

Payment Policy 260

Intensive Outpatient Program (H0015, S9480 and Revenue Code 0905)

Purpose

This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Passport by Molina Healthcare's reimbursement policy for the services described in this policy. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In a conflict, federal and state guidelines, as applicable, and the member's benefit plan document may supersede the information in this policy. Also, to the extent of conflicts between this policy and the provider contract language, the Provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval.

Policy Overview

H0015 (Alcohol and Drug Service; Intensive Outpatient Program and S9480 (Intensive Outpatient Psychiatric Services) are Intensive Outpatient Therapies, which is an alternative to or transition from a higher level of care for a substance use disorder or co-occurring disorder. It offers a multi-modal, multi-disciplinary structured outpatient treatment incorporating individual, group, and family outpatient therapy, crisis intervention, and psychoeducation related to identified goals in the recipient's treatment plan. Clinical eligibility and continued stay determinations are guided by the current American Society of Addiction Medicine (ASAM) Criteria.

Documentation must include an individualized treatment plan, progress notes, and evidence of active participation for each date of service.

H0015 and S9480 - Intensive Outpatient Program (IOP) Services, as outlined in 907 KAR 15:010, Section 3(n), includes the following services. These services should not be reimbursed when billed on the same date of service as IOP.

- Individual outpatient therapy (90832-90838)
- Group outpatient therapy (90853)
- Family outpatient therapy unless contraindicated (90846, 90847, 90849)
- Crisis intervention (H2011)
- Psychoeducation (H2027)

IOP services shall be provided

- Face to Face, or via telehealth as appropriate
- Be provided at least three (3) hours per day at least three (3) days per week for adults
- Be provided at least six (6) hours per week for adolescents at least two (2) days per week

Reimbursement Guidelines

Passport by Molina Healthcare follows the Department for Medicaid Services (DMS) regulations outlined in 907 KAR 15:010, 907 KAR 15:020, and 907 KAR 15:022. These regulations define Intensive Outpatient Program (IOP) services and specify that individual psychotherapy, family psychotherapy, group psychotherapy, and crisis intervention services are components of IOP. Therefore, these services shall not be separately reimbursable on a date of service where IOP was provided to a member.

In addition, DMS regulations require that IOP services meet minimum duration standards:

- Adults must receive services at least three (3) hours per day, three (3) days per week
- Adolescents must receive services at least six (6) hours per week, two (2) days per week

IOP services are reimbursed per diem rates using either HCPCS codes H0015 or S9480 with revenue code 0905. Providers must submit a weekly claim that includes all IOP service days rendered within a rolling seven-day period, ensuring that all required days: three for adults, or two for adolescents, are billed together on the same claim.

EXCEPTION: The following providers are exempt from this policy: Federally certified facilities and Certified Community Behavioral Health Clinics (CCBHCs) participating in the Section 223 CCBHC Medicaid Demonstration that bill Prospective Payment System (PPS)–eligible services (wrap payments). Exempt providers must bill and report Intensive Outpatient Program (IOP) services in accordance with applicable Department for Medicaid Services (DMS) guidance.

IOP services are not reimbursed concurrently with other per diem behavioral health codes on the same date of service. Claims submitted outside these parameters may be denied or subject to recoupment.

***Note:** H0020 and H0047 are weekly bundled codes and H0015 may not be billed outside of these bundled codes.

T2023 may be reimbursed on the same date of service as IOP **only** when services are non-duplicative, non-concurrent, and clearly documented as care coordination outside IOP service hours. Documentation must clearly demonstrate that Targeted Case Management services are distinct from treatment planning, therapeutic interventions, or multidisciplinary activities already included within the IOP service.

Psychiatric diagnostic evaluations (CPT codes 90791 and 90792) are not reimbursable when provided concurrently with IOP services. Same day billing of a psychiatric diagnostic evaluation and IOP may be reimbursed **only** when:

- The evaluation is conducted outside of IOP service hours,
- The service is not duplicative of assessment activities included in IOP,
- Documentation clearly supports the medical necessity and distinct nature of the evaluation.

Reimbursement may be limited to one diagnostic evaluation per episode of care, consistent with applicable utilization controls.

Please Note: The list of codes identified above is not all inclusive. Any current or future codes determined by the Department for Medicaid Services to relate to psychotherapy, crisis intervention, per diem or Intensive Outpatient Program (IOP) services shall fall within the scope of this policy.

Audit and Recovery Process:

- **Review:** Claims will be meticulously examined against Passport by Molina Healthcare's standards.
- **Discrepancy Identification:** Any inconsistencies or errors identified will be documented.
- **Recovery:** Overpayments due to inaccuracies will be recovered either by offsetting future payments or through direct refund requests.
- **Appeals:** Providers reserve the right to contest any claim adjustments or denials. Details of the appeal process will accompany the notification.

Policy Monitoring, Review, and Updates:

- The policy will undergo annual reviews or as required, ensuring its alignment with industry best practices, regulatory mandates, and Passport by Molina Healthcare's operational necessities. Any updates will be promptly communicated to providers

Supplemental Information

Please note, Passport has followed and enforced these guidelines, in accordance with applicable regulations, since inception on January 1, 2021. For this specific policy, the publication date is merely the date the policy was formally memorialized.

