

MEMORANDUM

TO: Mainstream Medicaid Managed Care Plans, Health and Recovery Plans, HIV Special Needs Plans, and Medicaid Advantage Plus Plans (herein collectively referred to as “MMCPs”), and Article 31 Integrated Outpatient Service (IOS) Providers

FROM: New York State Department of Health (DOH); Office of Mental Health (OMH)

DATE: May 12, 2023

SUBJECT: Integrated Outpatient Services: Updated Billing for Off-site and Primary Care Services for OMH-Hosted Sites - Updated Guidance

NOTE: Please utilize this guidance in place of the original Integrated Outpatient Services (IOS) guidance released on December 22, 2022. This updated guidance does not change the billing and systems configuration expectations outlined in the original guidance to Office of Mental Health (OMH)-hosted IOS providers and MMCPs for which 90-day notice was provided.

The purpose of this memo is to resolve IOS payment challenges by providing Article 31 OMH providers, with an IOS license (also referred to as OMH-hosted IOS providers), a complete set of separate rate codes which will identify primary care and behavioral health (BH) services provided by clinics.¹ Use of these new rate codes is effective April 1, 2023.

Currently, OMH-hosted IOS providers submit claims using a specific IOS rate code for applicable primary care, mental health, and/or addiction procedures/services. Going forward, OMH-hosted IOS providers, with primary care services, will have access to new rates codes that will ensure the rates negotiated with MMCPs for primary care services are paid properly. New IOS off-site rate codes have also been created as well for all OMH-hosted IOS providers which are paid at the government rate.

Please note: Providers billing IOS under an approved [DSRIP 3.a.i. waiver](#) are not impacted by the changes described in this memo. Billing is unchanged for DSRIP 3.a.i. waiver providers as this waiver is time-limited and DOH and OMH are working together to establish an option for single-license integration at which point the separate DSRIP codes will be retired.

This guidance applies to providers approved under 14 New York Codes, Rules, and Regulations (NYCRR) Part 598 to provide IOS (i.e., OMH-hosted IOS providers), including integrated mental health, addiction, and/or primary care services. IOS providers are reimbursed accordingly:

1. BH services (mental health and addiction services) are reimbursed at the government rate, and

¹ For information on the IOS license, please see the following OMH link: [Integrated Services \(ny.gov\)](#)

2. Primary care services are reimbursed based on the contract amount that is negotiated between the provider and the MMCP.

Integrated Primary Care Billing

New rate codes 7955 and 7956 were created which identify primary care services provided by OMH-hosted IOS providers that do not meet the reimbursement definition in number 1, and instead fall into the negotiated rate reimbursement defined in number 2, see above. These new rate codes will ensure compliance with the statutorily required payment of government rates for those services warranting that treatment, while also allowing MMCPs to pay negotiated rates for primary care services unrelated to BH services. Providers will submit:

- One claim (one rate code) for BH services², and
- another claim (one rate code) for primary care services³ that will be reimbursed using negotiated rates.

Off-site IOS Billing

Billing for off-site services follows the standard billing frameworks for integrated BH or primary care services described throughout this memo, however, the appropriate off-site rate code should be used. The new off-site rate codes are 1092, 1094, 1084, and 1086. BH Off-site services will be paid at 150% of the full APG on-site procedure payment.

Billing Processes

Section 1 specifies billing processes for enrollees in Medicaid Managed Care.

Section 2 specifies billing processes for enrollees in Fee-For-Service (FFS).

Please refer to the following OMH web pages for additional information:

- [Mental Health Outpatient Treatment and Rehabilitative Services \(MHOTRS\) Clinic Rate Codes \(ny.gov\)](#)
- [Medicaid Reimbursement Rates \(ny.gov\)](#)

² Primary care services delivered under Part 599 are entitled to be paid at the government rate because they are associated with and regulatorily required as part of the BH services.

³ Per [IOS regulations](#), IOS providers can bill primary care services performed by Physicians, Nurse Practitioners, and Midwives as approved to deliver under their scope of practice, EXCLUDING prenatal care, dental services and ambulatory surgery which includes any procedure that requires more than minimal sedation or local anesthesia, unless specifically authorized by the DOH.



SECTION 1: BILLING OMH-HOSTED INTEGRATED OUTPATIENT SERVICES FOR ENROLLEES IN MEDICAID MANAGED CARE

Table 1. Integrated Clinics - OMH Host			
Provides Mental Health and Addiction Services			
Description	Freestanding Rate Code	Hospital-based Rate Code	Rate Structure
IOS (Dual License) - BH Services Only	1480	1122	Government Rate
IOS Intensive Outpatient Program (IOP) - BH Services Only	1042	1048	Government Rate
Off-site IOS - BH Services Only	1092	1094	Government Rate
Off-site IOS - IOP - BH Services Only	1084	1086	Government Rate

Note: Mental health and addiction services that are provided on the same day, should be billed on the same claim with applicable procedure codes using the appropriate rate code identified above. Bolded items are new rate codes effective April 1, 2023.



SECTION 1: BILLING OMH-HOSTED INTEGRATED OUTPATIENT SERVICES FOR ENROLLEES IN MEDICAID MANAGED CARE (continued)

Table 2. Integrated Clinics - OMH Host			
Provides Mental Health and Primary Care Services			
Description	Freestanding Rate Code	Hospital-Based Rate Code	Rate Structure
IOS (Dual License) - Mental Health Services Only	1480	1122	Government Rate
IOS - IOP - Mental Health Services Only	1042	1048	Government Rate
IOS - Primary Care Services Only – On-site and Off-site	7955	7956	Negotiated Rate
Off-site IOS - Mental Health Services Only	1092	1094	Government Rate
Off-site IOS - IOP - Mental Health Services Only	1084	1086	Government Rate

Note: Mental health services provided on the same day with primary care services should be billed using two separate claims. The provider will submit one claim for mental health and/or a second claim that will be billed for primary care services. This is due to the separate rate codes and different rate structures for mental health and primary care services. Bolded items are new rate codes effective April 1, 2023.

SECTION 2: BILLING INTEGRATED OUTPATIENT SERVICES FOR ENROLLEES IN FEE-FOR-SERVICE (FFS) MEDICAID

Please see the table below for providers billing Medicaid FFS for mental health, addiction, and primary care services at an OMH-hosted IOS clinic. Providers can bill mental health, addiction, and primary care procedures on one claim utilizing the rate codes listed below.

Please refer to the following OMH web pages for additional information:

- [Mental Health Outpatient Treatment and Rehabilitative Services \(MHOTRS\) Rate Codes](#)
- [Medicaid Reimbursement Rates \(ny.gov\)](#)

Table 3. Integrated Clinics - OMH Host			
Description	Freestanding Rate Code	Hospital-Based Rate Code	Rate Structure
Integrated Outpatient Services (IOS) - (Dual License)	1480	1122	Government Rate
IOS Intensive Outpatient Program (IOP) - BH Services Only	1042	1048	Government Rate
Off-site IOS - BH Services Only	1092	1094	Government Rate
Off-site IOS - IOP - BH Services Only	1084	1086	Government Rate

Note: Bolded items are new rate codes effective April 1, 2023.

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 OMH Managed Care at 518-402-2822 or OMH-Managed-Care@omh.ny.gov.