Medicaid Services Manual
Transmittal Letter

March 26, 2024

To: Custodians of Medicaid Services Manual

From: Casey Angres
Chief of Division Compliance

Subject: Medicaid Services Manual Changes
Chapter 400 – Mental Health and Alcohol and Substance Use Services

Background And Explanation

Revisions to Medicaid Services Manual (MSM) Chapter 400 – Mental Health and Alcohol and Substance Use Services are being proposed to remove the requirement for Behavioral Health Outpatient Treatment Provider Type (PT 14, Specialty 814), also known as Behavioral Health Community Network (BHCN) for providers to submit a Quality Assurance (QA) program to DHCFP upon enrollment and annually. A QA program is a document created by a BHCN that outlines how the agency will assess quality measures and seek to improve services on an ongoing basis. This PT does not require certification or licensure from a regulatory body. However, the Managed Care and Quality Assurance (MCQA) Unit no longer utilizes these documents on an annual basis for quality assurance measurements, therefore updates are proposed to remove the submission criteria.

Throughout the chapter, grammar, punctuation, and capitalization changes were made, duplications removed, acronyms used and standardized, and language reworded for clarity. Renumbering and re-arranging of sections was necessary.

Entities Financially Affected: This proposed change affects all Medicaid-enrolled providers who are public or private entities that provide or are contracting with an entity that provides outpatient mental health services. Those provider types include but are not limited to: Behavioral Health Outpatient Treatment (PT 14, Specialty 814).

Financial Impact on Local Government: Unknown at this time.

These changes are effective March 27, 2024.

Material Transmitted	Material Superseded
MTL OL Chapter 400 – Mental Health and Alcohol/Substance Use Services	MTL 12/23 Chapter 400 – Mental Health and Alcohol/Substance Use Services

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
403.2(B)(5)	**Provider Standards**	Added language to include "discharge planning."
403.2(B)(6)		Removed all language requiring BHCNs to submit or maintain QA programs for NV Medicaid provider enrollment or revalidation.

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Subject: Medicaid Services Manual Changes
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Background And Explanation

Revisions are being made to the Nevada Medicaid Services Manual (MSM) Chapter 400 – Mental Health and Alcohol and Substance Use Services to eliminate Biofeedback and Neurotherapy services for the treatment of a mental health diagnosis. Neurotherapy is individual psychological therapy incorporating biofeedback training combined with psychotherapy as a treatment for mental health disorders. The elimination of these services was initially approved during public hearing on June 29, 2021. Due to the maintenance of effort requirements of CMS, services needed to be maintained until the end of Home or Community Based Services (HCBS) American Rescue Plan Act (ARPA) period which is March 31, 2024. During the 82nd Legislative Session (2023). The DHCFP budget was approved through Senate Bill (SB) 504 which includes the removal of Neurotherapy and Biofeedback as independently reimbursed services for the treatment of a mental health diagnosis.

Throughout the chapter, grammar, punctuation, and capitalization changes were made, duplications removed, acronyms used and standardized, and language reworded for clarity. Renumbering and re-arranging of sections was necessary.

Entities Financially Affected: This proposed change affects all Medicaid-enrolled providers who are public or private entities that provide or are contracting with an entity that provides outpatient mental health services. Those provider types (PT) include but are not limited to: Hospital, Outpatient (PT 12); Behavioral Health Outpatient Treatment (PT 14); Physician, M.D., Osteopath D.O. (PT 20); Advanced Practice Registered Nurse (PT 24); Psychologist (PT 26); Physician's Assistant (PT 77); Behavioral Health Rehabilitative Treatment (PT 82), and Certified Community Behavioral Health Center (PT 17, Specialty 188).

Financial Impact on Local Government:

At this time, the fiscal impact is estimated to result in an approximate state fiscal year (SFY) share savings of:

SFY 2024:	$1,156,958
SFY 2025:	$5,366,109

These changes are effective April 1, 2024.

Material Transmitted	Material Superseded
MTL OL Chapter 400 – Mental Health and Alcohol/Substance Use Services	MTL 12/23 Chapter 400 – Mental Health and Alcohol/Substance Use Services

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
403.4(C)(4)	**Outpatient Mental Health (OMH) Services**	Removed all language referencing Neurotherapy and Biofeedback as an approved Medicaid service.

Nevada Medicaid and must contract with a BHCN, Behavioral Health Rehabilitative Treatment, or other behavioral health provider to deliver services.

