



HEALTH CARE
AUTHORITY

Michelle Lujan Grisham, Governor
Kari Armijo, Cabinet Secretary
Dana Flannery, Medicaid Director

Letter of Direction # 2

Date: July 1, 2024

To: Turquoise Care Managed Care Organizations

From: Dana Flannery, Director, Medical Assistance Division *DF*
Nick Boukas, Director, Behavioral Health Services Division *NB*

Subject: Intensive Outpatient Program (IOP) Medicaid Provider Payment Rates

Title: Rate Corrections for IOP Services

The purpose of this Letter of Direction (LOD) is to notify the MCOs of the rate correction for code H0015 and the inclusion of code S9480. IOP services billed with H0015 for substance use disorder (SUD) or S9480 for mental health are paid at a daily rate. To be eligible for the daily rate a minimum of three (3) hours of service must be provided.

Billing Instructions

- 1) CPT H0015 (SUD) – Daily rate = One unit per day.
- 2) CPT S9480 (Mental Health) – Daily rate = One unit per day
- 2) Use agency NPI in rendering field.
- 3) For FQHC: Use the HCFA 1500 claim form using the appropriate HCPCS codes at the FFS or negotiated unit rate.
- 4) For IHS, and Tribal 638: if preferring to utilize the fee schedule rates, please contact the MAD Benefits and Reimbursement Bureau.
- 5) Individual counseling for a diagnosis not treated in the IOP can be rendered on the same day as IOP. For example, if a client is in IOP for Alcohol Use Disorder and they need treatment for PTSD then a client could engage in IOP and individual work provided with different primary diagnoses on the billing forms.

Billing and Reimbursement

Payment for IOP services to approved providers will be as follows:

- The facility NPI may be used in the rendering provider field as well as in the billing provider field.
- The rate is inclusive of IOP core services: individual therapy, group therapy, and psycho-education.
- For FQHC: Use the HCFA 1500 claim form using the appropriate HCPCS codes at the FFS or negotiated unit rate.
- IHS/638: UB Claim form; revenue code 0919 for OMB rate.
- For IHS, and Tribal 638: if preferring to utilize the fee schedule rates, the provider may contact the MAD Benefits and Reimbursement Bureau and all applicable MCOs.

CPT Code	Description	Units	Claim Form	Medicaid FFS Rate
H0015 (SUD)	INTENSIVE OUTPATIENT (IOP)	1	CMS-1500	\$269.80
S9480 (MH)	INTENSIVE OUTPATIENT (IOP), PER DIEM	1	CMS-1500	\$269.80

Changes are effective the date of this LOD. MCOs are directed to implement changes associated with these instructions, including system changes and provider contract negotiations as needed no later than 60 days from the date of issuance of this directive. HSD directs the MCOs to provide biweekly updates to HSD on the status of implementation every other Friday beginning March 29, 2024, until otherwise directed by HSD.

This LOD will sunset when direction is provided in one or more of the following: Turquoise Care Managed Care Services Agreement, Managed Care Policy Manual, NMAC, Systems Manual, or BHSD Billing and Systems Manual. The LOD may also sunset upon HCA notification or completion of the Turquoise Care Program.