MDHHS
Michigan Department of Health & Human Services

BULLETIN

Michigan Medicaid Policy (MMP) | Health Services

Bulletin Number: MMP 26-30

Distribution: Practitioners, Outpatient Hospitals, Local Health Departments (LHD), Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), Tribal Health Centers (THC), Medicaid Health Plans (MHP), Highly Integrated Dual Eligible Special Needs Plans (HIDE SNP), Prepaid Inpatient Health Plans (PIHP)

Issued: July 31, 2026

Subject: Enrollment of Limited Licensed Non-Physician Behavioral Health Providers and Updated Billing Requirements; Updates to Fee-for-Service (FFS) Program Billing of Level of Care Utilization System (LOCUS) and Michigan Child and Adolescent Needs and Strengths (MichiCANS) Screener Assessments

Effective: September 1, 2026

Programs Affected: Medicaid, Healthy Michigan Plan, Children's Special Health Care Services, Maternity Outpatient Medical Services

This bulletin provides information related to the enrollment of Master's level Temporary Limited Licensed Psychologists (TLLP), Limited Licensed Counselors, Educational Limited Licensed Marriage and Family Therapists, and Limited Licensed Master's level Social Workers. The bulletin also updates information related to the billing of services performed by these providers and the billing of LOCUS and MichiCANS Screener Assessments performed for FFS beneficiaries. Information in this bulletin is effective as of September 1, 2026.

I. Limited Licensed Non-Physician Behavioral Health Providers

A. Enrollment

Individuals licensed as a Master's level TLLP, Limited License Counselor, Educational Limited Licensed Marriage & Family Therapist, and Limited Licensed Master's level Social Worker who provide services to Medicaid beneficiaries are required to be Medicaid-enrolled providers and be uniquely identified on claims. Throughout this policy, any reference to limited licensed behavioral health providers pertains to all the above-mentioned provider types unless otherwise stated.

To enroll as a Medicaid provider, the limited licensed behavioral health provider must complete an online application in the Community Health Automated Medicaid

Processing System (CHAMPS). Behavioral health providers should enroll with an individual (Type 1) National Provider Identifier (NPI) and select the applicable limited licensed specialty designation within CHAMPS. Limited licensed behavioral health providers are required to enroll as "Rendering Only" providers within CHAMPS and associate themselves to an organizational billing provider who is a clinic, group practice, or other employer the individual is contracted with to perform services.

Limited licensed behavioral health providers must perform services under the supervision of a Medicaid-enrolled, fully licensed provider of the same profession (e.g., licensure). As part of the Medicaid enrollment and revalidation processes, the provider must report the individual NPI of their supervising provider on the CHAMPS provider enrollment checklist and must associate themselves to their supervising provider in the "Associate to Billing Provider/Other Association" step within the CHAMPS enrollment application. Disenrollment of the supervising provider from the Medicaid program may prompt disenrollment of the limited licensed behavioral health provider. To avoid interruption in enrollment, the provider must ensure their CHAMPS enrollment information reflects current supervising provider's information. (Refer to the Michigan Department of Health and Human Services [MDHHS] website at www.michigan.gov/medicaidproviders >> CHAMPS >> Provider Enrollment for additional enrollment information.)

Current provider enrollment and billing requirements for Master's level Limited Licensed Psychologists (LLPs) and Doctoral Educational LLPs (DLLPs) remain unchanged. These providers are already required to be Medicaid-enrolled providers and be uniquely identified on claims. (Refer to the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter, Non-Physician Behavioral Health Appendix of the MDHHS Medicaid Provider Manual for enrollment and billing information.)

B. Currently Enrolled Limited Licensed Providers

Current CHAMPS specialties designated as "Limited Licensed Professional Counselor - Managed Care Only," "Limited Licensed Marriage and Family Therapist – Managed Care Only," or "Limited Licensed Social Worker - Managed Care Only" will be relabeled to remove the "Managed Care Only" designation. Both Medicaid FFS program and Medicaid Health Plan (MHP) limited licensed behavioral health providers will enroll under these specialties.

All limited licensed behavioral health providers currently enrolled within CHAMPS under one of the "Managed Care Only" specialties will not need to re-enroll, but will need to report their Medicaid enrolled fully licensed behavioral health provider's NPI within the CHAMPS provider enrollment checklist and associate themselves with their supervisor in the "Associate to Billing Provider/Other Association" step within CHAMPS by November 1, 2026, to avoid disenrollment and claim denials.

Additionally, if a currently enrolled limited licensed behavioral health provider has designated themselves as an "Individual Sole Proprietor" provider, they will be automatically changed by MDHHS to a "Rendering Only" provider type within CHAMPS.

Providers not already associated to a clinic, group practice, or other organizational billing provider will need to update their billing provider information.