403.2 PROVIDER STANDARDS

A. All providers must:

1. Provide medically necessary services;

2. Adhere to the regulations prescribed in this chapter and all applicable Division chapters;

3. Provide only those services within the scope of their practice and expertise;

4. Ensure care coordination to recipients with higher intensity of needs;

5. Comply with recipient confidentiality laws and Health Insurance Portability and Accountability Act (HIPAA);

6. Maintain required records and documentation;

7. Comply with requests from the Qualified Improvement Organization (QIO)-like vendor;

8. Ensure client's rights; and

9. Cooperate with the Division of Health Care Financing and Policy's (DHCFP's) review process.

B. BHCN providers must also:

1. Have written policies and procedures to ensure the medical appropriateness of the services provided;

2. Operate under Clinical supervision and ensure Clinical supervisors operate within the scope of their license and expertise and have written policies and procedures to document the prescribed process;

3. Ensure access to psychiatric services, when medically appropriate, through a current written agreement, job description or similar type of binding document;

4. Utilize Clinical Supervision as prescribed in this chapter and have written policies and procedures to document the process to ensure Clinical Supervision is performed

on a regular, routine basis at least monthly and the effectiveness of the mental health treatment program is evaluated at least annually;

5. Work on behalf of recipients in their care to ensure effective care coordination and discharge planning within the state system of care among other community mental health providers and other agencies servicing a joint recipient;

~~6. Implement and maintain a Quality Assurance (QA) program which continually assesses quality measures and seeks to improve services on an ongoing basis. A QA program description must be submitted upon enrollment and updated annually on the anniversary of the BHCN enrollment month. The BHCN's QA program description and report must include the following:~~

~~a. A list of behavioral health services and evidence-based practices that the BHCN provides to recipients.~~

~~1. Identify the goals and objectives of the services and methods which will be used to restore recipient's highest level of functioning.~~

~~b. An organization chart that outlines the BHCN's supervisory structure and the employees and positions within the agency. The organizational chart must identify the Clinical Supervisor(s), Direct Supervisor(s), affiliated mental health professional(s) and paraprofessionals names and National Provider Identifier (NPI) numbers for each.~~

~~c. Document how clinical and supervisory trainings are conducted and how they support standards to ensure compliance with regulations prescribed within MSM Chapter 400. Provide a brief description of material covered, date, frequency and duration of training, location, names of employees that attended and the name of the instructor.~~

~~d. Demonstration of effectiveness of care, access/availability of care and satisfaction of care. The BHCN must adhere to the QIO-like vendor's billing manual for further instructions concerning the required quality measures below. The following quality measures are required:~~

~~1. Effectiveness of care:~~

~~a. Identify the percentage of recipients demonstrating stable or improved functioning.~~

~~b. Develop assessment tool to review treatment and/or~~

~~rehabilitation plans and report results of assessment.~~

~~2. Access and availability to care:~~

~~a. Measure timeliness of appointment scheduling between initial contact and rendered face to face services.~~

~~3. Satisfaction of care:~~

~~a. Conduct a recipient and/or family satisfaction survey(s) and provide results.~~

~~b. Submit a detail grievance policy and procedure.~~

~~e. The DHCFP may require the BHCN to submit a DHCFP approved Corrective Action Plan (CAP) if the BHCN's QA report has adverse findings. The BHCN's CAP shall contain the following and must be provided within 30 days from the date of notice:~~

~~1. The type(s) of corrective action to be taken for improvement;~~

~~2. The goals of the corrective action;~~

~~3. The timetable for action;~~

~~4. The identified changes in processes, structure, internal/external education;~~

~~5. The type of follow-up monitoring, evaluation and improvement.~~

~~f. QA Programs must be individualized to the BHCN delivery model and services provided. Duplication of QA documentation between BHCNs may be cause for rejection without review.~~

~~Failure to submit QA Program documentation or failure to meet standards of the QA Program and/or Corrective Action Plan (CAP) as required in MSM 403.B.6 within designated timeframes will result in the imposition of sanctions including, but not limited to, partial suspension and/or termination of the BHCN provider contract. Further clarification of the QA Program requirements may be found in the billing manual.~~

~~A BHCN that is accredited through the Joint Commission, Commission on Accreditation of Rehabilitation Facilities (CARF) or Council of Accreditation (COA) may substitute a copy of the documented QA program and report required for the certification in lieu of the~~

~~requirements of MSM 403.2B.6. Accreditation must be specific to a BHCN delivery model.~~

C. Recipient and Family Participation and Responsibilities

1. Recipients or their legal guardians and their families (when applicable) must:

a. Participate in the development and implementation of their individualized treatment plan;

b. Keep all scheduled appointments; and

c. Inform their Medicaid providers of any changes to their Medicaid eligibility.

