

**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)**

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**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](mailto: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  
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