

**KATHY HOCHUL**  
Governor

**ANN MARIE T. SULLIVAN, M.D.**  
Commissioner

**MOIRA TASHJIAN, MPA**  
Executive Deputy Commissioner

## MEMORANDUM

**To:** Mainstream Medicaid Managed Care Plans, Health and Recovery Plans (HARPs), HIV Special Needs Plans (HIV SNPs), and Medicaid Advantage Plus (MAP) Plans (herein collectively referred to as “MMCPs”), Assertive Community Treatment (ACT) Providers

**From:** New York State (NYS) Office of Mental Health (OMH)

**Date:** May 23, 2024

**Subject:** Mandated Rate Update: ACT Reimbursement and Billing Changes

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Dear Health Plan Administrators,

On December 28, 2023, NYS submitted a proposed State Plan Amendment (SPA) to the Centers for Medicaid and Medicare Services (CMS) in order to implement billing and rate changes to ACT services. ACT rates, which will be reflected in the premiums upon State and Federal approvals, have been increased consistent with the SFY 2023-2024 Enacted State Budget. The proposed effective date of the rate changes is October 1, 2023. The purpose of this memorandum is to provide an overview of the forthcoming billing and reimbursement changes to allow MMCPs and ACT program providers time to implement the necessary configurations and adjustments needed to accommodate the statutorily required payment of government rates and rate codes back to the effective date(s). As of the date of this memo, the SPA is pending review and approval from CMS.

**Note: All proposed changes to the program and reimbursement model as outlined below and in the SPA are subject to final approval by the Division of Budget (DOB) and CMS. NYS will issue an additional notification to MMCPs and ACT providers upon DOB approval and changes will be effectuated 90 days from DOB approval.**

### **I. ACT Reimbursement and Billing Changes for Adults:**

1. Effective October 1, 2023, 100 Slot ACT will be established for adults. At this time, only existing 68 Slot ACT teams are eligible to apply for 100 Slot ACT teams. A visual crosswalk of these slot changes for adults can be found in Appendix A.
  - a. A new rate will be established for 100 Slot Adult ACT teams effective October 1, 2023.
2. Effective October 1, 2023, the 36 Slot ACT teams will receive a rate increase.

### **II. ACT Reimbursement and Billing Changes for Youth:**

1. Effective October 1, 2023, the following Youth ACT Slot changes are implemented:
  - a. 28 Slot ACT teams will be established for Youth
  - b. Current 36 Slot Youth ACT teams will be converted to 28 Slot ACT teams
  - c. Current 48 Slot Youth ACT teams will be converted to 36 Slot ACT teams

Note: Upon DOB approval, there are not expected to be any 48 or 68 Slot Youth ACT Teams remaining, however, the rate will still exist should teams be established in the future. A visual crosswalk of these slot changes for Youth ACT can be found in Appendix A.

2. Effective October 1, 2023: All Youth ACT providers receive rate increases.
3. Effective 90 days from DOB approval, new rate codes (4513-4515), procedure, modifier combinations for Youth ACT will be utilized to differentiate Adult and Youth ACT programs and allow the State to collect better data on utilization of services.<sup>1</sup> The new rate code, procedure code, modifier combinations are outlined below in Table 1 and must be utilized when submitting managed care claims and Fee-For-Service (FFS). Providers must ensure these three new rate codes are utilized for any Youth ACT services delivered 90 days from DOB approval, and going forward for both Managed Care and FFS claims. Please be advised that Adult ACT billing codes remain unchanged and providers will continue to bill Adult ACT rate codes for the Young Adult ACT population (ages 18-25). A visual crosswalk of these changes can be found in Appendix B.

**Table 1: Updated Youth ACT Coding Taxonomy**

Rate Code Description	Rate Code	Procedure Code	Modifier(s)	Unit Measure	Unit Limit/Day
Youth ACT Intensive Full Payment	4513	H0040	HA	6	Billed on a monthly basis.
Youth ACT Intensive Part Payment	4514	H0040	HA, U5	2-5	Report the number of contacts during the month in the unit field.
Youth ACT Inpatient	4515	H0040	HA, HK	2+	

NOTE: Adult and Youth ACT providers will now be required to report the actual number of units on the claim (previously only required to report 1 unit) to support the State’s monitoring of service utilization.

The billing and reimbursement changes outlined above can be found on the [OMH Medicaid Reimbursement](#) page.

