



COMMONWEALTH of VIRGINIA

Office of the Governor

Marvin B. Figueroa
Secretary of Health and Human Resources

August 4, 2026

Todd McMillion
Director
Department of Health and Human Services
Centers for Medicare and Medicaid Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601

Dear Mr. McMillion:

Attached for your review and approval is amendment 26-015, entitled "Elimination of Community Stabilization" to the Plan for Medical Assistance for the Commonwealth. I request that your office approve this change as quickly as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "MBF", enclosed within a hand-drawn oval.

Marvin B. Figueroa

Attachment

cc: Steve Ford, Director, Department of Medical Assistance Services

CMS, Region III

Transmittal Summary

SPA 26-015

I. IDENTIFICATION INFORMATION

Title of Amendment: Elimination of Community Stabilization

II. SYNOPSIS

Basis and Authority: The Code of Virginia (1950) as amended, § 32.1-325, grants to the Board of Medical Assistance Services the authority to administer and amend the Plan for Medical Assistance. The Code of Virginia (1950) as amended, § 32.1-324, authorizes the Director of the Department of Medical Assistance Services (DMAS) to administer and amend the Plan for Medical Assistance according to the Board's requirements.

Purpose: In accordance with the 2026 Appropriation Act, Item 291.LLLLLL, the state plan is being revised to eliminate the community stabilization service.

Substance and Analysis: The section of the State Plan that is affected by this amendment is “Amount, Duration, and Scope of Medical and Remedial Care and Services Provided to the Categorically Needy and Medically Needy” and “Methods and Standards for Establishing Payment Rate – Other Types of Care”

Impact: The expected decrease in annual fee-for-service aggregate expenditures is \$547,136 in state general funds and \$1,652,025 in federal funds in federal fiscal year 2027.

Tribal Notice: Please see attached.

Prior Public Notice: See Attached.

Public Comments and Agency Analysis: Please see attached.



Tribal Notice Letter - State Plan Amendment related to behavioral health service called "Community Stabilization"

From McClellan, Emily (DMAS) <Emily.McClellan@dmass.virginia.gov>

Date Thu 7/16/2026 12:53 PM

To TribalOffice@MonacanNation.com <TribalOffice@monacannation.com>; Ann Richardson <chiefannerich@aol.com>; Pamelathompson4@yahoo.com <Pamelathompson4@yahoo.com>; rappahannocktrib@aol.com <rappahannocktrib@aol.com>; regstew007@gmail.com <regstew007@gmail.com>; Richard.matens@pamunkey.org <Richard.matens@pamunkey.org>; chief@monacannation.gov <chief@monacannation.gov>; chiefstephenadkins@gmail.com <chiefstephenadkins@gmail.com>; bradbybrown@gmail.com <bradbybrown@gmail.com>; tabitha.garrett@ihs.gov <tabitha.garrett@ihs.gov>; administrator@nansemond.gov <administrator@nansemond.gov>; info@afwellness.com <info@afwellness.com>; info@fishingpointhc.com <info@fishingpointhc.com>; contact@Nansemond.gov <contact@Nansemond.gov>; brandon.custalow@mattaponination.com <brandon.custalow@mattaponination.com>; admin@umitribe.org <admin@umitribe.org>; lorraine.reels-pearson@ihs.gov <lorraine.reels-pearson@ihs.gov>; remedios.holmes@ihs.gov <remedios.holmes@ihs.gov>; lindsey.taylor@ihs.gov <lindsey.taylor@ihs.gov>; joni.lyon@ihs.gov <joni.lyon@ihs.gov>; Howard, Joanne <Joanne.howard@cit-ed.org>; Chief@Nansemond.gov <Chief@Nansemond.gov>; AssistantChief@Nansemond.gov <AssistantChief@Nansemond.gov>; steven.tupponce@umithealth.com <steven.tupponce@umithealth.com>; owen.adams@umitribe.gov <owen.adams@umitribe.gov>; Jennifer.Floor@ihs.gov <Jennifer.Floor@ihs.gov>

Cc Lee, Meredith (DMAS) <Meredith.Lee@dmass.virginia.gov>

 1 attachment (61 KB)

DMAS Director Steve Ford approved and signed 07.16.2026 - Tribal Notice Letter 7-7-26.docx;

Dear Tribal Leaders and Indian Health Programs,

Attached please find a letter from DMAS Director Steve Ford about the elimination of a behavioral health service called "Community Stabilization."

