

Adult Rehabilitative Mental Health Services (ARMHS)

Policy Number: SC15P0049A3

Effective Date: May 1, 2018

Last Update: November 5, 2025

PAYMENT POLICY HISTORY

DATE	SUMMARY OF CHANGE
November 5, 2025	Updated eligible providers to include licensed occupational therapists.
September 5, 2025	Clarification made to applicable products regarding policy application to dually integrated products.
June 16, 2025	Definition of Certified Peer Specialist updated in line with June 2025 MHCP publication.
April 14, 2025	Annual policy review complete. Updates made to definitions. Additional grammar, formatting, and stylization updates applied.
May 2, 2024	Annual review completed. Updates made to definitions and overview sections. Formatting and grammar updates applied.
September 28, 2023	Full review completed. Updates made to enrollee eligibility and payment information sections in line with August 2023 DHS publication. Other inconsequential grammar and language adjustments made throughout.
March 2, 2023	Annual policy review is completed. Updates made to provider eligibility criteria (changes published by DHS October 2022). Policy definitions were also updated.
September 19, 2022	Information regarding code-specific procedure CPT® or HCPCS was removed.
August 5, 2021	Annual policy review completed. Grammatical corrections were made the policy. These changes did not impact the technical requirements of the document.
September 11, 2020	Annual policy review. No technical changes were made to the policy. Information was moved to the new UCare format, and as a result some information was reformatted.
June 24, 2019	Provider eligibility requirements for Level I and Level II Certified Peer Specialists were updated based on DHS requirements
May 1, 2019	Annual policy review. The –UD modifier was deleted from H0031 and H0032, and units were updated to indicate services are provided per session. Eligible provider requirements were updated.
May 1, 2018	The ARMHS policy is implemented by UCare.

APPLICABLE PRODUCTS

This policy applies to the products checked below:

UCARE PRODUCT	PRODUCT TYPE	APPLIES TO
UCare Connect + Medicare (When MHCP is the primary payment methodology)	Dually Integrated	✓
UCare Minnesota Senior Health Options (MSHO) (When MHCP is the primary payment methodology)	Dually Integrated	✓
UCare Connect	Minnesota Health Care Programs (MHCP)	✓
UCare Minnesota Senior Care Plus (MSC+)	Minnesota Health Care Programs (MHCP)	✓
UCare MinnesotaCare	Minnesota Health Care Programs (MHCP)	✓
UCare Prepaid Medical Assistance (PMAP)	Minnesota Health Care Programs (MHCP)	✓

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PAYMENT POLICY INSTRUCTIONS

A payment policy assists in determining provider reimbursement for specific covered services. To receive payment, the provider must be in a contractual relationship with UCare and provide services to a member enrolled in one of UCare's products. This payment policy is intended to provide a foundation for system configuration, work instructions, call scripts, and provider communications. A payment policy describes the rules for payment, which include applicable fee schedules, additional payment rules by regulatory bodies, and contractual terms. This policy is a general guideline and may be superseded by specific provider contract language.

PAYMENT POLICY OVERVIEW

ARMHS services are rehabilitative and assist the patient to develop, retain, and enhance psychiatric stability, social competencies, personal and emotional adjustment, and independent living and community skills impaired by the symptoms of mental illness. These services also enable a patient to retain stability and functioning if a patient is at risk of losing significant functioning or being admitted to a more restrictive service. The services instruct, assist, and support a member in areas such as medication education and monitoring, and basic social and living skills in mental illness symptom management, household management and employment-related or community living transitions.

This policy outlines the billing and payment guidelines associated with ARMHS services.

POLICY DEFINITIONS

TERM	NARRATIVE DESCRIPTION
Adult Rehabilitative Mental Health Services (ARMHS)	Mental health services which are rehabilitative and enable the patient to develop and enhance psychiatric stability, social competencies, personal and emotional adjustment, and independent living and community skills, when these abilities are impaired by the symptoms of mental illness. The services also enable a patient to retain stability and functioning if the patient is at risk of losing significant functionality or being admitted to a more restrictive service setting without these services. In addition, the services instruct, assist, and support a patient in areas such as medication education and monitoring, and basic social and living skills in mental illness symptom management, household management, employment-related, or transitioning to community living.
Basic Living and Social Skills	Activities that instruct, assist, and support skill areas essential for every day, independent living, including, but not limited to: <ul style="list-style-type: none">• Interpersonal communications

