



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

Department of Health and Social Services

DIVISION OF BEHAVIORAL HEALTH

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DBH Children's Residential Guidance Document

Children's Residential Level I - II:

On October 4, 2020, the Department of Health and Social Services made permanent emergency regulations regarding Medicaid behavioral health "1115" waiver services. This regulatory package included the standards for behavioral health residential treatment services for children, found at [7 AAC 139.325](#).

The requirement in [7 AAC 139.325\(b\)\(2\)](#) that children have more than three placements in a less structured treatment facility in one calendar year and their needs cannot be met in a less restrictive setting to be able to qualifying for Level 2 treatment services produced an unintended result to the detriment of providers subject to state regulations. The language as written would result in most children currently in care abruptly being ineligible for services effective April 1, 2021, despite having previously met program eligibility criteria. It is important that 1115 waiver services are accessible to those participants transitioning from state plan service to 1115 waiver services without any break in service. The Department intends to change that regulatory requirement as quickly as possible. The Department will not enforce the standard while it works to amend the regulation.

Providers offering Children's Residential Services Level I and/or Level II should refer to the [Alaska Behavioral Health Services Standard & Administrative Procedure for Behavioral Health Providers Services](#), adopted by reference in [7 AAC 160.990](#), for guidance. The manual describes the behavioral health 1115 waiver services, eligibility requirements, required service components, staffing requirements, documentation, service authorization, and other service-related criteria that providers must meet to be eligible for Medicaid reimbursement.

If you have any questions, please contact the MPASS Unit at mpassunit@alaska.gov. In the subject line please note Guidance Document.

The Division looks forward to a continued partnership with your agency to ensure fulfillment of federal and state regulations.

Regards,

A handwritten signature in blue ink, appearing to read "Gennifer Moreau".

Gennifer Moreau
Director, Division of Behavioral Health
Alaska Department of Health and Social Services