FEBRUARY 2, 2026

Michigan LPC/LLPC Regulatory Update

Michigan Mental Health Counselors Association • www.mmhcanow.org

BREAKING **Partial Government Shutdown in Effect** — Medicare telehealth flexibilities lapsed January 30, 2026. House vote expected Tuesday, Feb 4. If passed, H.R. 7148 would extend telehealth through **December 31, 2027**. Claims will likely be paid retroactively. Continue providing services—monitor for updates.

Comprehensive Regulatory Guide 2024–2026

Critical Updates for Michigan Licensed Professional Counselors

Version 1.0 | February 2, 2026 | Next Q&A: Register Below

NEW: LARA 2026 Rules • Counseling Compact • Supervision • Training • Medicare Billing • Telehealth

What's Changed — At a Glance

JAN 15, 2026 — LARA RULES

CACREP 2024 Standards Adopted

Impact: New applicants from 2024-accredited programs can now apply. Current LPCs: no action needed.

JAN 31, 2026 — FEDERAL

Partial Government Shutdown

Impact: Telehealth flexibilities lapsed. Continue services—retroactive coverage expected when H.R. 7148 passes.

JAN 1, 2026 — MEDICARE

Fee Schedule Increase (~2.75%)

Impact: Higher reimbursement rates. 90834 now ~$71-75 for LPCs.

PENDING — STATE LAW

Counseling Compact (HB 4591)

Impact: If passed, practice in 39+ states with one license. Awaiting Senate vote.

1 LARA Administrative Rules — Effective January 15, 2026 NEW

Michigan Adopts CACREP 2024 Standards

LARA filed **2026 MR 2**, updating Michigan Administrative Rules R 338.1751–R 338.1781 effective **January 15, 2026**. The most significant change: Michigan now recognizes **CACREP 2024 Standards** for counselor education program accreditation.

CACREP Standards Timeline — What Michigan Now Accepts

Who Is Affected?

CURRENT LPCs

No action required. Your license remains valid. This change affects new applicants and education programs.

CURRENT STUDENTS

Check with your program. Programs must comply with 2024 Standards by July 1, 2026. Your program should be transitioning.

NEW APPLICANTS

2024 Standards now accepted. Graduates from CACREP 2024-accredited programs can now apply for Michigan licensure.

Administrative Rules Updated (2026 MR 2)

RULE	SUBJECT	WHAT CHANGED
R 338.1761	Higher Education Accreditation	Updated CHEA recognition standards reference
R 338.1763	Counselor Program Accreditation	**Added CACREP 2024 Standards**
R 338.1772	LLPC Requirements	References updated to include 2024 Standards
R 338.1773	Examination Adoption	NCE and CRCC exams confirmed
R 338.1781	Supervision Requirements	No substantive changes

What Are CACREP 2024 Standards?

CACREP 2024 Standards are outcomes-based accreditation requirements that include digital teaching/learning competencies and updated professional identity standards. Key changes from 2016: counselor educators must hold current counseling licenses, programs must demonstrate student outcomes, and curriculum must address technology integration. Full text available at cacrep.org.

2 Counseling Compact Legislation (HB 4591) PENDING

Current Status: Awaiting Senate Action

HB 4591 passed the Michigan House on **October 29, 2025** with bipartisan support (83-23) and has been referred to the Senate Health Policy Committee. If enacted, Michigan would become the **40th Compact member state**.

What the Compact Enables

- Practice in 39+ member states without separate licenses
- Maintain home state license as primary
- Pay privilege fee (~$75) per state
- Background check through Compact Commission
- Disciplinary action shared across states

Eligibility Requirements

- Hold unrestricted LPC in home state
- Master's degree (60 sem hrs) or doctoral
- Graduate-level practicum (100 hrs)
- Post-graduate supervised experience
- Pass national exam (NCE or NCMHCE)
- No disciplinary encumbrances

3 Michigan Supervision Requirements

UPDATED SEPT 2025

New Supervisor Requirements — Effective September 2025

LARA updated supervisor qualifications. Existing supervisors are grandfathered, but new supervisors face additional requirements including minimum 5 years of experience and completion of supervisor training.

LLPC Requirements (Supervisee)

- **3,000 hours** of supervised experience
- Minimum 2 years duration
- 1 hour supervision per 20 client contact hours
- Face-to-face or real-time video
- Document all supervision on LARA forms

LPC Supervisor Requirements (New)

- **5 years** post-licensure experience
- Complete approved supervisor training
- No disciplinary actions on license
- Current, unrestricted Michigan LPC
- Maintain documentation for 7 years

4 Mandatory Training Requirements

UPDATED MAY 2024

Important: Michigan Does NOT Require General CE Hours

Unlike most states, Michigan does not require continuing education for LPC renewal. However, the following **two mandatory trainings** must be completed.

