



MONTANA
ADMINISTRATIVE
REGISTER



DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

NOTICE OF ADOPTION

MAR NOTICE NO. 2025-152.2

Summary

Amendment of ARM 37.27.902, 37.85.104, 37.85.105, 37.85.106, 37.82.206, 37.86.1006, 37.86.3607, and 37.88.101 pertaining to updating Medicaid and non-Medicaid provider rates, fee schedules, and effective dates

Previous Notice(s) and Hearing Information

On October 10, 2025, the Department of Public Health and Human Services published MAR Notice No. 2025-152.1 pertaining to the public hearing on the proposed amendment of the above-stated rules in the 2025 Montana Administrative Register, Issue Number 19.

A hearing was held on October 31, 2025.

Final Rulemaking Action – The department intends to apply the rule amendments retroactively to July 1, 2025.

AMEND AS PROPOSED

The agency has amended the following rules as proposed:

37.27.902 SUBSTANCE USE DISORDER SERVICES: AUTHORIZATION REQUIREMENTS

37.85.104 EFFECTIVE DATES OF PROVIDER FEE SCHEDULES FOR MONTANA NON-MEDICAID SERVICES

37.85.105 EFFECTIVE DATES, CONVERSION FACTORS, POLICY ADJUSTERS, AND COST-TO-CHARGE RATIOS OF MONTANA MEDICAID PROVIDER FEE SCHEDULES

37.85.106 MEDICAID BEHAVIORAL HEALTH TARGETED CASE MANAGEMENT FEE SCHEDULE

37.85.206 SERVICES PROVIDED

37.86.1006 DENTAL SERVICES, COVERED PROCEDURES

37.86.3607 CASE MANAGEMENT SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, REIMBURSEMENT

37.88.101 MEDICAID MENTAL HEALTH SERVICES FOR ADULTS, AUTHORIZATION REQUIREMENTS

Statement of Reasons

COMMENT #1: One commenter expressed concerns that the department fails to comply with the legislative appropriations and applicable law. The commenter cited a statute in Title 37, MCA, and asserted that optometrists should be reimbursed equal to the amount paid to medical doctors and doctors of osteopathy, whose reimbursement the Montana Legislature has directed to be paid pursuant to 53-6-125, MCA.

RESPONSE #1: This assertion is the subject of a lawsuit filed in state district court and will be resolved through that process.

COMMENT #2: One commenter expressed concern that the department failed to comply with the updated HCPCS coding by revising Level II HCPCS code descriptions and separating transanal irrigation system from catheters, effective April 1, 2025, per CMS which also updated LCD L36267 and Policy Article A54516, solidifying Medicare coverage for transanal irrigation.

RESPONSE #2: The department agrees and has updated the description of both codes, which will be posted with the July 1, 2025, fee schedule.

COMMENT #3: One commenter recommended HCPCS A4453 and A4459, maintaining rates consistent with the previous methodology, based on MSRP or historical payment levels, rather than the new Medicare rates.

RESPONSE #3: For covered Durable Medical Equipment, Prosthetics, Orthotics, and Supplies that have established Medicare rates, the department reimburses 100% of the Medicare rate. This methodology ensures the department is in compliance with the federal financial participation limits for Durable Medical Equipment.

COMMENT #4: One commenter expressed support and appreciation regarding the rulemaking.

RESPONSE #4: The department appreciates the comment.

COMMENT #5: One commenter stated that peer support and case management are usually in alignment concerning reimbursement rates; however, peer support is now lower than both

case management and tenancy support services. The commenter also stated that peer support requires training supervision and certification and should be reimbursed at a higher rate than case management or tenancy services. The commenter suggested that if peer support is not reimbursed at a higher rate compared to case management, it should be reimbursed at the same rate as case management services.

RESPONSE #5: The department agrees the rates should be aligned, and fee schedules will be adjusted accordingly.

COMMENT #6: One commenter expressed that Tenancy Support Services are excluded when an individual is engaged in residential care including ASAM 3.1, 3.3, 3.5, or 3.7. Excluding these settings, which arguably serve the neediest individuals, does a disservice to the people it is meant to help. If someone is homeless and desires to be released from a residential setting into their own housing, under the current rules they are required to release and then wait for prior approval before engaging in tenancy support services. The commenter stated that, concerning ASAM 3.1 and 3.3, generally stable individuals would be expected to become unhoused so they can qualify for the assistance. The department should consider a period in which individuals can begin working with a tenancy support specialist and receive application fee assistance and deposit assistance so the individuals can leave residential or hospital settings and enter into a stable living arrangement.

RESPONSE #6: The department acknowledges receipt of this comment, which is outside the scope of this rulemaking. The department recognizes that providers and partner agencies have invaluable knowledge and experience regarding the delivery of services. This comment addresses service requirements, which are outside the scope of the rulemaking.

COMMENT #7: One commenter expressed significant concern regarding the proposed Medicaid reimbursement rates for psychologists that are set to take effect in July 2025. Montana already faces a significant shortage of psychologists willing to accept insurance of any kind, and far fewer who accept Medicaid. Patients frequently experience waitlists stretching months to years for diagnostic evaluation services, which are often necessary to accessing certain supports and interventions. The commenter urges the department to reconsider the rates for psychological and neuropsychological testing and evaluation codes so that providers can continue to serve Medicaid populations and help address the critical provider shortage. The codes in question are 90785, 90791, 96116, 96121, 96130, 96131, 96132, 96133, 96136, and 96137.

RESPONSE #7: The department thanks the commenter for this comment. The psychological and neuropsychological testing codes identified are reimbursed under the RBRVS fee schedule. These rates were developed through the department's recent rate study using the standardized RBRVS methodology. To maintain consistency across the fee schedule, the department is unable to adjust these individual code rates at this time.

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Rule Reviewer

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Approval

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