



State of New Mexico
Medical Assistance Program Manual
Supplement



DATE: April 8, 2024

NUMBER: 24-05

TO: CENTENNIAL CARE 2.0 MANAGED CARE ORGANIZATIONS

FROM: DANA FLANNERY, MEDICAID DIRECTOR, HUMAN SERVICES
DEPARTMENT 

THROUGH: ANNABELLE MARTINEZ, BUREAU CHIEF, BENEFITS AND
REIMBURSEMENT BUREAU

SUBJECT: PROVIDER PAYMENT RATE CHANGES FOR INTENSIVE OUTPATIENT
PROGRAM (IOP) SERVICES

The Human Services Department Medical Assistance Division (HSD/MAD) is issuing this Supplement to provide billing and reimbursement guidance for Behavioral Health IOP services effective for dates of service beginning July 1, 2023. This guidance is being issued in advance of a revision to the Behavioral Health Fee Schedule and Behavioral Health Policy and Billing Manual and is effective immediately.

IOP services are billed with codes H0015 for substance use disorder (SUD) and S9480 for mental health and paid at a daily rate. To be eligible for the daily rate a minimum of three (3) hours of service must be provided. The rate is inclusive if IOP core services: individual therapy, group therapy, and psycho-education. Rate and coding guidance as noted in the table below. These changes are applicable to both Fee-For-Service and the Managed Care Organizations (MCOs).

Please refer to the Behavioral Health Policy and Billing Manual for detailed IOP program instructions.

Billing and Reimbursement

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

- CPT H0015 (SUD) – Daily rate = One unit per day.
- CPT S9480 (Mental Health) – Daily rate = One unit per day
- The facility NPI may be used in the rendering provider field as well as in the billing provider field.

- The daily rate is inclusive of all IOP services including individual and group therapy as well as psycho-education.
- Special instructions for FQHC: Use the HCFA 1500 claim form using the appropriate HCPCS codes at the FFS or negotiated unit rate. .
- Special instructions for 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.
- 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.

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