C. Billing and Reimbursement

The Medicaid program covers medically necessary services performed by limited licensed behavioral health providers when covered services are completed under proper supervision. Supervision is defined by Section 333.16109 of the Public Health Code (Act 368 of 1978). Limited licensed behavioral health providers are not eligible for direct reimbursement by Medicaid, and reimbursement will be made to the provider's associated billing provider. The billing provider must have an Organization/Group (type 2) NPI and be enrolled with the Medicaid program for payment.

For dates of service on and after September 1, 2026, limited licensed behavioral health providers should no longer report services under their supervising provider's NPI. Professional claims must include the individual NPI of the limited licensed provider in the Rendering Provider field. Outpatient Hospital institutional claims must include the NPI of the limited licensed provider's supervisor in the "Attending Provider" field and the limited licensed provider's NPI in the "Other Provider/Rendering Provider" field.

Providers should refer to the Michigan Medicaid fee schedule published at www.michigan.gov/medicaidproviders >> Billing & Reimbursement >> Provider Specific Information >> Behavioral Health/Substance Abuse >> Non-Physician Behavioral Health or to the Medicaid Code and Rate Reference tool within CHAMPS for covered services and Medicaid FFS reimbursement rates.

D. Federally Qualified Health Center (FQHC), Rural Health Clinic (RHC), Tribal Health Center (THC) and Tribal FQHC Reimbursement

Eligible services provided by a properly supervised limited licensed behavioral health provider within an FQHC, RHC, THC, and Tribal FQHC count as a qualifying visit and will be reimbursed according to the Prospective Payment System (PPS) methodology or All-Inclusive Rate (AIR) methodology.

Behavioral health services performed by a limited licensed provider should be billed on the institutional claim form using the Organization/Group – Type 2 clinic specialty enrolled NPI. For dates of service on and after September 1, 2026, the claim must include the limited licensed provider's supervisor's individual NPI in the "Attending Provider" field. The individual NPI of the limited licensed provider rendering the actual service to the Medicaid beneficiary at the clinic should be listed in the "Other Provider/Rendering Provider" field (referring/rendering/ordering).

E. **Managed Care Organizations**

Limited licensed behavioral health providers who wish to provide services for Managed Care Organization (MCO) beneficiaries are encouraged to contact the individual MCO for additional enrollment, credentialing, and contract requirements beyond those required by MDHHS. MCOs are responsible for reimbursing contracted providers for their services according to the conditions stated in the subcontract established between the behavioral health provider and the MCO. Providers must comply with all applicable authorization and documentation requirements of the MCO.

F. Prepaid Inpatient Health Plans (PIHPs) and PIHP Providers

Master's level TLLPs, Limited Licensed Counselors, Educational Limited Licensed Marriage & Family Therapists, and Limited Licensed Master's level Social Workers who are contracted with or employed by a PIHP provider may provide services to Medicaid beneficiaries. Enrollment and billing instructions specified within this bulletin are not applicable to PIHPs and PIHP providers. Providers are encouraged to contact the PIHP for enrollment, contracting, and claim submission requirements. PIHPs are responsible for reimbursing contracted providers for their services according to the conditions stated in the subcontract established between the behavioral health provider and the PIHP.

II. FFS Beneficiary LOCUS and MichiCANS Screener Assessments

Bulletin MMP 26-01, issued on March 18, 2026, establishes a LOCUS and MichiCANS Screener assessment requirement specific to MHP beneficiaries who are seeking mental health supports and services from a qualified provider. MMP 26-01 does not require providers to perform LOCUS/MichiCANS Screener assessments on FFS beneficiaries but allows for coverage of the service when a provider chooses to utilize these tools in their identification of an FFS beneficiary's service and support needs.

Effective for dates of service on and after September 1, 2026, if a qualified FFS provider elects to perform a LOCUS or MichiCANS Screener assessment on an FFS beneficiary, the provider should report the completion under the following Healthcare Common Procedure Coding System (HCPCS) codes.

Assessment Type	Procedure Code
MichiCANS Screener	H0002
LOCUS	H0031

These procedure codes have been designated by Medicaid to represent the LOCUS/MichiCANS Screener completion. All qualified provider types should report these HCPCS codes regardless of the procedure code's national description. The LOCUS/MichiCANS Screener assessments may be furnished to FFS beneficiaries via audio-visual or audio-only telemedicine and must be billed in accordance with current Medicaid Telemedicine policy. (Refer to the Telemedicine chapter within the MDHHS Medicaid Provider Manual for more information.) Additional mental health evaluation and

treatment services provided to the beneficiary on the same date of service as the assessment may be reported and reimbursed separately.

FFS providers will be reimbursed for LOCUS/MichiCANS Screener completion according to the rates published on the provider type's applicable fee schedule available at www.michigan.gov/medicaidproviders >> Billing & Reimbursement >> Provider Specific Information.

Manual Maintenance

Retain this bulletin until the information is incorporated into the MDHHS Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 800-292-2550. Atypical Providers may phone toll-free 800-979-4662.

An electronic copy of this document is available at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Approved

Meghan E. Groen, Chief Deputy Director
Health Services