TERM	NARRATIVE DESCRIPTION
	<ul style="list-style-type: none"> • Community resource utilization and integration • Crisis assistance • Relapse prevention • Budgeting, shopping and healthy lifestyle skills and practices • Cooking and nutrition • Transportation • Medication monitoring • Mental illness symptom management • Household management • Employment-related skills • Transitioning to community living
Certified Peer Specialist (CPS)	<p>A trained individual who uses a non-clinical approach that helps patients discover their strengths and develop their own unique recovery goals. The CPS models wellness, personal responsibility, self-advocacy, and hopefulness through appropriate sharing of his or her story based on lived experience.</p> <p>UCare recognizes two levels of certified peer specialists: Level I and Level II.</p> <p>Qualifications</p> <p>Level I Certified Peer Specialist</p> <p>Level I peer specialists must meet the following criteria:</p> <ul style="list-style-type: none"> • Have or have had a primary diagnosis of mental illness • Is a current or former recipient of mental health services • Successfully completes the DHS approved Certified Peer Specialist training and certification exam <p>Level II Certified Peer Specialist</p> <p>Level II peer specialists must meet all requirement of a Level I CPS and be qualified as a mental health practitioner.</p>
Certified Peer Specialist Services (CPSS)	Specific rehabilitative services emphasizing the acquisition, development, and enhancement of skills a person with a mental illness needs to move forward in his or her recovery.
Clinical Trainee	A mental health practitioner who meets the qualifications specified in MN Statute 2451.04, subdivision 6.
Community Intervention	<p>A service of strategies provided on behalf of a patient to do the following:</p> <ul style="list-style-type: none"> • Alleviate or reduce barriers to community integration or independent living

TERM	NARRATIVE DESCRIPTION
	<ul style="list-style-type: none"> Minimize the risk of hospitalization or placement in a more restrictive living arrangement
Diagnostic Assessment	Functional face-to-face evaluation resulting in a complete written assessment that includes clinical considerations and severity of the client's general physical, developmental, family, social, psychiatric, and psychological history, and current condition. The Diagnostic Assessment will also note strengths, vulnerabilities, and needed mental health services.
Individual Treatment Plan (ITP)	<p>The person-centered process that focuses on developing a written plan that defines the course of treatment for the patient. The plan is focused on collaboratively determining real-life outcomes with a patient and developing a strategy to achieve those outcomes. The plan establishes goals, measurable objectives, target dates for achieving specific goals, identifies key participants in the process, and the responsible party for each treatment component. In addition, the plan outlines the recommended services based on the patient's diagnostic assessment and other patient specific data needed to aid the patient in their recovery and enhance resiliency. An individual treatment plan should be completed before mental health service delivery begins.</p> <p>An ITP for ARMHS is based on a diagnostic assessment and baseline measurements, a functional assessment, and a level of care assessment.</p>
Medication Education Services	<p>Services provided individually or in groups which focus on educating the patient about:</p> <ul style="list-style-type: none"> Mental illness and symptoms; The role and effects of medications in treating symptoms of mental illness; and The side effects of medications. Medication education is coordinated with medication management services and does not duplicate it. <p>Medication education services are provided by physicians, pharmacists, physician assistants, or registered nurses</p>
Mental Health Practitioner	<p>Mental health practitioners are people who provide services to adults with mental illness or children with emotional disturbance.</p> <p>Mental Health Practitioners are not eligible for enrollment.</p> <p>They must be under the treatment supervision of a mental health professional and qualified in at least one of the ways outlined in MN Statute 245I.04, Subdivision 4.</p> <p>In addition to the criteria outlined in MN Statute 245I.04, MHCP requires:</p> <ul style="list-style-type: none"> A mental health practitioner for a child member must have training working with children.