403.2A SUPERVISION STANDARDS

1. Clinical Supervision – The documented oversight by a Clinical Supervisor to assure the mental and/or behavioral health services provided are medically necessary and clinically appropriate. Clinical Supervision includes the on-going evaluation and monitoring of the quality and effectiveness of the services provided, under ethical standards and professional values set forth by state licensure, certification, and best practice. Clinical Supervision is intended to be rendered on-site. Clinical Supervisors are accountable for all services delivered and must be available to consult with all clinical staff related to delivery of service, at the time the service is delivered. Licensed Clinical Social Workers (LCSW), Licensed Marriage and Family Therapists (LMFT), Clinical Professional Counselors (CPC) and Qualified Mental Health Professionals (QMHP), excluding Interns, operating within the scope of their practice under state law, may function as Clinical Supervisors. Clinical Supervisors must have the specific education, experience, training, credentials and licensure to coordinate and oversee an array of mental and behavioral health services. Clinical Supervisors assume professional responsibility for the mental and/or behavioral health services provided by clinical staff, including Independent Professionals, QMHPs, and Individual RMH providers, including Qualified Mental Health Associates (QMHA) and Qualified Behavioral Aides (QBA). Clinical Supervisors can supervise other LCSWs, LMFTs, CPCs, QMHPs, QMHAs and QBAs. Clinical Supervisors may also function as Direct Supervisors.

Individual RMH providers, who are LCSWs, LMFTs, CPCs, and QMHPs, excluding Interns, may function as Clinical Supervisors over RMH services. However, Individual RMH providers, who are QMHPs, including interns, may not function as Clinical Supervisors over OMH services, such as assessments, therapy, testing and medication management. Clinical Supervisors must assure the following:

corrected information before denying an application or terminating the contract of the QMHP provider pursuant to this section.

5. All applicants shall have had TB screening or testing with negative results documented or medical clearance documented, as outlined in NAC 441A.375 and the CDC, prior to the initiation of service delivery. Documentation of TB screening, testing, and results shall be maintained in the provider personnel record by the BHCN, Behavioral Health Rehabilitative Treatment or other behavioral health entity. TB screening, testing, and results must be completed for initial enrollment and thereafter as indicated by NAC 441A.375. For further information, contact the CDC or the Nevada TB Control Office at the Department of Health and Human Services.

D. Licensed Psychologists – An individual independently licensed through the Nevada Board of Psychological Examiners.

1. Psychologists licensed in Nevada through the Board of Psychological Examiners may supervise Psychological Assistants, Psychological Interns and Psychological Trainees pursuant to NRS and NAC 641. A Supervising Psychologist, as defined by NRS and NAC 641, may bill on behalf of services rendered by those they are supervising within the scope of their practice and under the guidelines outlined by the Psychological Board of Examiners. Assistants, Interns and Trainees must be linked to their designated Supervising Psychologist, appropriate to the scope of their practice, under which their services are billed to Medicaid.

2. Psychological Assistants registered through the Nevada Board of Psychological Examiners and has a designated licensed Psychologist through the Board of Psychological Examiners may render and their supervisor may bill for their services pursuant to NRS and NAC 641.

3. Psychological Interns registered through the Nevada Board of Psychological Examiners and has a designated licensed Psychologist through the Board of Psychological Examiners may render and their supervisor may bill for their services pursuant to NRS and NAC 641.

4. Psychological Trainees registered through the Nevada Board of Psychological Examiners and has a designated licensed Psychologist through the Board of Psychological Examiners may render and their supervisor may bill for their services pursuant to NRS and NAC 641.

403.4 OUTPATIENT MENTAL HEALTH (OMH) SERVICES

These services include assessment and diagnosis, testing, basic medical and therapeutic services,

crisis intervention, mental health therapies and therapeutic interventions (partial hospitalization and intensive outpatient), medication management and medication training/support, and case management services. For case management services, refer to MSM Chapter 2500 for Non-SED and Non-SMI definitions, service requirements, service limitations, provider qualifications and documentation requirements.

A. Assessments are covered for problem identification (diagnosis) and to establish measurable treatment goals and objectives by a QMHP or designated QMHA in the case of a Mental Health Screen.

1. Mental Health Screen – A behavioral health screen to determine eligibility for admission to treatment program.

2. Comprehensive Assessment – A comprehensive evaluation of a recipient's history and functioning which, combined with clinical judgment, is to include a covered, current ICD diagnosis and a summary of identified rehabilitative treatment needs. Health and Behavior Assessment – Used to identify the psychological, behavioral, emotional, cognitive, and social factors important to the prevention, treatment, or management of physical health needs. The focus of the assessment is not on the mental health needs, but on the biopsychosocial factors important to physical health needs and treatments. The focus of the intervention is to improve the recipient's health and well-being utilizing cognitive, behavioral, social and/or psycho-physiological procedures designed to ameliorate specific disease related needs. This type of assessment is covered on an individual basis, family with the recipient present or family without the recipient present.