Please let me know if you have any questions.

Thank you! --Emily McClellan

Emily McClellan
Policy Division Director
Department of Medical Assistance Services
emily.mcclellan@dmass.virginia.gov 804-371-4300
Tuesday - Friday 7:00 am - 5:30 pm
www.dmass.virginia.gov



T
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I
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E
Engagement



CardinalCare
Virginia's Medicaid Program

DMAS is committed to providing quality health care coverage and services efficiently to qualified Virginians in the Commonwealth.



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

STEVE FORD
DIRECTOR

SUITE 1300
600 EAST BROAD STREET
RICHMOND, VA 23219
804/786-7933
800/343-0634 (TDD)
www.dmas.virginia.gov

07/16/2026

SUBJECT: Notice of Opportunity for Tribal Comment – State Plan Amendment related to Elimination of Community Stabilization.

Dear Tribal Leader and Indian Health Programs:

This letter is to notify you that the Department of Medical Assistance Services (DMAS) is planning to amend the Virginia State Plan for Medical Assistance with the Centers for Medicare and Medicaid Services (CMS). Specifically, DMAS is providing you notice about a State Plan Amendment (SPA) that the Agency will file with CMS in order to eliminate the behavioral health service called “Community Stabilization” in accordance with the 2026 Appropriation Act, Item 291.LLLLL.

We realize that the changes in this SPA may impact Medicaid members and providers, including tribal members and providers. Therefore, we encourage you to let us know if you have any comments or questions. The tribal comment period for this SPA is open through August 15, 2026. You may submit your comments directly to Meredith Lee, DMAS Policy Division, by phone (804) 371-0552, or via email: Meredith.Lee@dmas.virginia.gov. Finally, if you prefer regular mail you may send your comments or questions to:

Virginia Department of Medical Assistance Services
Attn: Meredith Lee
600 East Broad Street
Richmond, VA 23219

Please forward this information to any interested party.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Ford".

Steve Ford
Director
Department of Medical Assistance Services



VIRGINIA
REGULATORY TOWN HALL

Agency

Department of Medical Assistance Services

Board

Board of Medical Assistance Services

[Edit Notice](#)

General Notice

Public Notice - Intent to Amend State Plan - Elimination of Community Stabilization

Date Posted: 7/31/2026

Expiration Date: 1/31/2027

Submitted to Registrar for publication: YES

No comment forum defined for this notice.

**LEGAL NOTICE
COMMONWEALTH OF VIRGINIA
DEPARTMENT OF MEDICAL ASSISTANCE SERVICES
NOTICE OF INTENT TO AMEND**

(Pursuant to §1902(a)(13) of the *Act* (U.S.C. 1396a(a)(13))

THE VIRGINIA STATE PLAN FOR MEDICAL ASSISTANCE

This Notice was posted on July 31, 2026

The Virginia Department of Medical Assistance Services (DMAS) hereby affords the public notice of its intention to amend the Virginia State Plan for Medical Assistance to provide for changes to the *Methods and Standards for Establishing Payment Rates — Other Types of Care* (12 VAC 30-80).

This notice is intended to satisfy the requirements of 42 C.F.R. § 447.205 and of § 1902(a)(13) of the *Social Security Act*, 42 U.S.C. § 1396a(a)(13). A copy of this notice is available for public review from Meredith Lee, DMAS, 600 Broad Street, Suite 1300, Richmond, VA 23219, or via e-mail at: Meredith.Lee@dmass.virginia.gov.

This notice is available for public review on the Regulatory Town Hall (<https://townhall.virginia.gov>) on the General Notices page, found at: <https://townhall.virginia.gov/L/generalnotice.cfm>

Methods & Standards for Establishing Payment Rates-Other Types of Care (12 VAC 30-80)

In accordance with the 2026 Appropriation Act, Item 291.LLLLLL, the state plan is being revised to eliminate the behavioral health service called “Community Stabilization.”

The expected decrease in annual fee-for-service aggregate expenditures is \$547,136 in state general funds and \$1,652,025 in federal funds in federal fiscal year 2027 and \$891,897 in state general funds and \$2,693,000 in federal funds in federal fiscal year 2028.