TERM	NARRATIVE DESCRIPTION
	<ul style="list-style-type: none"> A mental health practitioner for an adult member must have training working with adults.
Mental Health Practitioner Qualified as a Clinical Trainee	<p>A mental health practitioner working as a clinical trainee meets the following criteria:</p> <ul style="list-style-type: none"> Be complying with requirements for licensure or board certification as a mental health professional including supervised practice in the delivery of mental health services for the treatment of mental illness Be a student in a bona fide field placement or internship under a program leading to completion of the requirements for licensure as a mental health professional <p>The clinical trainee's clinical supervision experience helps the practitioner gain knowledge and skills necessary to practice effectively and independently. The experience gained by the clinical trainee during supervision may include:</p> <ul style="list-style-type: none"> Direct practice Treatment team collaboration Continued professional learning Job management
Mental Health Professional	<p>One of the following providers:</p> <ul style="list-style-type: none"> Clinical nurse specialist (CNS) Licensed independent clinical social worker (LICSW) Licensed marriage and family therapist (LMFT) Licensed professional clinical counselor (LPCC) Licensed psychologist (LP) Mental health rehabilitative professional Psychiatric nurse practitioner (NP) Psychiatry or an osteopathic physician Tribal-certified professional
Mental Health Rehabilitation Worker	<p>Mental Health Rehabilitation workers must have a high school diploma or equivalent and meet one of the following:</p> <ul style="list-style-type: none"> Be fluent in the non-English language or competent in the culture of the ethnic group to which at least 20 percent of the mental health rehabilitation worker's clients belong, or Have an associate of arts degree, or Have two years of full-time postsecondary education or a total of 15 semester hours or 23 quarter hours in behavioral sciences or related fields, or Be a registered nurse, or

TERM	NARRATIVE DESCRIPTION
	<ul style="list-style-type: none"> • Have, within the previous 10 years, three years of personal life experience with mental illness, or • Have, within the previous 10 years, three years of life experience as a primary caregiver to an adult with a mental illness, traumatic brain injury, substance use disorder, or developmental disability, or • Have, within the previous 10 years, 2,000 hours of work experience providing health and human services to individuals <p>Mental health rehabilitation workers under the treatment supervision of a mental health professional or certified rehabilitation specialist may provide rehabilitative mental health services to an adult client according to the client's treatment plan.</p>
Transition to Community Living Services	Services which maintain continuity of contact between the rehabilitation services provider and the patient, and which facilitate discharge from a hospital, residential treatment program under Minnesota Rules, chapter 9505, board and lodging facility, or nursing home.

ENROLLEE ELIGIBILITY CRITERIA

THIS SECTION OF THE POLICY PROVIDES INFORMATION THAT IS SPECIFIC TO THE UCARE MEMBER, INCLUDING INFORMATION ABOUT THE CRITERIA THE MEMBER MUST MEET IN ORDER FOR THE SERVICE(S) IN THE POLICY TO BE ELIGIBLE FOR PAYMENT.

The member must be enrolled in a UCare MHCP product, and meet the following requirements:

- Be 18 years old or older.
- Have a primary diagnosis of mental illness as determined by a [Diagnostic Assessment](#);
- Have a completed [Level of Care \(LOC\)](#) assessment; and
- Have a significant impairment in functioning in three or more areas of the [Functional Assessment](#) domains specified in statute.

ELIGIBLE PROVIDERS OR FACILITIES

OUTLINED BELOW IS THE SPECIFIC CRITERIA A PROVIDER MUST MEET IN ORDER FOR THE SERVICE(S) IN THIS POLICY TO BE ELIGIBLE FOR PAYMENT.

Provider

Agencies / Entities

- Each ARMHS provider entity must be certified to provide ARMHS.
- County-operated entities must receive additional certification from any other counties in which they will provide services.
- Non-county entities must receive additional certification from each county where they provide services.
- Entities providing ARMHS services must be recertified every three (3) years.

Eligible ARMHS Providers

The following individual mental health providers are eligible to provide ARMHS:

- Mental health professional
- Certified rehabilitation specialist
- Mental health practitioner
- Clinical trainee
- Mental health rehabilitation worker*
- Certified peer specialist*

Additional providers eligible to provide ARMHS:

- Licensed occupational therapist**

*Mental health rehabilitation workers (MHRW) and certified peer specialist (CPS) level 1s cannot develop a Functional assessment (FA), level of care assessment, or individual treatment plan (ITP). MHRWs and CPS 1s can implement ITP interventions and develop a progress note.

**Licensed occupational therapists (OT) may administer ARMHS with the same [scope of practice](#) as a mental health practitioner. Licensed OTs providing ARMHS should not enroll with MHCP as a mental health provider. OTs will not be billing for OT services within ARMHS. OTs operate under the treatment supervision of a licensed mental health professional.