3. Psychiatric Diagnostic Interview – Covered once per calendar year without prior authorization. If there is a substantial change in condition, subsequent assessments may be requested through a prior-authorization from the QIO-like vendor for Nevada Medicaid. A psychiatric diagnostic interview may consist of a clinical interview, a medical and mental history, a mental status examination, behavioral observations, medication evaluation and/or prescription by a licensed psychiatrist. The psychiatric diagnostic interview is to conclude with a written report which contains a current ICD diagnosis and treatment recommendations.

4. Psychological Assessment – Covered once per calendar year without prior authorization. If there is a substantial change in condition, subsequent assessments may be requested through a prior-authorization from the QIO-like vendor for Nevada Medicaid. A psychological assessment may consist of a clinical interview, a biopsychosocial history, a mental status examination and behavioral observations. The psychological assessment is to conclude with a written report which contains a current ICD diagnosis and treatment recommendations.

5. Functional Assessment – Used to comprehensively evaluate the recipient's skills, strengths and needs in relation to the skill demands and supports required in the particular environment in which the recipient wants or needs to function; as such, environment is consistent with the goals listed in the recipient's individualized treatment plan. A functional assessment is used to assess the presence of functional strengths and needs in the following domains: vocational, education, self-maintenance, managing illness and wellness, relationships and social.

   A person-centered conference is covered as part of the functional assessment to collaboratively develop and communicate the goals and objectives of the individualized treatment plan. The conference must include the recipient, a QMHP, family or legal representative, significant others and case manager(s). The case manager(s) or lead case manager, if there are multiple case managers, shall provide advocacy for the recipient's goals and independence, supporting the recipient's participation in the meeting and affirming the recipient's dignity and rights in the service planning process.

6. Intensity of Needs Determination - A standardized mechanism to determine the intensity of services needed based upon the severity of the recipient's condition. The intensity of needs determination is to be utilized in conjunction with the clinical judgment of the QMHP and/or trained QMHA. This assessment was previously known as a level of care assessment. Currently, the DHCFP recognizes the Level of Care Utilization System (LOCUS) for adults and the Child and Adolescent Screening Intensity Instrument (CASII) for children and adolescents. There is no level of care assessment tool recognized by the DHCFP for children below age six, however, providers must utilize a tool comparable to the CASII and recognized as a standard of practice in determining the intensity of needs for this age group.

7. Severe Emotional Disturbance (SED) Assessment - Covered annually or if there is a significant change in functioning. The SED assessment is a tool utilized to determine a recipient's eligibility for higher levels of care and Medicaid service categories.

8. Serious Mental Illness (SMI) Assessment - Covered annually or if there is a significant change in functioning. The SMI assessment is a tool utilized to determine a recipient's eligibility for higher levels of care and Medicaid service categories.

B. Neuro-Cognitive, Psychological and Mental Status Testing

1. Neuropsychological testing with interpretation and report involves assessment and evaluation of brain behavioral relationships by a neuropsychologist. The evaluation consists of qualitative and quantitative measurement that consider factors such as

the interaction of psychosocial, personality/emotional, intellectual, environmental, neurocognitive, biogenetic and neurochemical aspects of behaviors in an effort to understand more fully the relationship between physiological and psychological systems. This service requires prior authorization from the QIO-like vendor.

2. Neurobehavioral testing with interpretation and report involves the clinical assessment of thinking, reasoning and judgment, acquired knowledge, attention, memory, visual spatial abilities, language functions and planning. This service requires prior authorization.

3. Psychological testing with interpretation and report is the administration, evaluation and scoring of standardized tests which may include the evaluation of intellectual functioning, clinical strengths and needs, psychodynamics, insight, motivation and other factors influencing treatment outcomes.

C. Mental Health Therapies

Mental health therapy is covered for individual, group and/or family therapy with the recipient present and for family therapy without the recipient present and described as follows:

1. Family Therapy

Mental health treatment service provided to a specific recipient by a QMHP using the natural or substitute family as the means to facilitate positive family interactions among individuals. The recipient does not need to be present for family therapy services; however, the services must deal with issues relating to the constructive integration/reintegration of the recipient into the family.

