



## PROVIDER BULLETIN

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July 25, 2023

### Rate Increase – Residential Treatment & Treatment Foster Care

#### Applies to:

- Qualified Residential Treatment Programs
- Residential Treatment Agencies for Children and Youth
- Child Placing Agencies Providing Treatment Foster Care

Effective date: July 1, 2023

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- RATE INCREASE FOR RESIDENTIAL TREATMENT SERVICES AND TREATMENT FOSTER CARE (TFC)
  - DIFFERENTIAL RATES FOR QUALIFIED RESIDENTIAL TREATMENT PROGRAMS (QRTP) ACCORDING TO MEDICAID INSTITUTION FOR MENTAL DISEASE (IMD) STATUS
  - TWO-TIERED MODEL FOR TFC
    - LEVEL 1 TFC
    - LEVEL 2 TFC
    - MAINTENANCE AND REHABILITATION RATE SEPARATION
  - BILLING CODES AND NEW MAXIMUM ALLOWABLE RATES FOR RESIDENTIAL TREATMENT AND TFC – MO HEALTHNET DIVISION (MHD) / SHOW ME HEALTHY KIDS (SMHK)
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#### **RATE INCREASE FOR RESIDENTIAL TREATMENT SERVICES AND TFC**

Effective for dates of services on and after July 1, 2023, MHD will increase the fee-for-service maximum allowable rates for residential treatment and TFC services. These changes reflect increases appropriated for the Fiscal Year 2024 budget.

MHD will reimburse the lower of the provider's billed charge or the maximum allowable amount for the date of service billed. Providers may not bill MHD at a higher rate than they charge their private pay patients. Providers must bill MHD their usual and customary rate.

The affected procedure codes and the new rates are reflected below. MHD will mass adjust claims paid for dates of service on and after July 1, 2023 that process prior to updating the fee schedule.

**DIFFERENTIAL RATES FOR QRTP ACCORDING TO MEDICAID IMD STATUS**

Effective July 1, 2023, QRTP rates will differ according to Medicaid IMD status. QRTPs that have been determined to be IMDs will continue to use the HK modifier, and QRTPs that are not IMDs will use the HE modifier. Providers must bill with the appropriate modifier for their [IMD status](#).

**TWO-TIERED MODEL FOR TFC**

MHD, in collaboration with Children’s Division (CD), is implementing a two-tiered model for TFC services.

TFC services are provided by agencies contracted with CD to develop and oversee treatment foster homes. Each agency is enrolled with MHD as a Psychiatric Rehabilitation (87) provider type with an FT specialty. Each treatment foster home is assigned a TFC worker who is primarily responsible for the development of treatment plans. The TFC worker trains and supports the TFC parent(s) to implement key elements of treatment in the context of family and community life while promoting the goals of permanency planning for the child.

**LEVEL 1 TFC**

A specialized program for children between the ages of six (6) and twenty (20) with significant emotional or behavioral needs who, with intensive and individualized therapeutic intervention, can remain in a family setting and achieve positive growth and development.

**LEVEL 2 TFC**

A level of TFC for children whose needs and/or behaviors are so persistent and severe that they require the coordination of multiple services and interventions, including therapeutic and community based services for the child who could not otherwise be served in a community setting without that level of individualized intervention.

**MAINTENANCE AND REHABILITATION RATE SEPARATION**

- The overall daily rate paid to TFC providers is being split into a maintenance portion (responsibility of CD) and a rehabilitative treatment portion (responsibility of SMHK or MHD). Previously there was not a separate maintenance portion.
- Additionally, new rehabilitative treatment rates differ between traditional TFC homes and relative TFC homes.

**BILLING CODES AND NEW MAXIMUM ALLOWABLE RATES FOR RESIDENTIAL TREATMENT AND TFC – MHD / SMHK**

| PROC CODE | MOD 1 | MOD 2 | DESCRIPTION       | CURRENT RATE | RATE EFFECTIVE 07/01/23 |
|-----------|-------|-------|-------------------|--------------|-------------------------|
| H0019     | HA    |       | Non-QRTP, Level 2 | \$78.35      | \$88.54                 |
| H0019     | TF    | HA    | Non-QRTP, Level 3 | \$78.52      | \$88.73                 |
| H0019     | TG    | HA    | Non-QRTP, Level 4 | \$103.21     | \$116.63                |