### III. Additional MMCP Requirements

1. ACT Policies and Procedures and Staff Training: MMCPs must ensure all applicable policies and procedures are updated and provider relations staff, billing/claiming, and other relevant staff are trained on the new Youth ACT rate codes and billing changes to ensure they can assist providers as needed.

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<sup>1</sup> The State will implement the rate code change on the first of the month subsequent to 90 days from DOB approval.

2. Network and Contracting: MMCPs must update/amend existing contracts with ACT providers, if applicable.

NOTE: As a reminder per the [Medicaid Managed Care Model Contract](#) provision 21.19, MMCPs must contract with a minimum of two Adult ACT providers per county for urban counties, and two per region for rural counties. Effective 90 days from approval, MMCPs will be required to contract with a minimum of two Youth ACT providers per county for urban counties or two per region for rural counties. NYS will update all applicable guidance and the Exhibit 4 Children's Network Contracting Status Report to reflect this network requirement.

3. Claim Testing and Technical Assistance: MMCPs must offer claims testing to ACT providers to ensure claims will be processed and paid appropriately as required and offer technical assistance as needed.

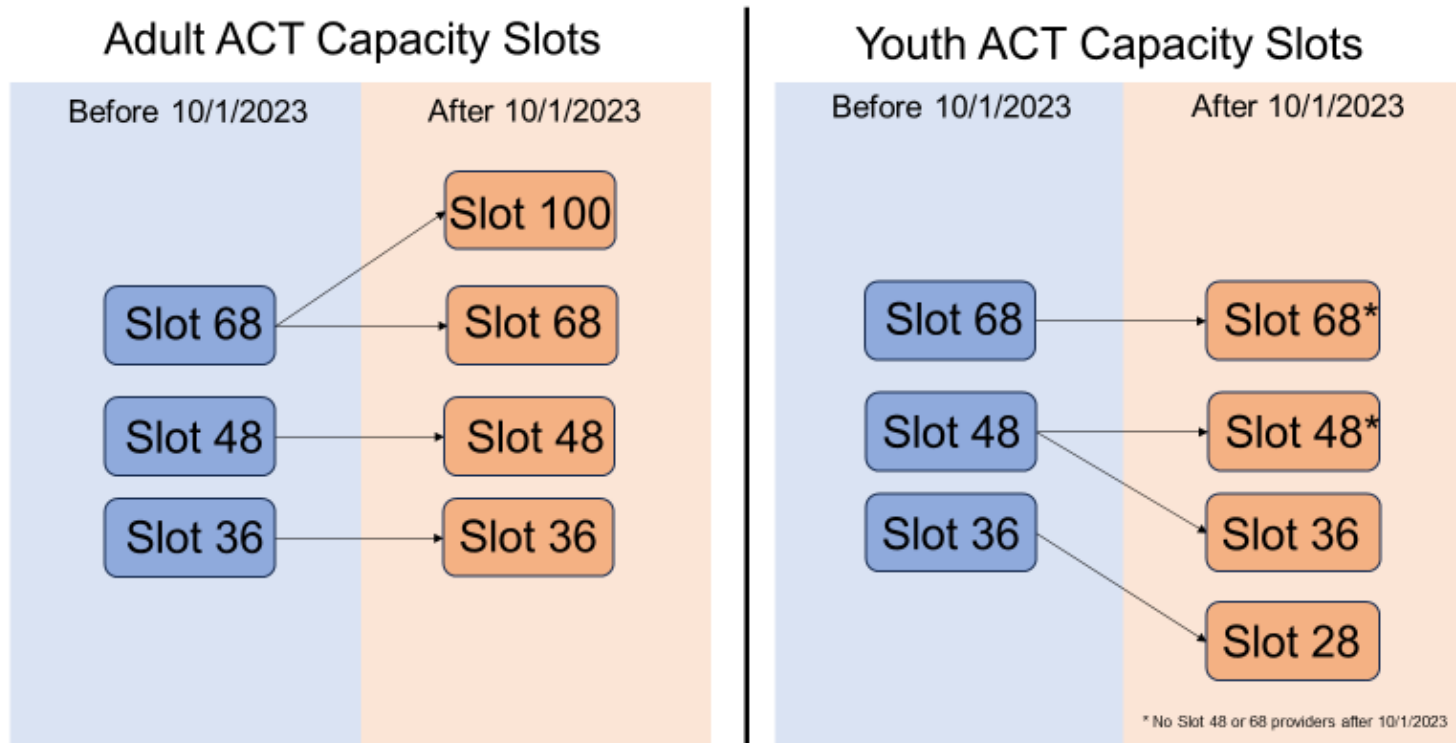
Please note: This document is only being transmitted electronically. No hard copy will be forthcoming. If you have any questions regarding these changes, please contact OMH Managed Care by phone at 518-402-2822 or by email at [BHO@omh.ny.gov](mailto:BHO@omh.ny.gov) (MMCP inquiries) or [OMH-Managed-Care@omh.ny.gov](mailto:OMH-Managed-Care@omh.ny.gov) (provider inquiries).

