

# BULLETIN

Michigan Medicaid Policy (MMP) | Health Services

**Bulletin Number:** MMP 26-01

**Distribution:** All Providers, Medicaid Health Plans, Prepaid Inpatient Health Plans, Community Mental Health Services Programs

**Issued:** March 18, 2026

**Subject:** Medicaid Health Plan (MHP) Provider Mental Health Assessment Requirements for Comprehensive Health Care Program (CHCP) Enrollees

**Effective:** As Indicated

**Programs Affected:** Medicaid, Healthy Michigan Plan, MIChild

This policy establishes standardized mental health assessment requirements for mental health providers who serve beneficiaries enrolled in a MHP. Standardizing and strengthening these requirements will support an ongoing transition to a more transparent, consistent, and person-centered mental health coverage for MHP enrollees as part of the Michigan Department of Health and Human Services (MDHHS) Mental Health Framework Initiative. The information in this bulletin is effective for dates of services on and after October 1, 2025.

## **I. General Information**

Providers who serve MHP enrollees and whose scope of practice includes assessment of mental health need are to begin incorporating the required standardized assessments into their practice as of October 1, 2025. These standardized assessment tools, the Michigan Child and Adolescent Needs and Strengths (MichiCANS) Screener or Level of Care Utilization System (LOCUS), will help determine the MHP enrollee's level of mental health need. In the future, information obtained from the assessments will more clearly determine which payer (i.e., the enrollee's MHP or Prepaid Inpatient Health Plan [PIHP]) is responsible for their mental health coverage and related services. In support of these new requirements, MDHHS has issued a corresponding Standardized Mental Health Assessment Guide that describes expectations around timeliness of assessment, reassessment, and documentation. A copy of the guide is available on the MDHHS website at [www.michigan.gov/mdhhs/mihealthylife](http://www.michigan.gov/mdhhs/mihealthylife) >> Mental Health Framework.

Providers are not required to complete a standardized assessment before delivering mental health treatment services to an enrollee. In many cases, treatment services may be rendered concurrently with conducting a standardized assessment of mental health needs. Enrollees newly seeking mental health services should be assessed using the MichiCANS

Screener or LOCUS when initially presenting for mental health services. Assessments should not be completed during a crisis.

Standardized assessments alone cannot be used to determine, limit, or restrict the amount, scope, or duration of services. Providers must continue to follow the requirements for services as outlined in the [MDHHS Medicaid Provider Manual](#).

## II. **Assessment Tools**

The following assessment tools must be incorporated into the assessment and reassessment process for all enrollees who are seeking mental health supports and services from a qualified provider. These assessments will be conducted upon initial mental health service use, with reassessment required every 12 months or more frequently upon change in condition (e.g., due to a significant change in life circumstances, a behavioral health event, and/or a change in the level of behavioral health care needed according to the beneficiary's provider). Providers should use clinical judgment to determine when a reassessment is necessary to ensure care remains appropriate and responsive to evolving needs. Assessments should not be completed during a crisis.

### **A. Michigan Child and Adolescent Needs and Strengths (MichiCANS) Screener**

The MichiCANS Screener is the standardized mental health assessment tool for all infants, toddlers, children, youth, and young adults ages birth to 18. The MichiCANS Screener is a Michigan-specific version of the Child and Adolescent Needs and Strengths (CANS) tool, a comprehensive information integration tool for use with infants, toddlers, children, youth and young adults, designed to summarize and organize information gathered from assessments and other sources. Additional information about the MichiCANS Screener, including training resources and reference guides, can be found on the MDHHS website at [www.michigan.gov/mdhhs/mihealthylife](http://www.michigan.gov/mdhhs/mihealthylife) >> Mental Health Framework.

### **B. Level of Care Utilization System (LOCUS)**

LOCUS is the state-designated tool required for assessing the level of mental health need for enrollees aged 18 and older. LOCUS is a multi-dimensional assessment instrument used to determine the appropriate level of care for adults with mental health needs or co-occurring mental health and substance use disorder-related needs. More information on LOCUS can be found in the Standardized Mental Health Assessment Guide available at [www.michigan.gov/mdhhs/mihealthylife](http://www.michigan.gov/mdhhs/mihealthylife) >> Mental Health Framework.