|       |    |    |                             |          |          |
|-------|----|----|-----------------------------|----------|----------|
| H0019 | TJ | HA | Non-QRTP, Above Level       | \$243.21 | \$274.83 |
| H0019 | HK |    | IMD – QRTP, Level 2         | \$89.87  | \$98.75  |
| H0019 | TF | HK | IMD – QRTP, Level 3         | \$90.06  | \$107.80 |
| H0019 | TG | HK | IMD – QRTP, Level 4         | \$118.38 | \$129.66 |
| H0019 | TJ | HK | IMD – QRTP, Above Level     | \$258.38 | \$287.86 |
| H0019 | HE |    | Non-IMD – QRTP, Level 2     | -        | \$113.51 |
| H0019 | TF | HE | Non-IMD – QRTP, Level 3     | -        | \$139.59 |
| H0019 | TG | HE | Non-IMD – QRTP, Level 4     | -        | \$148.45 |
| H0019 | TJ | HE | Non-IMD – QRTP, Above Level | -        | \$306.65 |
| H2020 |    |    | Level 1 TFC -- Foster Home  | \$114.19 | \$129.81 |
| H2020 | HK |    | Level 2 TFC -- Foster Home  | -        | \$196.52 |
| H2020 | HA |    | Level 1 TFC – Relative Home | -        | \$133.23 |
| H2020 | HK | HA | Level 2 TFC – Relative Home | -        | \$201.70 |
| H2022 | HK |    | Aftercare, Non-QRTP         | \$82.40  | \$93.11  |
| H2022 | HA |    | Aftercare, QRTP             | \$82.40  | \$93.11  |
| H2022 | HE |    | Transition TFC              | \$82.40  | \$93.11  |

For clarity, the table below shows the total rate for these services, including the portion paid by CD as well as the portion paid by MHD or SMHK.

| Service                            | Room & Board Rate<br>(Payer = CD) | Rehabilitative Treatment Rate<br>(Payer = SMHK/MHD) | Total Daily Rate |
|------------------------------------|-----------------------------------|---|------------------|
| Non-QRTP, Level 2                  | \$61.80                           | \$88.54   | \$150.34         |
| Non-QRTP, Level 3                  | \$61.94                           | \$88.73   | \$150.67         |
| Non-QRTP, Level 4                  | \$81.42                           | \$116.63  | \$198.05         |
| Non-QRTP, Above Level              | \$81.42                           | \$274.83  | \$356.25         |
| IMD – QRTP, Level 2                | \$70.41                           | \$98.75   | \$169.16         |
| IMD – QRTP, Level 3                | \$76.83                           | \$107.80  | \$184.63         |
| IMD – QRTP, Level 4                | \$92.02                           | \$129.66  | \$221.68         |
| IMD – QRTP, Above Level            | \$92.02                           | \$287.86  | \$379.88         |
| Non-IMD – QRTP, Level 2            | \$80.96                           | \$113.51  | \$194.47         |
| Non-IMD – QRTP, Level 3            | \$99.57                           | \$139.59  | \$239.16         |
| Non-IMD – QRTP, Level 4            | \$105.35                          | \$148.45  | \$253.80         |
| Non-IMD – QRTP, Above Level        | \$105.35                          | \$306.65  | \$412.00         |
| Residential Transitional/Aftercare | \$0.00                            | \$93.11   | \$93.11          |
| QRTP Transitional/Aftercare        | \$0.00                            | \$93.11   | \$93.11          |
| Traditional TFC Level 1            | \$43.27                           | \$129.81  | \$173.08         |
| Traditional TFC Level 2            | \$65.50                           | \$196.52  | \$262.02         |
| Relative TFC Level 1               | \$39.85                           | \$133.23  | \$173.08         |
| Relative TFC Level 2               | \$60.32                           | \$201.70  | \$262.02         |

## **APPLICABILITY**

The information in this bulletin applies to the MO HealthNet (MHD) fee-for-service program and may apply to the MHD managed care program, as well. MHD's fee-for-service policies set the basic coverage policies for benefits and limitations in the managed care program. The managed care health plans have additional flexibilities in operating their respective programs such as determining which services require prior authorization, and details required for claims submission. Certain services, such as pharmacy, are "carved out" of managed care and will be paid through the fee-for-service program. To ensure your understanding of this bulletin's applicability to each managed care health plan, please contact your health plan directly, or contact [MHD.MCCommunications@dss.mo.gov](mailto:MHD.MCCommunications@dss.mo.gov).

**Provider Bulletins** are available on the [MO HealthNet Division \(MHD\) website](#). Bulletins will remain on the Provider Bulletins page only until incorporated into the [provider manuals](#) as appropriate, then moved to the Archived Bulletins page.

Providers and other interested parties are urged to [subscribe](#) to the electronic **MO HealthNet News** mailing list to receive automatic notifications of [provider bulletins](#), [provider hot tips](#), provider manual updates, and other official MO HealthNet communications via email.

The information contained in this bulletin applies to coverage for:

- MO HealthNet Fee-for-Service
- MO HealthNet Managed Care

Before delivering a service, please check the patient's eligibility status by swiping their MO HealthNet card, calling the Provider Communications Interactive Voice Response (IVR) System at 573-751-2896 and choosing Option One or using the Participant Eligibility option in [eMOMED](#). Questions regarding MO HealthNet Managed Care benefits should be directed to the patient's MO HealthNet Managed Care health plan.

[MHD Education and Training](#) offers schedules for interactive web based trainings for providers and general and program specific educational resources.

**Provider Communications**  
**573-751-2896**