Human Trafficking Training

ONE-TIME ONLY

When: Before initial licensure or first renewal

Required topics:

- Types and venues of trafficking in the U.S.
- Identifying victims in healthcare settings
- Warning signs for adults and minors
- Reporting resources

Documentation: Retain records for 4 years

Implicit Bias Training

EFFECTIVE MAY 2024

REQUIREMENT	HOURS
Initial Licensure	2 hours (within 5 yrs)
Each 3-Year Renewal	3 hours total

New 2024: Must include implicit bias in AI applications

5 Medicare Billing for Michigan LPCs

LPCs Can Bill Medicare Part B — Effective January 1, 2024

The Mental Health Access Improvement Act authorized LPCs and MFTs to bill Medicare directly. Michigan's 3,000 supervised hour requirement automatically satisfies Medicare's experience threshold. LPCs are reimbursed at **75% of what clinical psychologists receive** under the Medicare Physician Fee Schedule.

Three Medicare Provider Options

Option 1: Participating

"ALL IN" — ACCEPT ASSIGNMENT ON EVERY CLAIM

Rate: 100% of LPC fee schedule (75% of psychologist)

- Sign Form CMS-460 within 90 days
- Must accept assignment on ALL claims
- Medicare pays you directly (80%)
- Bill patient only 20% coinsurance
- Listed in Medicare provider directory

Best for: High Medicare volume practices

Option 2: Non-Participating

FLEXIBLE — DEFAULT STATUS

Rate: 95% of fee schedule OR limiting charge

- Enroll but DON'T sign CMS-460
- Choose assignment per claim
- If accepting: Medicare pays 95%
- If not: Charge limiting charge (115%)
- Must still submit ALL claims to Medicare

Best for: Mixed practice, want flexibility

Option 3: Opt-Out

COMPLETELY OUTSIDE MEDICARE

Rate: Any amount — no fee schedule applies

- File opt-out affidavit with WPS
- Cannot bill Medicare at all
- Must use private contracts
- Patient gets zero Medicare reimbursement
- 2-year commitment, auto-renews

Best for: Cash-pay focused, premium pricing

Payment Example: 90834 (45-min session) — Psychologist rate $100

Participating: LPC rate = $75.00 → Medicare pays you $60, patient owes $15 coinsurance
Non-Par (accepting): LPC rate = $71.25 (95%) → Medicare pays you $57, patient owes $14.25
Non-Par (limiting charge): You charge $81.94 (115% of $71.25), collect from patient → Medicare sends patient $57

Critical Medicare Rules for Michigan LPCs

Claims & Billing Requirements

- **Must submit ALL claims** to Medicare within 12 months
- Specialty code: **E2 – Mental Health Counselor**
- NPI taxonomy: 101YM0800X
- Michigan MAC: WPS (Jurisdiction J8)
- Mandatory assignment for dual-eligible patients

Enrollment Steps

- Obtain NPI if you don't have one
- Create I&A account at nppes.cms.hhs.gov
- Enroll via PECOS (Medicare enrollment)
- Processing: 60-90 days typical
- Keep copies of all documentation

6 CY 2026 Medicare Physician Fee Schedule Changes JAN 2026

Key Changes Effective January 1, 2026

CMS finalized the CY 2026 PFS on November 5, 2025. Includes a **2.5% temporary pay increase** (from the One Big Beautiful Bill Act) plus 0.25% permanent increase. Several provisions benefit mental health counselors.

Payment Updates

- **Conversion Factor:** ~$33.29 → ~$34.12 (2026)
- 2.5% temporary increase + 0.25% permanent
- Work GPCI floor of 1.0 extended (rural boost)
- New services added to telehealth list

Telehealth Updates (Permanent)

- Multiple-family group psychotherapy added
- No frequency limits on SNF/inpatient visits
- Virtual direct supervision now permanent
- Teaching physician virtual supervision continues

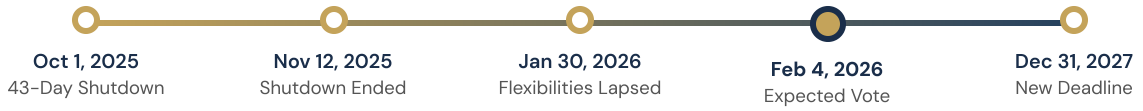
CPT CODE	DESCRIPTION	~2026 RATE (LPC = 75%)
90832	Psychotherapy, 16-37 minutes	~$52-55
90834	Psychotherapy, 38-52 minutes	~$71-75
90837	Psychotherapy, 53+ minutes	~$105-110
90839	Psychotherapy for crisis, first 60 min	~$115-120
90791	Psychiatric diagnostic evaluation	~$125-130

*Approximate rates; actual payment depends on geographic locality and MAC determinations. Use CMS Physician Fee Schedule Lookup for exact rates in your area.