The following providers are eligible to provide medication education services under ARMHS:

- Physician
- Registered nurse
- Physician assistant
- Pharmacist

EXCLUDED PROVIDER TYPES**OUTLINED BELOW IS INFORMATION REGARDING PROVIDERS WHO ARE NOT ELIGIBLE TO FURNISH THE SERVICE(S) LISTED IN THIS POLICY.**

Not applicable.

MODIFIERS, CPT, HCPCS, AND REVENUE CODES**General Information**

The Current Procedural Terminology (CPT®), Healthcare Common Procedure Coding System (HCPCS), and Revenue codes listed in this policy are for reference purposes only. Including information in this policy does not imply that the service described by a code is a covered or non-covered health service. The inclusion of a code does not imply any right to reimbursement or guarantee of claim payment.

Modifiers

The modifiers listed below are not intended to be a comprehensive list of all modifiers. Instead, the modifiers that are listed are those that must be appended to the CPT® / HCPCS codes listed below. Based on the service(s) provided, and the circumstances surrounding those services it may, based on correct coding, be appropriate to append an additional modifier(s) to the CPT® / HCPCS code.

When a service requires multiple modifiers, the modifiers must be submitted in the order listed below. If it is necessary to add additional modifiers, they should be added after the modifiers listed below.

MODIFIER(S)	NARRATIVE DESCRIPTION
HM	For the purposes of this policy, the -HM modifier indicates services were furnished by an Adult Mental Health Rehabilitation Worker.
HQ	Group Modality
TS	Adult Diagnostic Review or Update
U3	ARMHS transitioning to community living

CPT and/or HCPCS Code(s)

CPT AND/OR HCPCS CODE(S)	MODIFIER(S)	NARRATIVE DESCRIPTION
H2017		Basic living and social skills – individual; mental health professional, certified rehab specialist, clinical trainee, or practitioner
H2017	HM	Basic living and social skills - individual; mental health rehabilitation worker
H2017	HQ	Basic living and social skills - group; mental health professional, certified rehab specialist, clinical trainee, practitioner, or rehabilitation worker
H2017	U3	Basic living and social skills, transitioning to community living (TCL), mental health professional, certified rehab specialist, clinical trainee, or practitioner
H2017	U3, HM	Basic skills, transitioning to community living (TCL) by a mental health rehabilitation worker
90882		Environmental or community intervention, mental health professional, certified rehab specialist, clinical trainee, or practitioner
90882	HM	Environmental or community intervention, mental health rehabilitation worker
90882	U3	Environmental or community intervention; mental health professional, certified rehab specialist, clinical trainee, or practitioner transition to community living (TCL) intervention
90882	U3, HM	Environmental or community intervention; transition to community living intervention, mental health rehabilitation worker
H0031		Mental health assessment, by non- physician
H0031	TS	Mental health assessment, by non-physician, follow-up service (review or update)
H0032		Mental health service plan development by non-physician
H0032	TS	Mental health service plan development by non-physician, follow-up services (review or update)
H0034		Medication education, individual: MD, RN, PA, or pharmacist
H0034	HQ	Medication education, group setting

CPT® is a registered trademark of the American Medical Association.

Revenue Codes

Not applicable. This policy addresses the professional billing of ARMHS.

PAYMENT INFORMATION

Covered Services

The following services are considered billable ARMHS services:

- Basic living and social skills
- Certified peer specialist services
- Community intervention
- Functional Assessment
- Individual treatment plan
- Medication education
- Transition to community living services

All covered services are provided face to face except community intervention. Documentation of activities is included in the covered service and must not be billed separately.

Non-Covered Services

The following services are not covered Adult Rehabilitative Mental Health Services:

- Transportation services
- Services provided and billed by providers not enrolled to provide ARMHS
- ARMHS performed by volunteers
- Provider performance of household tasks, chores, or related activities, such as laundering clothes, moving the member's household, housekeeping, and grocery shopping
- Time spent "on call" and not delivering services to members
- Activities that are primarily social or recreational, rather than rehabilitative
- Job-specific skills services such as on-the-job training
- Time included in case management services
- Outreach services to potential members
- Room and board services

Payment Adjustments

Payment Reductions

Based on MHCP guidelines, when certain mental services are furnished by a master's prepared provider a twenty percent (20%) reduction is applied to the allowed amount. Master's prepared providers may include:

- Clinical Nurse Specialist (CNS-MH)
- Licensed Independent Clinical Social Worker (LICSW)
- Licensed Marriage and Family Therapist (LMFT)
- Licensed Professional Clinical Counselor (LPCC)
- Licensed Psychologist (LP) master's Level
- Psychiatric Nurse Practitioner
- Master's Level enrolled provider

Master's level reductions are not applied to mental health services when they are furnished:

- In a Community Mental Health Center (CMHC)
- By a Mental Health Practitioner qualified to work as a clinical trainee

BILLING REQUIREMENTS AND DIRECTIONS

Outlined below are the billing guidelines for ARMHS services:

- Submit claims using the 837-P format or the electronic equivalent;
- Enter the treating provider's NPI number on each claim line; and
- Use appropriate CPT modifiers if an ARMHS service is provided on the same day but at different times by any of the following:
 - The same ARMHS provider
 - Different ARMHS providers within the same ARMHS provider organization
 - Different ARMHS provider organizations working concurrently with an ARMHS recipient.

Time Based Services

When billing for services that include time as part of their definition, follow HCPCS and CPT guidelines to determine the appropriate unit(s) of service to report. Based on current guidelines, providers must spend more than half the time of a time-based code performing the service to report the code. If the time spent results in more than one- and one-half times the defined value of the code, and no additional time increment code exists, round up to the next whole number. Outlined below are the billable units of service based on whether the description of the service includes the unit of measurement of 15 minutes or 60 minutes:

MINUTES	BILLABLE UNITS
Fifteen (15) Minute Increments	
0 – 7 minutes	0 (no billable unit of service)
8 – 15 minutes	1 (unit of billable service)
Sixty (60) Minute Increments	

0 – 30 minutes	0 (no billable unit of service)
31 – 60 minutes	1 (unit of billable service)

PRIOR AUTHORIZATION, NOTIFICATION, AND THRESHOLD INFORMATION

Prior Authorization, Notification, and Threshold Requirements

UCare does update authorization, notification, and threshold requirements from time-to-time. The most current prior authorization requirements can be found [here](#).

RELATED PAYMENT POLICY INFORMATION

OUTLINED BELOW ARE OTHER POLICIES THAT MAY RELATE TO THIS POLICY AND/OR MAY HAVE AN IMPACT ON THIS POLICY.

POLICY NUMBER	POLICY TITLE
SC14P0026A3	Certified Peer Specialist
SC14P0004A3	Diagnostic Assessment

SOURCE DOCUMENTS AND REGULATORY REFERENCES

LISTED BELOW ARE LINKS TO CMS, MHCP, AND STATUTORY AND REGULATORY REFERENCES USED TO CREATE THIS POLICY.

[MHCP Provider Manual, Mental Health Services, ARMHS](#)

[Minnesota Statutes 256B.0623](#)

[Minnesota Statutes 245I.011.5](#)

[Minnesota Statutes 245I.10](#)

[Minnesota Rule 9505.2175, subpart 1 & 2](#)

DISCLAIMER

“Payment Policies assist in administering payment for UCare benefits under UCare’s health benefit Plans. Payment Policies are intended to serve only as a general reference resource regarding UCare’s administration of health benefits and are not intended to address all issues related to payment for health care services provided to UCare members. When submitting claims, all providers must first identify member eligibility, federal and state legislation, or regulatory guidance regarding claims

submission, UCare provider participation agreement contract terms, and the member-specific Evidence of Coverage (EOC) or other benefit document. In the event of a conflict, these sources supersede the Payment Policies. Payment Policies are provided for informational purposes and do not constitute coding or compliance advice. Providers are responsible for submission of accurate and compliant claims. In addition to Payment Policies, UCare also uses tools developed by third parties, such as the Current Procedural Terminology (CPT®*), InterQual guidelines, Centers for Medicare and Medicaid Services (CMS), the Minnesota Department of Human Services (DHS), or other coding guidelines, to assist in administering health benefits. References to CPT® or other sources in UCare Payment Policies are for definitional purposes only and do not imply any right to payment. Other UCare Policies and Coverage Determination Guidelines may also apply. UCare reserves the right, in its sole discretion, to modify its Policies and Guidelines as necessary and to administer payments in a manner other than as described by UCare Payment Policies when necessitated by operational considerations.”