Contact Information

Name / Title:	Meredith Lee / Policy Supervisor
----------------------	----------------------------------

Address:	600 East Broad Street Richmond, 23219
Email Address:	<u>Meredith.Lee@dmass.virginia.gov</u>
Telephone:	(804)371-0552 FAX: (804)768-1680 TDD: (800)343-0634

This general notice was created by Meredith Lee on 07/31/2026 at 5:55am

This general notice was last modified by Meredith Lee on 07/31/2026 at 5:55am

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

**AMOUNT, DURATION, AND SCOPE OF MEDICAL
AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY
and MEDICALLY NEEDY**

Community Stabilization

~~(1) Service definition: Community Stabilization service is a rehabilitative services benefit provided according to 42 CFR 440.130(d). Community Stabilization services provide intensive, short term behavioral health care to non-hospitalized individuals who recently experienced an acute behavioral health crisis. The goal is to address and stabilize the acute behavioral health needs at the earliest possible time to prevent decompensation while a comprehensive array of services is established. Goals include averting the client from hospitalization or re-hospitalization, providing a high assurance of safety and security in the least restrictive environment, and mobilizing the resources of the community support system, family members, and others for ongoing maintenance, rehabilitation, and recovery.~~

~~(2) Service Components and Provider Qualifications. Provider qualifications for LMHP, LMHP-R, LMHP-RP, LMHP-S, QMHP-A, QMHP-C and QMHP-E are on page 31, 31.1, and 31.2 of Attachment 3.1A&B, Supp. 1. Provider qualifications for CSAC, CSAC-supervisee and CSAC-A are on page 42 of Attachment 3.1A&B, Supp. 1. PRS are on page 55 of Attachment 3.1A&B, Supp. 1.~~

<u>Service Component Definitions - Community Stabilization</u>	<u>Staff That Provide Service Components</u>
"Assessment" means the face-to-face interaction in which the provider obtains information from the individual or other family members, as appropriate, about the individual's behavioral health status. It includes documented history of the severity, intensity, and duration of behavioral health care problems and issues.	LMHP LMHP-R LMHP-RP LMHP-S

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“Treatment Planning” means development of a person-centered plan of care that is specific to the individual’s unique treatment needs, developed with the individual, in consultation with the individual’s family, as appropriate. Treatment planning that involves the participation of a non-Medicaid eligible is for the direct benefit of the beneficiary. The service must actively involve the beneficiary in the sense of being tailored to the beneficiary’s individual needs. There may be times when, based on clinical judgment, the beneficiary is not present during the delivery of the service, but remains the focus of the service.	LMHP, LMHP-R, LMHP-RP, LMHP-S QMHP-A, QMHP-C QMHP-E, CSAC, CSAC- supervisee
“Crisis intervention” means behavioral health care, available 24 hours per day, seven days per week, to provide immediate assistance to individuals experiencing acute behavioral health problems that require immediate intervention to stabilize and prevent harm and higher levels of acuity.	LMHP, LMHP-R, LMHP-RP, LMHP-S QMHP-A, QMHP-C, QMHP-E, CSAC, CSAC- supervisee, CSAC-A
“Health literacy counseling” means patient counseling on mental health, and, as appropriate, substance use disorder, and associated health risks including administration of medication, monitoring for adverse side effects or results of that medication, counseling on the role of prescription medications and their effects including side effects and the importance of compliance and adherence.	LMHP, LMHP-R, LMHP-RP, LMHP-S, CSAC, CSAC-supervisee
“Skills restoration” means facilitating improved communication, problem solving, coping skills, and stress management through modeling, coaching and cueing to increase the individual’s continued adjustment to and management of mental illness.	LMHP, LMHP-R, LMHP- RP, LMHP-S, QMHP-A, QMHP-C, or QMHP-E.

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"Individual, Family, and Group Therapy" means the application of principles, standards, and methods of the counseling profession in (i) conducting assessments and diagnoses for the purpose of establishing treatment goals and objectives and (ii) planning, implementing, and evaluating treatment plans using treatment interventions to facilitate human development and to identify and remediate behavioral health disorders and associated distresses that interfere with behavioral health.	LMHP, LMHP-R, LMHP-RP, LMHP-S
"Peer Recovery Support Services" means strategies and activities that include person-centered, strength-based planning to promote the development of self-advocacy skills; empowering the individual to take a proactive role in the development of their plan of care; crisis support; assisting in the use of positive self-management techniques, problem-solving skills, coping mechanisms, symptom management and communication strategies identified in the plan of care. Caregivers of individuals under age 21 may also receive family support partners as a peer recovery support service when the service is directed exclusively toward the benefit of the individual. Peer recovery support services that involve the participation of a non-Medicaid eligible is for the direct benefit of the beneficiary. The service must actively involve the beneficiary in the sense of being tailored to the beneficiary's individual needs. There may be times when, based on clinical judgment, the beneficiary is not present during the delivery of the service, but remains the focus of the service.	PRS
"Care coordination" means locating and coordinating services across multiple providers to include sharing of information among health care providers, and others who are involved with an individual's health care, to improve the restorative care and align service plans. Care coordination must include locating and coordinating a psychiatric evaluation.	LMHP, LMHP-R, LMHP-RP, LMHP-S, QMHP-A, QMHP-C, QMHP-E, CSAC, CSAC-supervisee, or CSAC-A