## III. **Allowable Providers**

### **A. Enrollable Providers**

LOCUS and MichiCANS Screener assessments must be completed by a Medicaid-enrolled Qualified Mental Health Professional (QMHP), Child Mental Health

Professional (CMHP), or Qualified Intellectual Disability Professional (QIDP) whose scope of practice includes assessment of mental health need. QMHPs are individuals who have specialized training or one year of experience in treating or working with a person who has mental illness. CMHPs are individuals who are trained and have one year of experience in the examination, evaluation, and treatment of minors and their families. QIDPs are individuals who have specialized training or one year of experience in treating or working with a person who has an intellectual disability. Allowable QMHPs, CMHPs, and QIDPs include the following licensed practitioners:

- Physician
- Psychiatrist
- Nurse Practitioner
- Physician's Assistant
- Licensed or Limited Licensed Psychologist/Clinical Psychologist
- Licensed or Limited Licensed Master's Level Social Worker
- Licensed or Limited Licensed Professional Counselor
- Licensed or Limited Licensed Marriage and Family Therapist

Evidence of specialized training would include fieldwork and/or internships associated with the academic curriculum where the student works directly with persons receiving mental health services as part of that experience. The time spent in fieldwork or internship can be counted toward the one-year experience requirement and must be documented by the student's supervisor or the program's coordinator for fieldwork/internships.

Limited licensed providers may only perform assessment services under the supervision of a fully licensed provider of the same profession. Supervision for limited licensed providers is defined by Section 333.16109 of the Public Health Code when required. Master's Level Limited Licensed Psychologists are excluded from supervision requirements when employed by certain organizations as specified within Section 333.18223 of the Public Health Code (Act 368 of 1978). MHP network limited licensed providers performing assessments are required to be enrolled in the Community Health Automated Medicaid Processing System (CHAMPS) on the date of service reported on the claim but are not eligible to be directly reimbursed. (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 complete billing information.)

All services performed by an assessment provider must be in compliance with the provider enrollment agreement, MHP contracts, Medicaid policies, and all applicable county, state, and federal laws and regulations governing the delivery of health care services.

## **B. Bachelor's Level Providers**

For mental health assessments paid for by MHPs for Medicaid enrollees, non-licensed bachelor's level providers may assist in conducting assessments if they meet the following conditions:

- The assistance must occur under the licensure and supervision of an allowable MHP provider (see section III. Allowable Providers) as defined in this Bulletin.
- Both the bachelor's level provider and the supervising provider have completed the required MichiCANS Screener or LOCUS standardized mental health assessment training and passed the corresponding certification exams.
- The MichiCANS Screener and LOCUS assessments will be entered and billed to the MHP under the supervising provider. The supervising provider's National Provider Identifier (NPI) must be listed as the rendering/attending (based on the billing format) provider on the claim.
- The supervising provider must be the one to request access to the CareConnect360 (MichiCANS Screener) platform and the webpage housing the LOCUS tool.

## **C. PIHP Providers**

If a PIHP is paying for the mental health assessment for Medicaid enrollees seeking specialty behavioral health services (including those enrolled in a MHP), the current PIHP requirements (i.e. allowable provider types, Medicaid enrollment requirements, assessment requirements, and billing instructions) remain unchanged. PIHP network providers serving a MHP enrollee, including non-licensed bachelor's level providers who qualify as a QMHP, CMHP, or QIDP as defined in this Bulletin, should continue their current assessment processes. Providers should refer to the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter of the MDHHS Medicaid Provider Manual and the Behavioral Health Code charts and Provider Qualifications document located on the MDHHS website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing and Reimbursement >> Provider Specific Information >> Behavioral Health/Substance Abuse for additional information.

## **IV. Training**

Prior to performing and billing for LOCUS and MichiCANS Screener assessments, QMHPs, CMHPs, and QIDPs must complete an MDHHS training program and pass the associated certification tests. (Refer to the Standardized Mental Health Assessment Guide available at [www.michigan.gov/mdhhs/mihealthylife](http://www.michigan.gov/mdhhs/mihealthylife) >> Mental Health Framework for complete training details.)

