



# COMMONWEALTH of VIRGINIA

ALISON G. LAND, FACHE  
COMMISSIONER

DEPARTMENT OF  
BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES

Post Office Box 1797  
Richmond, Virginia 23218-1797  
Telephone (804) 786-3921

Fax (804) 371-6638  
www.dbhds.virginia.gov

## MEMORANDUM

**To:** DBHDS Licensed Providers

**From:** Jae Benz, Director, Office of Licensing

**Date:** April 5, 2021

**Re:** Behavioral Health Enhancement (BHE) and American Society of Addiction Medicine (ASAM) Levels of Care Service Modifications

**Purpose:** The purpose of this memorandum is to provide additional information related to the service modification process for the ASAM Levels of Care services and the following three BHE Services: Assertive Community Treatment (ACT), Mental Health Intensive Outpatient (MH-IOP), and Mental Health Partial Hospitalization (MH-PHP).

**Background:** Per the Office of Licensing's [March 2, 2021 memo](#), the following three emergency regulatory actions became effective on February 20, 2021:

- [Amendments to align the Children's Residential Regulations with ASAM criteria;](#)
- [Amendments to align the General Regulations with ASAM criteria;](#) and
- [Amendments to align General Regulations with Enhanced Behavioral Health Services.](#)

Although these regulations are effective, the Office of Licensing will delay implementation and enforcement of the emergency actions until July 1, 2021.

### Service Modifications for the ASAM Level of Care Services

On **April 12, 2021**, the Office of Licensing will begin to prioritize and process service modifications for current providers of substance use disorders services who will need to be re-licensed based on the ASAM Level of Care provided in order to continue providing services starting July 1, 2021. The new licenses, which correspond with the amendments to align the Children's Residential Regulations with ASAM Criteria and the amendments to align the General Regulations with ASAM Criteria, will be as follows:

1. Medically managed intensive inpatient (ASAM Level 4.0)\*;

2. Medically monitored intensive inpatient (ASAM Level 3.7);
3. Clinically managed high-intensity residential (ASAM Level 3.5);
4. Specific high-intensity residential (ASAM Level 3.3);
5. Clinically managed low-intensity residential services (ASAM Level 3.1);
6. Partial hospitalization (ASAM Level 2.5);
7. Substance abuse intensive outpatient (ASAM Level 2.1);
8. Substance abuse outpatient services (ASAM Level 1.0);
9. Clinically managed medium-intensity residential care for children (ASAM Level 3.5);
10. Clinically managed low-intensity residential care for children (ASAM Level 3.1); and
11. Medication assisted opioid treatment (Opioid Treatment Programs).

\*Note: The Department of Medical Assistance Services (DMAS) historically recognized only Virginia Department of Health licensed hospitals as ASAM Level 4.0. DBHDS is expanding ASAM Level 4.0 to also apply to acute inpatient psychiatric units. DMAS will also recognize these new licenses and settings for ASAM Level 4.0.

To support a quick and seamless transition for providers who are currently certified to provide one of the above ASAM Levels of Care and already licensed by the DBHDS, the Office of Licensing has established an expedited review process and has developed a specialized service modification form titled “Project Bravo & ASAM Abbreviated Service Modification Form.” The specialized service modification form, attached to this correspondence as well as posted on the Office of Licensing website, will require each provider to submit the completed specialized service modification form along with the following attachments, which all providers should already have pursuant to the Licensing and Children’s Residential Regulations:

- A service description for each transitioning service;
- Discharge criteria for each transitioning service;
- A schedule of staffing pattern for each transitioning service; and
- A signed policy and procedure attestation form attesting to the fact that the provider’s policies and procedures have been updated, as needed, to comply with the new ASAM regulations prior to the submission of the attestation form.