~~(3) Limits on amount, duration, and scope.~~

~~Community Stabilization services are available to individuals who meet the medical necessity criteria for the service.~~

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State of VIRGINIA
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE -
OTHER TYPES OF CARE

- e. Mental Health Partial Hospitalization Program services are reimbursed based on a per diem unit that accounts for the wages, employee costs, and other allowable costs associated with providing this service. The rate for this service does not include costs related to room and board or other unallowable facility costs. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Agency's fee schedule rate was set as of January 1, 2024, and is effective for services on or after that date. All rates are published on the agency's website at <https://www.dmas.virginia.gov/for-providers/procedure-fee-files-cpt-codes/> - go to the header for HCPC Codes and look for this service.
- f. Psychosocial Rehabilitation is reimbursed based on the following units of service: One unit = 2 to 3.99 hours per day; Two units = 4 to 6.99 hours per day; Three units = 7 + hours per day. The rates account for the wages, employee costs, and other allowable costs associated with providing this service. The Agency's rates were set as of January 1, 2024, and are effective for services on or after that date. All rates are published on the agency's website at <https://www.dmas.virginia.gov/for-providers/procedure-fee-files-cpt-codes/> -go to the header for HCPC Codes and look for this service.
- g. Mobile Crisis Response is reimbursed based on a 15-minute unit of service. The rates account for the wages, employee costs, and other allowable costs associated with providing this service. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Agency's fee schedule rate was set as of January 1, 2024, and is effective for services on or after that date. All rates are published on the agency's website at <https://www.dmas.virginia.gov/for-providers/procedure-fee-files-cpt-codes/> - go to the header for HCPC Codes and look for this service.
- h. Assertive Community Treatment is reimbursed on a daily unit of service that accounts for the wages, employee costs, and other allowable costs associated with providing this service. The Agency's rates were set as of January 1, 2024, and are effective for services on or after that date. All rates are published on the agency's website at <https://www.dmas.virginia.gov/for-providers/procedure-fee-files-cpt-codes/> - go to the header for HCPC Codes and look for this service.
- ~~i. Community Stabilization is reimbursed on a 15 minute unit of service that accounts for the wages, employee costs, and other allowable costs associated with providing this service. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Agency's fee schedule rate was set as of January 1, 2024, and is effective for services on or after that date. All rates are published on the agency's website at <https://www.dmas.virginia.gov/for-providers/procedure-fee-files-cpt-codes/> - go to the header for HCPC Codes and look for this service. Reserved.~~
- j. Independent Living and Recovery Services (previously called Mental Health Skill-Building Services) are reimbursed based on the following units of service: One unit is 1 to 2.99 hours per day, two units is 3 to 4.99 hours per day. The rates account for the wages, employee costs, and other allowable costs associated with providing this service. The Agency's rates were set as of January 1, 2024 and are effective for services on or after that date. All rates are published on the agency's website at <https://www.dmas.virginia.gov/for-providers/procedure-fee-files-cpt-codes/> - go to the header for HCPC Codes and look for this service.

TN No.	<u>24-0003 26-0015</u>	Approval Date	<u>March 5, 2024</u>	Effective Date	<u>01/01/2024</u>
Supersedes					<u>01/1/2027</u>
TN No.	<u>22-0018 24-0003</u>				

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX

XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____

b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
Secretary of Health and Human Resources

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME

Steve Ford

13. TITLE

Director

14. DATE SUBMITTED

07/16/2026

15. RETURN TO

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

AMOUNT, DURATION, AND SCOPE OF MEDICAL
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TN No. <u>26-0015</u>	Approval Date	Effective Date <u>1/1/2027</u>
Supersedes		
TN No. <u>24-0003</u>		