2. Group Therapy

Mental health treatment service facilitated by a QMHP within their scope of licensure or practice, which utilizes the interactions of more than one individual and the focus of the group to address behavioral health needs and interpersonal relationships. The therapy must be prescribed on the treatment plan and must have measurable goals and objectives. Group therapy may focus on skill development for learning new coping skills, such as stress reduction, or changing maladaptive behavior, such as anger management. Participation in group therapy must be documented on the clinical record. Minimum group size is three and maximum therapist to participant ratio is one to ten. Group therapy can be less than three but more than one based on unforeseen circumstances such as a no-show or cancellation but cannot be billed as individual therapy. Group therapy may also include a family without the recipient present and/or multi-family groups.

3. Individual Therapy Services

Mental health treatment service provided to a specific recipient for a presenting need by an individual therapist for a specified period of time. The amount, scope and duration of individual therapy services may vary depending on the stage of the presenting mental health need, treatment program and recipient's response to the treatment approach. Individual is one recipient. Each direct one-on-one episode must be of a sufficient length of time to provide the appropriate skilled treatment in accordance with each patient's treatment/rehabilitative plan.

~~4. Neurotherapy~~

~~a. Neurotherapy is individual psychological therapy incorporating biofeedback training combined with psychotherapy as a treatment for mental health disorders. Medicaid will reimburse for medically necessary neurotherapy when administered by a licensed QMHP within the scope of their practice and expertise. A certified Biofeedback Technician may assist in the provision of biofeedback treatment; however, a QMHP must provide the associated psychotherapy. Reimbursement for biofeedback treatment provided by a Biofeedback Technician is imbedded in the QMHP rate.~~

~~b. Prior authorizations through the QIO-like vendor are required for all neurotherapy services exceeding the below identified session limits for the following covered ICD Codes:~~

~~1. Attention Deficit Disorders – 40 sessions~~
~~Current ICD Codes: F90.0, F90.8 and F90.9~~

~~2. Anxiety Disorders – 30 sessions~~
~~Current ICD Codes: F41.0 and F34.1~~

~~3. Depressive Disorders – 25 sessions~~
~~Current ICD Codes: F32.9, F33.40, F33.9, F32.3 and F33.3~~

~~4. Bipolar Disorders – 50 sessions~~
~~Current ICD Codes: F30.10, F30.9, F31.0, F31.10, F31.89, F31.30, F31.60, F31.70, F31.71, F31.72, F31.9 and F39~~

~~5. Obsessive Compulsive Disorders – 40 sessions~~
~~Current ICD Codes: F42~~

~~6. Opposition Defiant Disorders and/or Reactive Attachment Disorders – 50 sessions~~

~~Current ICD Codes: F93.8, F91.3, F94.1, F94.2, F94.9 and F98.8~~

~~7. Post-Traumatic Stress Disorders – 35 sessions~~
~~Current ICD Codes: F43.21, F43.10, F43.11 and F43.12~~

~~8. Schizophrenia Disorders – 50 sessions~~
~~Current ICD Codes: F20.89, F20.1, F20.2, F20.0, F20.81, F20.89, F20.5, F25.0, F25.1, F25.8, F25.9, F20.3 and F20.9~~

~~Prior authorization may be requested for additional services based upon medical necessity.~~

D. Mental Health Therapeutic Interventions

1. Partial Hospitalization Program (PHP) – A restorative program encompassing mental and behavioral health services and psychiatric treatment services designed for recipients who require a higher intensity of coordinated, comprehensive and multidisciplinary treatment for mental or substance use disorders. These services are furnished under a medical model by a hospital in an outpatient setting or by a Federally Qualified Health Center (FQHC) that assumes clinical liability and meets the criteria of a Certified Mental Health Clinic (CMHC). A hospital or an FQHC may choose to offer PHP through an enrolled SAPTA-certified clinic or an enrolled BHCN agency/entity/group, and the hospital or FQHC must enter into a contract with this provider which specifically outlines the roles and responsibilities of both parties in providing this program. The contract must be submitted to the DHCFP and reported to its fiscal agent prior to the delivery of these services to the recipient. These services are intended to be an alternative to inpatient psychiatric care and are generally provided to recipients experiencing an exacerbation of a severe and persistent mental illness and/or substance use disorder. PHP services include active therapeutic treatment and must be targeted to meet the goals of alleviating impairments and maintaining or improving functioning to prevent relapse or hospitalization. PHP is provided to individuals who are determined as Severely Emotionally Disturbed (SED) or Seriously Mentally Ill (SMI), or as medically necessary under the American Society of Addiction Medicine (ASAM) criteria.

a. Scope of Services: PHP services may include:

1. Individual Therapy

2. Group Therapy

3. Family Therapy