

**MEDICAID SERVICES MANUAL  
TRANSMITTAL LETTER**

July 26, 2018

**TO:** CUSTODIANS OF MEDICAID SERVICES MANUAL

**FROM:** LYNNE FOSTER, CHIEF OF DIVISION COMPLIANCE

**SUBJECT:** MEDICAID SERVICES MANUAL CHANGES  
CHAPTER 400 – MENTAL HEALTH AND ALCOHOL/ SUBSTANCE  
ABUSE SERVICES

**BACKGROUND AND EXPLANATION**

Revisions to Medicaid Services Manual (MSM) Chapter 400 – Mental Health and Alcohol/ Substance Abuse Services are proposed for Basic Skills Training (BST), MSM 403.6C(3). Proposed changes titrate down service limitations for BST over a period of time. The proposed changes are as follows: two hours per day for the first 90 days, one hour per day for the next 90 days; services needed beyond the 180 days would require a prior authorization (PA) meeting medical necessity and services above the above-mentioned service limitations would require a PA meeting medical necessity.

Entities Financially Affected: Behavioral Health Outpatient Treatment (Provider Type (PT) 14) and Behavioral Health Rehabilitative Treatment (PT 82).

Financial Impact on Local Government: None.

These changes are effective July 27, 2018.

**MATERIAL TRANSMITTED**

MTL <XX/XX>  
MSM 400 – Mental Health and Alcohol/  
Substance Abuse Services

**MATERIAL SUPERSEDED**

MTL 21/15  
MSM 400 – Mental Health and Alcohol/  
Substance Abuse Services

<b>Manual Section</b>	<b>Section Title</b>	<b>Background and Explanation of Policy Changes, Clarifications and Updates</b>
<b>403.6C(3)</b>	<b>Basic Skills Training (BST) Services</b>	Language added to address service limitations and PA requirements.

<b>DRAFT</b>	<b>MTL 21/15CL</b>
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 403
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403.6C BASIC SKILLS TRAINING (BST) SERVICES

1. Scope of Service: BST services are RMH interventions designed to reduce cognitive and behavioral impairments and restore recipients to their highest level of functioning. BST services are provided to recipients with age and developmentally inappropriate cognitive and behavioral skills. BST services help recipients acquire (~~re~~learn) constructive cognitive and behavioral skills through positive reinforcement, modeling, operant conditioning and other training techniques. BST services ~~re~~teach recipients a variety of life skills. BST services may include the following interventions:
  - a. Basic living and self-care skills: Recipients learn how to manage their daily lives, recipients learn safe and appropriate behaviors;
  - b. Social skills: Recipients learn how to identify and comprehend the physical, emotional and interpersonal needs of others-recipients learn how to interact with others;
  - c. Communication skills: Recipients learn how to communicate their physical, emotional and interpersonal needs to others. Recipients learn how to listen and identify the needs of others;
  - d. Parental training: Parental training teaches the recipient's parent(s) and/or legal guardian(s) BST techniques. The objective is to help parents continue the recipient's RMH care in home and community based settings. Parental training must target the restoration of recipient's cognitive and behavioral mental health impairment needs. Parental training must be recipient centered;
  - e. Organization and time management skills: Recipients learn how to manage and prioritize their daily activities; and/or
  - f. Transitional living skills: Recipients learn necessary skills to begin partial-independent and/or fully independent lives.
2. Provider Qualifications:
  - a. QMHP: QMHPs may provide BST services. QMHA: QMHAs may provide BST services under the Clinical Supervision of a QMHP.
  - b. QBA: QBAs may provide BST services under the Clinical Supervision of QMHP and the Direct Supervision of a QMHP or QMHA.
3. Service Limitations: **All BST services must be prior authorized.** Up to two hours of BST services per day ~~may be performed for all levels for the first 90 consecutive days, one hour~~

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per day for the next 90 consecutive days and anything exceeding current service limitations above 180 consecutive days would require a prior authorization meeting medical necessity. Services are based on a calendar year. ~~BST services must be prior authorized.~~ Prior authorizations may not exceed 90-day intervals.

If a recipient has been receiving BST services for six consecutive months, the provider must validate that continued services are reasonable and necessary. To be considered reasonable and necessary, the following conditions must be met:

- a. Expectation that the patient’s condition will improve significantly in a reasonable and predictable period of time, or the services must be necessary for the establishment of a safe and effective rehabilitative therapeutic design required in connection with a specific disease state.
- b. The amount, frequency and duration of BST must be reasonable under accepted standards of practice.
- c. If the rehabilitation plan goals have not been met, the re-evaluation of the rehabilitation/treatment plan must reflect a change in the goal, objectives, services and methods and reflect the incorporation of other medically appropriate services such as outpatient mental health services.
- d. Documentation demonstrates a therapeutic benefit to the recipient by reflecting the downward titration in units of service. The reduction in services should demonstrate the reduction in symptoms/behavioral impairment.

BST services are based on the below daily maximums:

Service Limitations	Children: CASII	Adults: LOCUS
Levels I, II, III, IV, V & VI	Maximum of two hours per day for the first 90 days.	Maximum of two hours per day for the first 90 days.
Levels I, II, III, IV, V	Maximum of one hour per day for the next 90 days.	Maximum of one hour per day for the next 90 days.
Levels I, II, III, IV, V	Service limits exceeding two 90-day intervals may be overridden with a prior authorization meeting medical necessity.	Service limits exceeding two 90-day intervals may be overridden with a prior authorization meeting medical necessity.

4. Admission Criteria: The recipient and at least one parent and/or legal guardian (in the case of legal minors) with whom the recipient is living must be willing to participate in home