MONTANA
ADMINISTRATIVE
REGISTER

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

NOTICE OF ADOPTION

MAR NOTICE NO. 2026-170.2

Summary

Amendment of ARM 37.27.106, 37.27.902, 37.85.106, 37.86.3306, and 37.88.101 and the adoption of NEW RULES 1 and 2 pertaining to updating Medicaid and non-Medicaid provider rates, fee schedules, and effective dates, and updating the BHDD Medicaid Services Provider Manual for Substance Use Disorder and Adult Mental Health

Previous Notice(s) and Hearing Information

On April 24, 2026, the Department of Public Health and Human Services published MAR Notice No. 2026-170.1 pertaining to the public hearing on the proposed amendment and adoption of the above-stated rules in the 2026 Montana Administrative Register, Issue Number 8.

A public hearing was held on May 14, 2026.

Final Rulemaking Action – The department intends for these rule adoptions and rule amendments to be retroactively effective to October 1, 2025. A retroactive application of the rule adoptions and rule amendments does not result in a negative impact to any affected party.

ADOPT AS PROPOSED

The agency has adopted the following rules as proposed:

NEW RULE 1 (37.90.501) HEALING AND ENDING ADDICTION THROUGH RECOVERY AND TREATMENT (HEART), TARGETED CASE MANAGEMENT FOR ADULTS WITH SERIOUS MENTAL ILLNESS OR SUBSTANCE USE DISORDER: REIMBURSEMENT

NEW RULE 2 (37.90.601) TARGETED CASE MANAGEMENT FOR THE CONSOLIDATED APPROPRIATIONS ACT, SECTION 5121: REIMBURSEMENT

AMEND AS PROPOSED

The agency has amended the following rules as proposed:

37.27.106 STATE APPROVED PROGRAMS, SUBSTANCE USE DISORDER FACILITIES

37.27.902 SUBSTANCE USE DISORDER SERVICES: AUTHORIZATION REQUIREMENTS

37.85.106 MEDICAID BEHAVIORAL HEALTH TARGETED CASE MANAGEMENT FEE SCHEDULE

37.86.3306 CASE MANAGEMENT SERVICES, GENERAL ELIGIBILITY

37.88.101 MEDICAID MENTAL HEALTH SERVICES FOR ADULTS, AUTHORIZATION REQUIREMENTS

Statement of Reasons

The agency has considered the comments and testimony received. A summary of the comments received, and the agency's responses are as follows:

COMMENT #1**:** A commenter asked for clarification regarding Policy 120(7) and when a separate individualized treatment plan would not be required.

RESPONSE #1**:** The department appreciates the request for clarification. Policy 120(7) applies to early intervention services or brief therapeutic interventions provided before completion of a formal biopsychosocial assessment and treatment recommendation. In these situations, a separate individualized treatment plan is not required, and a plan of care may be documented in the member's progress notes.

COMMENT #2**:** A commenter stated that Policy 535(3)(e) and (5)(a) appear to conflict regarding whether CBPRS is part of the bundled ASAM 3.1 service and whether it counts toward the required five hours of skilled treatment services.

RESPONSE #2**:** The department appreciates the request for clarification regarding CBPRS within ASAM 3.1 services. The department agrees that there is a conflict between (3) and (5) in Policy 535. The department has revised Policy 535 to remove CBPRS as a service component in (3) and will maintain language in (8) to clarify when CBPRS can be billed concurrently with ASAM 3.1.

COMMENT #3**:** A commenter expressed support for expanding Targeted Case Management (TCM) services to additional populations in ARM 37.86.3306. They expressed concerns about a lack of provider availability and requested that the department include language to establish a pathway for non-licensed facilities and community-based organizations to provide TCM services under the HEART Waiver and Section 5121 of the Consolidated Appropriations Act for Justice involved youth and adults.

RESPONSE #3**:** The department appreciates the commenter's support for expanding access to TCM services under the HEART Waiver and acknowledges the concerns regarding provider capacity and continuity of care. The proposed changes to ARM 37.86.3306 do not address reimbursement or provider eligibility requirements, as ARM 37.86.3306 only identifies eligible population groups. Reimbursement and provider eligibility are found in Policies 620 and 621 of the BHDD Medicaid Manual. The department will consider the commenter's recommendation for future TCM discussions.

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Rule Reviewer

George Nemie

Approval

Charles T. Brereton, Director

Department of Public Health and Human Services