The Department is releasing for provider and stakeholder review the proposed regulations 10.09.06 for adult residential substance use disorder (SUD) treatment (ASAM level 3.3, 3.5, 3.7, and 3.7WM). Please find the proposed regulations on the State’s Residential SUD Treatment for Adults webpage here: https://mmcp.dhmh.maryland.gov/Pages/residential-substance-use-disorder-treatment-for-adults.aspx.

Informal comments may be submitted to dhmhregs@maryland.gov. The notice of proposed action will formally post in the Maryland Register (http://www.dsd.state.md.us/MDR/mdregister.html) on June 23rd. The formal comment period will be open for 30 days and comments may continue to be sent to dhmhregs@maryland.gov during that time.
This alert applies to Substance Use Disorder (SUD) Programs that are licensed to provide residential substance use disorder treatment for adults. Beginning on **July 1, 2017**, Medicaid is expanding coverage benefits to include adults who meet medical necessity (ASAM\(^1\)) criteria for residential ASAM levels of care, including 3.3, 3.5, 3.7, and 3.7WM. This alert does NOT apply to the 8-507 or Pregnant Women and Children grant funded programs which will not transition to fee-for-service until January 1, 2018. Guidance related to these grants will be issued in the Fall of 2017.

The Department developed proposed regulations (10.09.06 will be the COMAR citation) that will be included in the **June 23, 2017 edition of the Maryland Register**. The Department is accepting informal comments on these regulations between now and June 23\(^{rd}\). In response to informal comments already received, the Department has updated the staffing requirement related to a psychiatrist to being “available” versus on-site, for ASAM 3.5 and 3.7 levels of care. Formal comments will also be accepted from June 23-July 24th, 2017. All comments are reviewed and responded to both individually and through stakeholder groups as appropriate, on or a few days after the comment period closes.

As the Department implements the Medicaid covered benefit for adult residential Substance Use Disorder Treatment, we are issuing guidance and updates as it is available.

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\(^1\) ASAM: American Society for Addiction Medicine [https://www.asam.org/](https://www.asam.org/)
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Provider Licensure, Enrolling as a Medicaid Provider and Staffing Requirements

In order for providers to be eligible for reimbursement through Medicaid for adult residential SUD services a provider must first:

1) Be licensed by OHCQ to provide residential services (may include one or more ASAM levels of care at ASAM 3.3, 3.5, 3.7, 3.7WM levels)

2) Apply to Medicaid to become a Provider Type 54 (PT 54). For additional information about Residential Substance Use Disorder Treatment for Adults including how to apply and proposed regulations please see the following webpage: https://mmcp.dhmh.maryland.gov/Pages/residential-substance-use-disorder-treatment-for-adults.aspx.

The Department recognizes that the implementation of this benefit under Medicaid requires changes for some providers with regard to staffing to meet the clinical and medical coverage requirements for each level of treatment offered.

In consideration of staffing challenges but with respect to the high reimbursement rates for this service, Medicaid has built in a 30-day staffing grace period for providers who have not reached staffing requirements on July 1st, to allow time for additional recruitment. At the time of application to become a PT 54 (adult residential SUD) providers must attest to either of the below:

1) Provider has the full required staffing elements for each ASAM level of care as of July 1st; OR

2) Provider attests to the staff they do have at the time of application
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and includes with the initial attestation a recruitment plan to ensure they will meet the full staffing requirements on or before August 1st.

Note: Providers requesting the grace period will need to submit an updated attestation that staffing requirements have been met by the end of that grace period.

The staffing grace period will be further addressed at the June 5th provider interest meeting (see the Provider Alert about the meeting here: http://maryland.beaconhealthoptions.com/provider/prv_alerts.html).

All providers, regardless of meeting staffing requirements should submit their applications to Medicaid as soon as possible. Please send applications to: dhmh.bhenrollment@maryland.gov. The Medicaid Behavioral Health unit will be reviewing applications and working with the CMS required site surveyors to avoid delays in processing applications.

Regardless of staffing requirements, all Providers must adhere to service requirements for the ASAM residential levels of care in order to bill for services.

Authorizations during Implementation
Providers who submit an application that is received by Medicaid on or before June 26, 2017 and meet the following conditions will be eligible to obtain authorization for services with dates of service on or after July 1, 2017:

1. OHCQ license effective prior to or on July 1 for each ASAM residential level of care offered; AND
2. Completed CMS required components including required background checks and site visits completed by the Department
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Note: Under some circumstances, some providers who are already enrolled and in good standing with the Department, such as an ICF-A Addiction Program (PT 55), an OHCQ Certified or Licensed SUD Program (PT 50), or an Opioid Treatment Program (PT 32) may already meet condition number 2 above.

Providers whose applications are not received by the Department on or before June 26, 2017, or do not meet the two conditions listed above, will not be eligible for authorizations effective July 1, 2017. These providers will need to wait until they receive approval from Medicaid as a PT 54 before they submit authorizations and begin billing for services.

All providers are responsible for ensuring that individuals for whom they request authorizations meet Medical Necessity Criteria (MNC) as of the date for which they are requesting services. The Department will not authorize payment for individuals not meeting MNC even if there was a delay in authorization due to the transition period. Providers remain at risk for any services delivered when the individual does not meet MNC for the specific ASAM level of care. The Department uses the American Society of Addiction Medicine (ASAM) criteria as its MNC.

More information related to the authorization process will be shared in future provider alerts.
Attached you will find the second Frequently Asked Questions (FAQ) concerning the new SUD residential treatment benefit for Maryland Medicaid consumers. This new benefit will be going into effect as of 7-1-17.