Once the service modification has been approved, the provider will be issued a conditional license for the appropriate ASAM Level of Care Service(s) with an effective date of July 1, 2021. Providers are encouraged to submit their service modification and requested information to the Office of Licensing at [licensingadminsupport@dbhds.virginia.gov](mailto:licensingadminsupport@dbhds.virginia.gov) as soon as possible, but no later than **May 15, 2021** in order to ensure the new service license(s) will be effective by July 1, 2021. Please note that only electronic versions of the abbreviated service modification applications will be accepted. Hard copy submissions will not be accepted and may result in a delay in processing. Service modifications submitted in accordance with this process will be prioritized and the Office of Licensing will notify DMAS, the Managed Care Organizations (MCOs), and Magellan of Virginia of license approvals each business day as applications are approved. **The Office of Licensing cannot guarantee that modification forms received after May 15, 2021 will be processed prior to July 1, 2021. Providers who do not have this conditional license issued by July 1, 2021 will not meet the DMAS requirements for reimbursement through the Addiction and Recovery Treatment Services (ARTS) benefit.**

As a reminder, a conditional license will be issued for each new substance use disorder service as

part of the transition process. Pursuant to Code of Virginia § 37.2-415, a conditional license may be granted to a provider to operate a new service in order to permit the provider to demonstrate compliance with all licensing standards. As the regulatory changes to align the Licensing Regulations with the ASAM Criteria include new service specific regulations for substance use disorder services, providers will need to demonstrate compliance with these regulations prior to the issuance of an annual license. Following the issuance of the conditional license, a representative of the Office of Licensing will conduct a thorough review of each provider's compliance with the emergency regulations as part of the annual inspection. Once compliance with all the applicable regulations within each service is demonstrated, including the new DBHDS regulations incorporating the ASAM Criteria for the corresponding service, then the provider will be granted an annual license.

**Please note that the expedited process described above is in place only for providers transitioning from their current license to the corresponding ASAM Level of Care license.**

For providers of Substance Abuse Partial Hospitalization (SA-PHP), Substance Abuse Intensive Outpatient Services (SA-IOP), Substance Abuse Outpatient Services (SA-OP), and Medication Assisted Treatment Services (MAT), providers should submit the abbreviated service modification form in order to apply for the corresponding ASAM Level of Care service licenses: Partial hospitalization (ASAM Level 2.5), Substance abuse intensive outpatient (ASAM Level 2.1); Substance abuse outpatient services (ASAM Level 1.0), and Medication assisted opioid treatment (Opioid Treatment Programs). For ASAM Levels 3.7, 3.5, 3.3 and 3.1, providers should use the abbreviated service modification form to apply for the level(s) of care they were certified by DMAS' contractor, Westat Inc., to provide for purposes of Medicaid reimbursement through the ARTS benefit.

If a provider would like to add additional substance use disorder services that they are not currently licensed to provide, they will need to submit the standard [service modification form](#) and all required attachments. **This process will not be expedited prior to July 1, 2021 due to the high volume of service modification applications we will be receiving.**

Per our [March 29 correspondence](#), the Office of Licensing will be hosting two live trainings on the Emergency ASAM Regulations and the service modification process on **Monday, April 12** and **Monday, April 19**. Both of these trainings will include the same presentation. If you have not done so, please be sure that one or two representatives from your organization signs up to attend one of the training sessions. Due to capacity restrictions within Zoom, the training is limited to two people per provider organization. The slide presentation will be sent out to providers soon after the training concludes via constant contact and will be posted on the Office of Licensing website, so anyone who did not attend will be able to access the information shortly after the presentations.

### **Service Modifications for ACT, MH-PHP, and MH-IOP**

The Office of Licensing will also begin to prioritize specialized service modifications applications for small, medium and large size ACT teams on **April 12, 2021** in anticipation of a licensure "Go-Live" date of July 1, 2021.

To support a quick and seamless transition for providers who are currently licensed to provide PACT or ICT services, the Office of Licensing has established an expedited review process and has developed a specialized service modification form. The specialized service modification

form, which has been attached to this correspondence, will require each provider to submit the completed specialized service modification form along with the following attachments:

- A service description for each transitioning service;
- Discharge criteria for each transitioning service;
- A schedule of staffing pattern for each transitioning service;
- Copies of ALL position descriptions and resumes; and
- A signed policy and procedure attestation form attesting to the fact that the provider's policies and procedures have been updated, as needed, to comply with the new BHE regulations prior to the submission of the attestation form.

