



MEMORANDUM

TO: Certified Community Behavioral Health Clinics (CCBHCs)
FROM: New York State (NYS) Office of Mental Health (OMH)
DATE: January 13, 2025
SUBJECT: Crossover Claims related to CCBHCs

Current [CCBHC Billing Guidance](#) requires a specific Healthcare Common Procedure Coding System (HCPCS) code and HCPCS modifier to be present on all CCBHC claims: T1040 (Medicaid Certified Community Behavioral Health Clinic services, per diem) and Q2 (Demonstration procedure/service). It has come to the State's attention that inclusion of the T1040 procedure code, specifically on crossover claims (i.e. claims where Medicaid is the secondary or tertiary payor), has caused denials or incorrect payments by eMedNY for the remaining Medicaid portion of the claim. This is due to Medicare not reimbursing for T1040, and as such, the code has been excluded from crossover claims inconsistently, depending on the CCBHC.

In an effort to standardize claims submissions across all providers and payers, and ensure that data for CCBHCs is collected accurately, the T1040 procedure code will be still required. **However, to allow adequate time for software updates that may be necessary to accommodate claims balancing guidance referenced below, and to ensure timely claims payments, all CCBHCs (both Demonstration and non-Demonstration providers) may leave T1040 off crossover claims until July 1, 2025.** Medicaid-only CCBHC claims must continue to be submitted with T1040.

Effective July 1, 2025, all CCBHC providers, including those that are part of the initial [Section 223 Medicaid CCBHC Demonstration Program](#), will be required to add the T1040 procedure code on all CCBHC claims, including claims where Medicaid is the secondary or tertiary payer.

For crossover claims to be reimbursed properly by eMedNY, CCBHC providers will use CARC code "23" for "Other Adjustments." Guidance for providers was updated by the NYS Department of Health on 10/29/24 and can be found at:

https://www.emedny.org/HIPAA/QuickRefDocs/ePACES_Claim_Balancing.pdf

Please note: This document is only being transmitted electronically. No hard copy will be forthcoming. If you have any questions regarding these changes, please contact the CCBHC Mailbox at: CCBHC@omh.ny.gov.