In addition to the FAQ #2 document attached, the Department is holding a Provider interest meeting. This informational session is just for providers who are already licensed to provide care to adults in the residential facility at ASAM levels 3.3, 3.5, 3.7 or 3.7D and is not intended for providers who are considering entering this business. The informational session is:

**Date:** June 5th, 2017

**Time:** 9:00am – 10:30am

**Location:** Behavioral Health Administration, Dix Building, Lower Level Conference Room, 55 Wade Ave, Catonsville, MD 21228

Please note that there is limited space availability in Dix Lower Level Conference Room. Interested providers should limit attendance to one or two individuals per organization and **RSVP to:**

Greta.Carter@maryland.gov

Any questions/comments, please email:

dhmh.mabehavioralhealth@maryland.gov
The following answers to frequently asked questions are intended to offer clarification for providers who are interested in providing residential treatment services to adults with substance use disorders.

1. What is ASAM?

Founded in 1954, the American Society of Addiction Medicine (ASAM) is a professional society representing over 3,600 physicians, clinicians and associated professionals in the field of addiction medicine. ASAM is dedicated to increasing access and improving the quality of addiction treatment, educating physicians and the public, supporting research and prevention, and promoting the appropriate role of physicians in the care of patients with addiction.

2. What is the ASAM Criteria?

ASAM’s criteria, formerly known as the ASAM patient placement criteria, is the result of a collaboration that began in the 1980s to define one national set of criteria for providing outcome-orientated and results-based care in the treatment of addiction. The ASAM criteria is the most widely used and comprehensive set of guidelines for placement, continued stay and transfer/discharge of patients with addiction and co-occurring conditions.

3. What are the levels of care reimbursable by Medicaid in Maryland?

Maryland Medicaid reimburses for the following levels of care*:

- **Level 3.3** – A residential medium intensity program that provides services in a structured environment in combination with medium-intensity treatment and ancillary services to support and promote recovery for 20 to 35 hours weekly.
- **Level 3.5** – A residential high intensity program that provides services in a highly-structured environment, in combination with moderate- to high-intensity treatment and ancillary services to support and promote recovery for a minimum of 36 hours weekly.
- **Level 3.7** – A residential intensive program that provides a planned regimen of 24-hour professionally directed evaluation, care, and treatment in an inpatient setting.
- **Level 3.7-WM** – A withdrawal management service that offers 24-hour medically supervised evaluation and withdrawal management.
- *Level 3.1 is not covered by Maryland Medicaid. Level 3.1 services are covered through state funds only.

4. What is the process to be certified as an adult residential SUD provider?

The program must obtain licensure for the levels of care they are qualified to provide from the Office of Health Care Quality.
5. How can I enroll in Medicaid and be reimbursed for my services?

Providers are required to apply as a Provider Type 54. To access the PT 54 Medicaid application see: https://mmcp.dhmh.maryland.gov/Pages/residential-substance-use-disorder-treatment-for-adults.aspx.

In order to complete the Medicaid application you will need:

a. An Office of Health Care Quality (OHCQ) license for each ASAM level of care you provide.
b. A copy of your facility’s/ organization’s NPI printout from the National Plan and Provider Enumeration System (NPPES). One NPI is required for each location. For more information about NPI number or to apply for a number, please visit the NPPES website here: https://nppes.cms.hhs.gov/NPPES/Welcome.do.

6. What if I am already enrolled as an ICF-A for children (Provider Type 55)?

Provider type 55s (residential services for under 21 year olds) who do not provide services to individuals 22 years or older do not need to enroll as a provider type 54.

If you would like to enroll to be reimbursed for services provided to adults, please follow the instructions on the residential SUD treatment for adults webpage (https://mmcp.dhmh.maryland.gov/Pages/residential-substance-use-disorder-treatment-for-adults.aspx) to enroll as a provider type 54 (Residential SUD for Adults) with a separate MA/NPI from your provider type 55.

7. Can a residential treatment program be eligible to deliver more than one ASAM level of care?

Yes, a facility can offer multiple ASAM levels of care. Each level of care will need to be licensed by OHCQ and abide by the regulations set forth in COMAR 10.09.06 and 10.63.

8. Does a facility need a separate MA/NPI number for each ASAM level of care?

No, a facility only needs one MA/NPI number. But each facility needs one MA/ NPI number per service per location. For example, if have a Provider Type 50 at the same location, you will need an additional MA/ NPI number for a Provider Type 54.

9. Can a patient continue to receive methadone while in residential care?

Yes. The weekly administrative fee (H0020 – HG) for Opioid Treatment Programs (OTPs) includes the cost of delivering Methadone from the OTP to participants in residential settings. The OTP can continue to be reimbursed for the administrative level of service while the patient is receiving care in a residential setting.

10. Will buprenorphine induction and/ or maintenance be a separately billed service?

No. The rate for an Adult residential SUD service is all inclusive. The exception to this is if a patient is receiving buprenorphine maintenance from an OTP, the OTP can continue to be reimbursed for the
administration level of service while the patient is receiving care in a residential setting. The administrative fee includes the cost of delivery for medications from the OTP to the SUD residential setting.

11. Can providers balance bill individuals who are enrolled in Medicaid or who receive state-funded services?

Providers are never permitted to balance bill Medicaid recipients for covered services. Providers are also not permitted to balance bill individuals who receive state-funded services financed by BHA.

12. Why are Level 3.3 and Level 3.5 being reimbursed at the same rate?

While there are fewer clinical services at level 3.3 versus level 3.5, there is a medical component that is included in level 3.3. The identical rate is a reflection of the service shift from higher level of clinical need to higher level of medical need.