Definitions

Term	Definition
Adolescents	A Medicaid member under the age of 18 who requires behavioral health or substance use disorder treatment delivered in a developmentally appropriate setting.
CMS	The Centers for Medicare & Medicaid Services. It is a federal agency within the United States Department of Health and Human Services that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards.
Contraindicated	A condition or circumstance in which a particular treatment, medication, or intervention should not be used because it may be harmful or not clinically appropriate for the member's medical or behavioral condition.
Co-occurring disorder	The coexistence of at least one mental health disorder and one substance use disorder requires integrated treatment planning. Substance use disorder diagnosis is secondary to a primary mental health diagnosis
Concurrent Billing	Services that overlap in time or occur during the same scheduled hours, regardless of whether services are billed separately or appear on different claims
Same Day Billing	Services rendered to the same member on the same calendar date of service
Rolling Week	A rolling 7 days. A rolling 7-day week refers to any continuous 7-day period that moves forward one day at a time, rather than being fixed to a calendar week (Sunday–Saturday or Monday–Sunday)

Documentation History

Type	Date	Action
Effective Date	04/19/2026	New Policy
Revised Date	08/21/2026	Definitions: Term "Week" updated to Rolling Week Policy Overview: Added H0015 (Alcohol and Drug Service; Intensive Outpatient Program and S9480 (Intensive Outpatient Psychiatric Services), and removed Substance Use Disorders Reimbursement Guidelines: Added Exception Federally Qualified Facility Centers (FQFC) and Rural Health Clinics (RHC)

Coding

CODING DISCLAIMER. Codes listed in this policy are for reference purposes only and may not be all-inclusive. Deleted codes and codes not effective when the service is rendered may not be eligible for reimbursement. Listing of a service or device code in this policy does guarantee coverage. Coverage is determined by the benefit document. Passport by Molina Healthcare adheres to Current Procedural Terminology (CPT®), a registered trademark of the American Medical Association (AMA). All CPT codes and descriptions are copyrighted by the AMA; this information is included for informational purposes only. Providers and facilities are expected to utilize industry standard coding practices for all submissions. When improper billing and coding is not followed, Passport by Molina Healthcare has the right to reject/deny the claim and recover claim payment(s). Due to changing industry practices, Passport reserves the right to revise this policy as needed.

References

1. CMS

- a. CMS Medicaid NCCI Policy Manual Reference. **Link:** [Medicaid NCCI Policy Manual | CMS](#)
- b. Federal Medicaid regulation. 42 CFR §440.130(d) – Diagnostic, screening, preventive, and rehabilitative services. **Link:** [§ 440.130 Diagnostic, screening, preventive, and rehabilitative services.](#)
- c. Federal Medicaid regulation. 42 CFR §440.169 – Case Management Services. **Link:** [§ 440.169 Case Management services.](#)

2. Kentucky Medicaid

- a. 907 KAR 015:010. Coverage provisions and requirements regarding behavioral health services provided by individual approved behavioral health practitioners, behavioral health provider groups, and behavioral health multi-specialty groups.
Link: [Title 907 Chapter 015 Regulation 010 • Kentucky Administrative Regulations • Legislative Research Commission](#)
- b. 907 KAR 015:020. Coverage provisions and requirements regarding services provided by behavioral health services organizations for mental health treatment.
Link: [Title 907 Chapter 015 Regulation 020 • Kentucky Administrative Regulations • Legislative Research Commission](#)
- c. 907 KAR 15:022. Coverage provisions and requirements regarding services provided by behavioral health services organizations for substance use disorder treatment and co-occurring disorders.
Link: [Title 907 Chapter 15 Regulation 022 • Kentucky Administrative Regulations • Legislative Research Co...](#)
- d. 907 KAR 015:080. Coverage provisions and requirements regarding chemical dependency treatment center services.
Link: [Title 907 Chapter 015 Regulation 080 • Kentucky Administrative Regulations • Legislative Research Commission](#)
- e. 908 KAR 001:374. Licensure of nonhospital-based outpatient alcohol and other drug treatment entities.
Link: [Title 908 Chapter 001 Regulation 374 • Kentucky Administrative Regulations • Legislative Research Commission](#)
- f. Kentucky Cabinet for Health and Family Services. Behavioral Health and Substance Use Disorder

- g. Kentucky Cabinet for Health and Family Services. Section 1115 substance use disorder (SUD) Demonstration Implementation Plan

Link: [SUDImplementationPlanAmended \(ky.gov\)](#)

3. Substance Abuse and Mental Health Services Administration (SAMHSA)

- a. [Clinical Issues in intensive outpatient treatment for substance use disorders - Advisory 47 \(samhsa.gov\)](#)

This policy is designed to provide guidance and is not a guarantee of payment. Healthcare providers should make medical necessity determinations based on the individual clinical circumstances of each patient.