Once the service modification has been approved, the provider will be issued a conditional license for the appropriate ACT team size(s) with an effective date of July 1, 2021. Providers are encouraged to submit their service modification and requested information to the Office of Licensing at [licensingadminsupport@dbhds.virginia.gov](mailto:licensingadminsupport@dbhds.virginia.gov) as soon as possible, but no later than **May 15, 2021** in order to ensure the new service license(s) will be effective by July 1, 2021. Please note that only electronic versions of the abbreviated service modification applications will be accepted. Hard copy submissions will not be accepted and may result in a delay in processing. Service modifications submitted in accordance with this process will be prioritized and the Office of Licensing will notify DMAS and the MCOs of license approvals each business day as applications are approved. **The Office of Licensing cannot guarantee that modification forms received after May 15, 2021 will be processed prior to July 1, 2021. Providers who do not have this conditional license issued by June 30, 2021 will not meet the DMAS requirements for reimbursement for these three services effective July 1, 2021. These conditional licenses are a requirement for Medicaid reimbursement.**

As a reminder, a conditional license will be issued for each new ACT team as part of the transition process. Pursuant to Code of Virginia § 37.2-415, a conditional license may be granted to a provider to operate a new service in order to permit the provider to demonstrate compliance with all licensing standards. As the BHE emergency regulations include new requirements for ACT teams, providers will need to demonstrate compliance with these regulations prior to the issuance of an annual license. Following the issuance of the conditional license, a representative of the Office of Licensing will conduct a thorough review of each provider's compliance with the emergency regulations as part of the annual inspection. Once compliance with all the applicable regulations within each service is demonstrated, then the provider will be granted an annual license.

- Existing, licensed providers of MH-PHP will not be required to apply for a new license. However, please note that DMAS will have additional requirements for MH-PHP providers to enroll and bill Medicaid.
- Currently licensed providers who are interested in applying for the new MH-IOP will be required to submit the [full service modification application](#) including all required attachments.
- In addition, providers currently licensed for other services who would like to add a MH-PHP service will also need to submit the [full service modification application](#) including all required attachments.
- These full service modifications will follow the standard service modification process as the services will be new to the provider and an expedited review is not needed to ensure the continuity of care for individuals currently receiving services.

- Please note that due to the anticipated high volume of service modifications, the Office of Licensing cannot guarantee that service modifications to add MH-IOP and MH-PHP services will be licensed by July 1, 2021.
- Lastly, although the Office of Licensing did not remove Intensive Community Treatment (ICT) from the emergency ASAM regulations, [DMAS will no longer reimburse](#) for this service beginning July 1, 2021.

## Additional Questions

For additional questions related to the amendments to align the Children’s Residential Regulations with ASAM criteria and the amendments to align the Licensing Regulations with ASAM criteria, please contact Susan Puglisi at [susan.puglisi@dbhds.virginia.gov](mailto:susan.puglisi@dbhds.virginia.gov).

For questions related to the amendments to align with enhanced behavioral health services, please contact Emily Bowles at [Emily.Bowles@dbhds.virginia.gov](mailto:Emily.Bowles@dbhds.virginia.gov).

For general questions related to Behavioral Health Enhancement or substance use disorder treatment services, please contact the Behavioral Health Divisions at DBHDS or DMAS at the following emails:

DBHDS:

- For small, medium, and large ACT Teams: Jeff Vanarnam at [jeffrey.vanarnam@dbhds.virginia.gov](mailto:jeffrey.vanarnam@dbhds.virginia.gov).
- For MH-IOP, MH-PHP and all substance use disorder services: Dr. Alexis Ablasca at [alexis.aplasca@dbhds.virginia.gov](mailto:alexis.aplasca@dbhds.virginia.gov).

DMAS:

- For enhanced behavioral health services: [EnhancedBH@dmas.virginia.gov](mailto:EnhancedBH@dmas.virginia.gov).
- For Addiction and Recovery Treatment Services (ARTS): [SUD@dmas.virginia.gov](mailto:SUD@dmas.virginia.gov).

Additional information related to BHE implementation can be found on the DMAS website here: <https://www.dmas.virginia.gov/#/behavioralenhancement>. The DMAS policy manual related to BHE is forthcoming and will be posted for public comment on the Regulatory Town Hall here: <http://townhall.virginia.gov>.

Last, for general questions relating to the service modification process, please reach out directly to your assigned licensing specialist.

Sincerely,

*Jae Benz*

Jae Benz  
Director, Office of  
Licensing DBHDS