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## Appendix A: ACT Program Capacity Changes



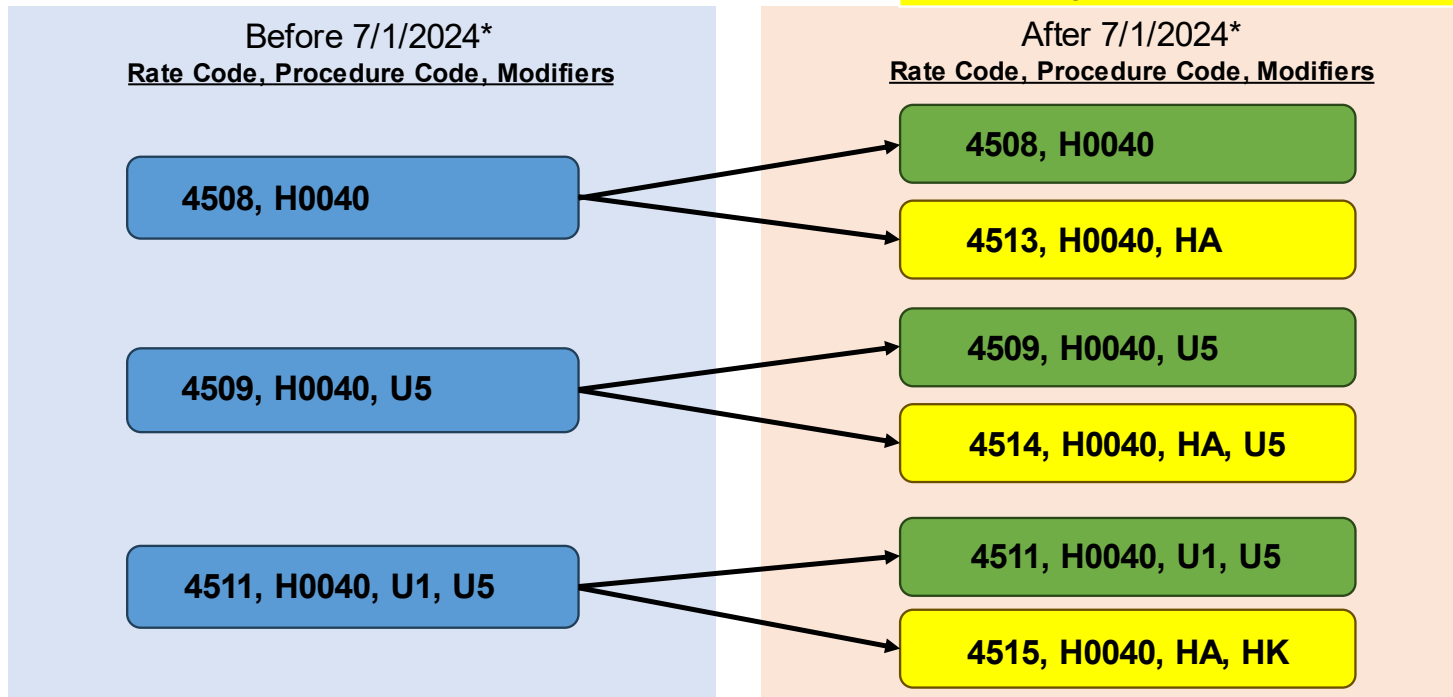
## Appendix B: ACT Program Billing Changes

### Key

Blue: Old, Universal Codes

Green: Adults, Ages 18+ (Young Adults, Ages 18 -25)

Yellow: Youth, Ages 10-21



*\*The coding changes are expected to be implemented after 7/1/2024 so MMCPs and providers will have at least 90 days for system configurations.*