



## Planning for Billing Marriage Family Therapist (MFTs) Services

September 2018

AB 1863 (Wood), signed by the Governor in 2016, increased Californians' access to behavioral health services by reimbursing for MFT visits at a FQHC/RHC; however, the 2017-18 budget delayed the implementation from January 2017 to July 1, 2018. DHCS has verbally confirmed that FQHCs/RHCS **cannot** begin billing for MFT services until they receive federal approval from CMS. State Plan Amendment (SPA) 18-003, includes how the state proposes to implement MFTs as billable providers in FQHCs/RHCS, and was submitted to CMS on March 30, 2018. Since then CMS has provided feedback to the state on the pending SPA, and DHCS has until mid-September to reply. The back and forth negotiation can continue for many months, even years as there is no timeframe for which CMS must approve a SPA. However, once CMS approves the SPA 18-003, FQHCs/RHCS can commence billing for MFT visits and CPCA will advocate for FQHCs/RHCS to have the ability to bill claims retroactively to July 1, 2018.

Similar to SB 238 (billing for dental hygienist services), AB 1863 **requires** FQHCs/RHCS to file a change in scope of service request (CSOSR) in order to bill for MFT services. Although not confirmed by DHCS, CPCA believes that once SPA 18-003 is approved, DHCS will follow the same requirements as for billing of dental hygienist services.

*Please note this information is subject to change based on what CMS approves and how DHCS will ultimately operationalize the changes in SPA 18-003. CPCA created this FAQ to help FQHCs/RHCS think about how they will incorporate MFTs into their health centers. This document should not be considered final policy.*

### **Change in Scope-of-Service Request (CSOSR)**

1. **Once a FQHC/RHC starts billing for MFT services, are they required to submit a CSOSR and if so, what is the timeline for submission?**

Yes per the legislation AB1863, a CSOSR would be required. SPA 18-003 also includes a new provision that would require 12-months of data (billing for MFT services for a health center's full fiscal year) before a CSOSR can be filed and the new rate determined by the CSOSR would be effective on the first day of that full fiscal year. Below are two examples of how we believe this will be implemented.

#### **Theoretical Example #1: FQHC/RHC with a Fiscal Year End (FYE) 12/31/2018**

CMS approves SPA 18-003 November 2018 and the FQHC/RHC starts billing for MFT services and submits past claims back to July 1, 2018. The claims will be reimbursed at the PPS rate in effect at the time service is rendered and after the FQHC/RHC has billed for MFT services for a full FY, they are then required to file a CSOSR. With this example:

- November 2018 – start billing and submit past claims back to July 1, 2018. This only gives the FQHC/RHC 6 months of data for the FY, so they cannot file the CSOSR at FYE but can continue billing and reimbursed at the rate in place at that time.
- January 1, 2019 – December 31, 2019 is the first full FY of billing MFTs.
- Within 150 days after the FYE, the FQHC/RHC is required to file the CSOSR.
- The rate determined by the CSOSR will be effective January 1, 2019. Claims from FY 2018 (July 1, 2018 – December 31, 2018) will not be reprocessed to reflect the new rate.

**Theoretical Example #2: FQHC/RHC with a Fiscal Year End 6/30/2019**

After CMS approves SPA 18-003, the FQHC/RHC starts billing for MFTs and submits past claims back to the effective date of MFTs (July 1, 2018) and in this case the first day of their full FY. Since the FQHC/RHC decided to bill for MFTs, they must file a CSOSR. With this example:

- Started billing for MFTs and submitted past claims back to July 1, 2018. They will have a full FY of billing for MFT services at the FYE (July 1, 2018 – June 30, 2019).
- Within 150 days after the FYE, the FQHC/RHC is required to file the CSOSR.
- The rate determined by the CSOSR will be effective July 1, 2018.

Recommendation:

In order to prepare for CMS' approval to bill for MFT services, CPCA suggests that health centers begin collecting the necessary billing information on MFT encounters starting July 1, 2018, so they are ready to submit claims if DHCS approves a window period of time to submit past claims.

**2. Will the CSOSR process be consistent with the existing CSOSR process?**

Yes. DHCS will review all FQHC/RHC services rendered during the fiscal year of audit. Please note SPA 18-003 has additional new provisions for the CSOSR process that need to be considered.

**3. Are the cost thresholds in play if implementation of this service is the only “qualifying event(s)“?**

DHCS will say no. A CSOSR must be filed regardless of the thresholds.

**4. Are MFTs subject to productivity standards?**

No. MFTs are exempt from the application of productivity standards.

**5. Usually a FQHC/RHC has the option of filing a CSOSR. If a FQHC/RHC begins billing for MFT services, are they required to submit a CSOSR even if it results in a decrease in the PPS rate?**

Yes. If you start billing for MFT services, a CSOSR is mandatory.

**6. If a FQHC/RHC PPS rate already includes MFT costs, will a CSOSR still be required?**

Yes. A CSOSR must be filed regardless if the cost of MFTs are in a current PPS rate or not. A CSOSR with costs and visits will be required.

Note: Initial feedback from CMS to DHCS indicates that if DHCS wants a mechanism to recalculate the PPS rate to add the visits, they need to create an Alternative Payment Methodology (APM) to effectuate that change. DHCS has not discussed their reaction to CMS' initial feedback with CPCA and it is unclear whether or not an APM will be created for this purpose.

7. **Can a FQHC/RHC add MFT services, wait to bill for a year until they know how it will impact their PPS rate, and then use the visits (not billed) and costs for a CSOSR?**

No. In this circumstance, the provider has chosen not to bill. A CSOSR would be required when the provider has a full fiscal year of MFT billings.

8. **If a FQHC/RHC was already providing MFT services and not billing for the visits, can they submit a CSOSR using the number of visits (not billed) and costs (for providing the non-billed visits)?**

No. In this circumstance, the provider has chosen not to bill. A CSOSR would be required when the provider has a full fiscal year of billing for MFT services.

9. **Once a FQHC/RHC submits a CSOSR, can they withdraw the application at any time?**

No. A CSOSR would be filed because the FQHC/RHC started billing for MFT services. Once this occurs, a CSOSR is mandatory and cannot be withdrawn.

10. **If a new site is opened after July 1, 2018 by a FQHC/RHC and MFTs are part of the provider composition from the beginning, will a CSOSR still be required?**

When a FQHC/RHC establishes a new site, they are required to have their rate set by a rate setting audit or the three comparable methodology. In regards to MFTs, the new site would be subject to the respective requirements of a rate setting audit or the three comparable methodology, depending on which option the clinic chooses. The new site cannot bill for MFT services until the SPA is approved.

11. **On or after July 1, 2018, can a FQHC/RHC begin billing for MFTs at a site opening in advance of finalization of PPS rate establishment without applying for a separate rate determination (i.e. the cost report for the new site includes MFTs)?**

If a new FQHC/RHC chooses a rate setting audit to have their initial PPS rate set, they will submit a projected cost report that will include projected costs and visits (including MFT costs and visits). An interim rate will be established accordingly. Once the audit is conducted, the final PPS rate will be determined and all previously billed visits will be paid at the final PPS rate. The new site cannot bill for MFT services until the SPA is approved.

Link to pending SPA - [http://www.dhcs.ca.gov/formsandpubs/laws/Documents/CA\\_SPA\\_18-003\\_package.pdf](http://www.dhcs.ca.gov/formsandpubs/laws/Documents/CA_SPA_18-003_package.pdf)