Organizations have discretion to determine which individual providers should complete the MichiCANS Screener or LOCUS trainings. Enrollees seeking mental health services from the organization will receive a standardized assessment from a trained provider upon initial mental health service use (if the enrollee does not already have a valid assessment on file

in the Community Health Automated Medicaid Processing System [CHAMPS]), and every 12 months thereafter or upon change in condition. MDHHS encourages all practices to maximize the number of providers trained in order to minimize enrollee disruption and ensure that assessments are conducted by providers who know and consistently work with an enrollee.

**V. Billing Guidelines and Reimbursement Considerations**

**A. MHP Enrollees**

MHPs or PIHPs will reimburse enrolled eligible providers for LOCUS and MichiCANS Screener assessments provided to MHP enrollees. Assessment services for MHP enrollees should be reported with the following Healthcare Common Procedure Coding System (HCPCS) codes and modifiers:

Assessment Type	Procedure Code	Modifier
MichiCANS Screener	H0002	7Y
LOCUS	H0031	WX

The MHP is responsible for outpatient mental health services provided in other office or clinic-based settings to enrollees with mild to moderate mental illness or whose severity has not yet been determined. These services include necessary screening. Refer to Beneficiary Eligibility subsection (General Information section) in the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter within the [MDHHS Medicaid Provider Manual](#) for additional information regarding billing responsibility.

These procedure code and modifier combinations were established 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. Clinical evaluation or other services provided to the enrollee in addition to the LOCUS/MichiCANS Screener completion may be reported and reimbursed separately. Services may be provided and reimbursed regardless of whether an assessment has been completed.

MHP-contracted providers will be reimbursed for services according to their MHP contract specified rates. MHPs will reimburse out-of-network providers at their usual and customary charges.

MHP providers should refer to the Standardized Mental Health Assessment Guide available at [www.michigan.gov/mdhhs/mihealthylife](http://www.michigan.gov/mdhhs/mihealthylife) >> Mental Health Framework for additional billing and reimbursement information.

## **B. Medicaid FFS Program Beneficiaries**

MHP QMHPs, CMHPs, and QIDPs who provide mental health care services for Medicaid FFS beneficiaries are not required to perform LOCUS and MichiCANS Screener assessments for FFS beneficiaries; however, providers may choose to perform these assessments for FFS beneficiaries.

All mental health assessment services, including LOCUS and MichiCANS Screener completion, should be billed to Medicaid FFS using a psychiatric diagnostic evaluation or other applicable behavioral screening and testing procedure code represented by an American Medical Association (AMA) HCPCS Level I code. Modifiers WX or 7Y should not be reported. Providers will be reimbursed according to the practitioner or non-physician behavioral health provider (as applicable) Michigan Medicaid fee schedule published at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing & Reimbursement >> Provider Specific Information.

## **C. Federally Qualified Health Center (FQHC), Rural Health Clinic (RHC), Tribal Health Center (THC) and Tribal FQHC Providers**

QMHPs, CMHPs, and QIDPs providing services within a FQHC, RHC, THC, or Tribal FQHC must complete the LOCUS or MichiCANS Screener assessments for MHP beneficiaries who are seeking or receiving mental health supports and services from a qualifying provider. These assessments are considered a qualifying visit and will be reimbursed according to the Prospective Payment System (PPS) methodology or All-Inclusive Rate (AIR) methodology.

LOCUS/MichiCANS Screener assessment services billed by clinics should be billed on the institutional claim form using the Group/Organizational - Type 2 clinic specialty enrolled NPI. The Attending Provider field line should include an eligible Individual – Type 1 provider who is responsible for the overall care of the beneficiary at the clinic. The NPI of the provider performing the assessment at the clinic should be listed in the Other/Rendering field line (referring/rendering/ordering). (Refer to the various clinic chapters within the [MDHHS Medicaid Provider Manual](#) for complete billing instructions.)

## **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](mailto: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](http://www.michigan.gov/medicaidproviders) >> Policy, Letters & Forms.

## Approved

A handwritten signature in black ink that reads "Meghan E. Groen". The signature is written in a cursive, flowing style.

Meghan E. Groen, Chief Deputy Director  
Health Services