7 Government Shutdown & Telehealth Status BREAKING

CURRENT STATUS: Partial Government Shutdown (Day 3)

The federal government entered a partial shutdown at midnight on **January 31, 2026**. The Senate passed H.R. 7148 (71-29) on Friday, January 30. The House is expected to vote **Tuesday, February 4**. Speaker Johnson: "We'll get this done by Tuesday." Medicare telehealth flexibilities have technically lapsed but are expected to be restored retroactively.



H.R. 7148 : Consolidated Appropriations Act, 2026

If passed by the House and signed by President Trump, this bill would extend Medicare telehealth flexibilities through **December 31, 2027**—nearly 2 years of stability. The bill also extends the Acute Hospital Care at Home waiver through September 30, 2030, and includes $116.6 billion for HHS.

Dec '27	71-29	$116B	2 Yrs
NEW TELEHEALTH DEADLINE	SENATE VOTE	HHS FUNDING	EXTENSION LENGTH

What Lapsed on January 31, 2026

- Home as originating site for non-behavioral telehealth
- Geographic restriction waivers
- Audio-only telehealth for non-behavioral health
- In-person visit requirement waiver kicks in
- Expanded provider eligibility (PT, OT, SLP)

What Remains PERMANENT for LPCs

- Home as originating site for behavioral/mental health
- No geographic restrictions for behavioral telehealth
- Audio-only allowed if patient cannot use video
- FQHCs/RHCs as distant site providers (behavioral)
- LPC Medicare billing eligibility

What Should LPCs Do Right Now?

Continue providing telehealth services. Historically, Congress has made telehealth waivers retroactive—CMS is expected to confirm retroactive coverage similarly to the October 2025 shutdown once legislation passes. Document services carefully. Behavioral health telehealth from home remains supported by prior permanent policy. Watch for CMS/WPS updates.

Behavioral Health Note

Telehealth for behavioral/mental health services from a patient's home with no geographic restrictions was made **permanent** in the Consolidated Appropriations Act of 2021. The temporary flexibilities that lapsed primarily affect non-behavioral telehealth and the in-person visit waiver.

8 Behavioral Telehealth In-Person Requirement

Currently Waived — If H.R. 7148 Passes: Waived Through December 31, 2027

The in-person visit requirement for Medicare behavioral telehealth has been repeatedly waived since its creation in December 2020. If the pending legislation passes, the waiver continues through **December 2027**. If it lapses, the requirement becomes effective.

If Waiver Continues (Expected)

- No in-person requirement for behavioral telehealth
- Patients can receive all services at home
- No geographic restrictions
- Audio-only allowed if patient can't use video

If Requirement Takes Effect

- **Initial:** In-person within 6 months prior to first telehealth
- **Ongoing:** In-person every 12 months after
- **Exception:** Patients established before cutoff are "grandfathered"—only need annual visit

CMS Clarification (November 2025 FAQ)

"If a beneficiary began receiving mental health services on or before January 30, 2026, they would not be required to have an in-person visit within 6 months; rather, they will be considered established and will instead be required to have at least one in-person visit every 12 months."

9 Resources, Contacts & Registration

MMHCA Medicare Q&A Session

Join Dr. Elizabeth Teklinski for live answers to your Medicare, billing, and private practice questions.

Register for Medicare Q&A →

Contact MMHCA

QUESTIONS FOR DR. ELIZABETH TEKLINSKI

Private practice, billing, Medicare enrollment, government changes, screenshots welcome!

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MEDICARE ENROLLMENT (WPS - J8)

Michigan Medicare Administrative Contractor

www.wpsgha.com

Need Help? Don't Struggle Alone!

MMHCA members can email Dr. Elizabeth Teklinski directly with screenshots or any questions about private practice, billing, Medicare, signing up, recent government actions and changes. **Email:** elizabethmteklinskiphd@gmail.com

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Information subject to change. This document reflects information available as of February 2, 2026 and does not constitute legal or financial advice. Verify all information with CMS, WPS, LARA, and official state/federal sources.
Version 1.0 • February 2, 2026 • Monitor CMS.gov and WPS for shutdown-related guidance