Initiative, including Behavioral Health Clinics, Integrated Health Homes and recently updated rules to the community mental health services array.

Behavioral Health Clinics

On July 6, final revisions to 89 Ill. Admin. Code 140 established a new Medical Assistance Program Provider type, Behavioral Health Clinics (see pp. 12,986-13,048). On July 12, HFS released a Provider Notice on the new Medicaid provider type, qualifying hospital-based organized clinics for Behavioral Health Clinic certification. The notice details provider enrollment, administrative review and technical parameters for the clinics, which are allowed to provide all services a Community Mental Health Center may provide, except for Assertive Community Treatment and Psychosocial Rehabilitation. However, Section 140.460(c) states that Behavioral Health Clinics receiving reimbursement on an encounter rate basis are prohibited from receiving reimbursement from the Department in any form other than their established encounter rate, potentially excluding hospital-based organized clinics and federal qualified healthcare centers from reimbursement for community-based mental health services like case management. IHA submitted comments in its letter to HFS Director Bellock that it would be helpful to clarify that hospital-based organized clinics may be reimbursed for the provision of services in Section 140.453 beyond their encounter rate, fee-for-service or otherwise, as long as they do not bill encounter-based services and FFS services on the same day for similar services. We will update members as we receive further guidance from the Department.

Other HFS Provider Notices

Other behavioral health-related Provider Notices recently released by HFS focus solely on Medicaid community mental health services. The first is a July 11 notice detailing changes to the service array effective August 1:

- Integrated Assessment and Treatment Planning, replacing the two services of Mental Health Assessment and Treatment Plan Development, Review and Modification;
- Changes to the community-based mental health crisis service array, including Crisis Intervention, Mobile Crisis Response, and Crisis Stabilization, which are not to be confused with the 1115 Waiver Crisis Intervention Services detailed in IHA’s June 21 Memo that may be hospital-based;
- Certification and centralized intake for community-based crisis services, as well as impacts upon the Screening, Assessment and Support Services program; and,
- Updates to the rate structure.

The second notice released July 12 details the new Community Mental Health Services Fee Schedule, effective August 1. This notice informs participating community mental health centers, as well as physicians and Advanced Practice Nurses partnering...
with participating community mental health centers, of updates related to the service array changes in reimbursement rates.

If you have any questions or comments regarding these notices, please contact Lia Daniels, Manager, Health Policy.

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