| REIMBURSEMENT POLICY STATEMENT<br>Marketplace | |
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| **Policy Name & Number** | **Date Effective** |
| Reimbursement of Advanced Practice Behavioral Health Providers-IN MP-PY-1542 | 01/01/2025 |
| **Policy Type** | |
| **REIMBURSEMENT** | |

Reimbursement Policies prepared by CareSource and its affiliates are intended to provide a general reference regarding billing, coding and documentation guidelines. Coding methodology, regulatory requirements, industry-standard claims editing logic, benefits design and other factors are considered in developing Reimbursement Policies.

In addition to this Policy, Reimbursement of services is subject to member benefits and eligibility on the date of service, medical necessity, adherence to plan policies and procedures, claims editing logic, provider contractual agreement, and applicable referral, authorization, notification and utilization management guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any federal or state coverage mandate, Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

This Policy does not ensure an authorization or Reimbursement of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced herein. If there is a conflict between this Policy and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination.
CareSource and its affiliates may use reasonable discretion in interpreting and applying this Policy to services provided in a particular case and may modify this Policy at any time.

According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

| This policy applies to the following Marketplace(s): | | | | |
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| ☐ **Georgia** | ☒ **Indiana** | ☐ **Kentucky** | ☐ **Ohio** | ☐ **West Virginia** |

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## A. Subject

**Reimbursement of Advanced Practice Behavioral Health Providers**

## B. Background

The Omnibus Budget Reconciliation Act of 1989 allowed coverage for clinical social worker services under Medicare Part B. In an effort to expand access to behavioral health (BH) services, address the acute shortage of BH professionals, and advance health equity, Section 4121(FF) of the Consolidated Appropriations Act, 2023 (CAA, 2023), established a new Medicare benefit category for Marriage and Family Therapist (MFT) and Mental Health Counselor (MHC) services furnished by and directly billed by MFTs and MHCs. Payment for MFT and MHC services, diagnosis and treatment of BH issues, under Part B of the Medicare program began January 1, 2024.

Per 42 CFR § 410.54(a)(3), an MHC must be licensed or certified as an MHC, clinical professional counselor, professional counselor, addiction counselor, or alcohol and drug counselor by the state in which the services are performed. Individuals who meet all the applicable statutory and regulatory qualifications to be an MHC, even though the applicable state may license or certify the individual under a different title, may enroll as an MHC. This list of mental health professional titles will vary by state.

Medicare recognizes licenses obtained through the interstate license compact pathway as valid, full licenses for the purposes of meeting federal license requirements. Some non-physician practitioner (NPP) compacts allow the NPP to work in a compact member state, other than the home state, without going through the normal licensure process in the remote state. NPPs working under such a compact must meet both the licensure requirements outlined in the primary state of residence and those established by the compact laws of the interstate compact states.

MFTs and MHCs have also been added to the list of practitioners who can furnish Medicare telehealth services. During the COVID-19 public health emergency (PHE), the Centers for Medicare and Medicaid Services (CMS) used emergency waiver and other regulatory authorities so providers could deliver more services to patients via telehealth. Section 4113 of the CAA, 2023 extended many of these flexibilities through December 31, 2024 and made some of them permanent.

Services furnished by an MFT and MHC are also covered when furnished in a rural health clinic and federally qualified health center. This policy is provided as a courtesy only to address payment for the new benefit category. CMS provides additional information on how to become a Medicare provider, billing and payment instructions for this benefit category, telehealth services, and other applicable technical information. Any information provided by a relevant government or state body supersedes the information in this policy.

## C. Definitions

- **Marriage and Family Therapist (MFT)** – Criteria established by CMS to enroll as an eligible provider includes the following:
  - possess a master's or doctor's degree which qualifies for licensure or certification as an MFT pursuant to state law of the state in which the individual furnishes the services defined as MFT services
  - completed at least 2 years or 3,000 hours of post master's degree clinical supervised experience in MFT in an appropriate setting such as a hospital, skilled nursing facility (SNF), private practice, or clinic
  - licensed or certified as a MFT by the state in which the professional performs the services
- **Mental Health Counselor (MHC)** – Criteria established by CMS to enroll as an eligible provider, including addiction and alcohol and drug counselors, includes
  - possess a master's or doctor's degree which qualifies for licensure or certification as an MHC, clinical professional counselor, or professional counselor under the state law of the state in which the professional furnishes the services defined as MCH services
  - completed at least 2 years or 3,000 hours of post master's degree clinical supervised experience in MHC in an appropriate setting such as a hospital, SNF, private practice, or clinic
  - licensed or certified as an MHC, clinical professional counselor or professional counselor by the state in which the services are provided

## D. Policy

I. CMS began applying mid-level reductions to MFTs and MHCs as of January 1, 2024. CareSource follows Medicare policy and reimbursement rules for this benefit category enrolled in Medicare to provide these services.

II. CareSource will pay MFT/MHCs for services at 75% of the amount reimbursed under the Medicare Physician Fee Schedule (PFS). Reduction of reimbursement applies to the following Indiana-recognized state licenses:
   A. Licensed Clinical Addiction Counselors
   B. Licensed Chemical Dependency Counselors
   C. Licensed Marriage and Family Therapists
   D. Licensed Mental Health Counselors

III. This billing benefit category cannot be used for the following:
   A. MFT/MHC services to clients under a partial hospitalization program (PHP) or intensive outpatient program (IOP) by a hospital outpatient department or community mental health center (CMHC)
   B. MFT services provided to skilled nursing facility (SNF) residents on or after January 1, 2024 from consolidated billing
   C. MFT/MHC services to an inpatient of a Medicare-participating hospital

E. Conditions of Coverage
Claims with dates of service prior to January 1, 2024 are not be payable.

F. Related Policies/Rules
NA

G. Review/Revision History

| DATE | | ACTION |
|---|---|---|
| **Date Issued** | 09/25/2024 | New policy. Approved at Committee. |
| **Date Revised** | | |
| **Date Effective** | 01/01/2025 | |
| **Date Archived** | | |

H. References

1. Centers for Medicare and Medicaid Services. *Marriage and Family Therapists (MFTs) and Mental Health Counselors (MHCs) Provider Enrollment Frequently Asked Questions (FAQs)*, Center for Program Integrity; 2024. Accessed August 23, 2024. www.cms.gov
2. Centers for Medicare and Medicaid Services. *Medicare Clarifies Recognition of Interstate License Compact Pathways,* Medicare Learning Network; 2021. MLN Matters #SE20008. Accessed August 23, 2024. www.cms.gov
3. Centers for Medicare and Medicaid Services. *Medicare and Mental Health Coverage,* Medicare Learning Network; 2024. MLN Booklet #1986542. Accessed August 23, 2024. www.cms.gov
4. Consolidated Appropriations Act, Sections 4113 and 4121(FF) (2023).
5. Marriage and Family Therapist Services, 42 C.F.R. § 410.53 (2023).
6. Mental Health Counselor Services, 42 C.F.R. § 410.54 (2023).
7. Payment for Physician's Services, 42 U.S.C. 1395, section 1848(g)(4)(A) (2018).
8. Rules. Indiana Professional Licensing Agency. Accessed September 9, 2024. www.in.gov
9. Telehealth Services and Prescriptions, IND. CODE §§ 25-1-9.5 (2024)