

INFORMATIONAL LETTER NO. 2348-MC

DATE: June 2, 2022

TO: All Iowa Providers Enrolled in Managed Care

APPLIES TO: Managed Care (MC)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid

RE: B3 Mental Health and Substance Use Disorder Services

EFFECTIVE: July 1, 2022

Iowa Medicaid members enrolled with a Managed Care Organization (MCO) have access to an expanded array of mental health and substance use disorder services. These services are often referred to as “B3” services because they are authorized as a 1915(b)(3) waiver exemption by the Centers for Medicare and Medicaid Services (CMS). Individuals not enrolled with an MCO do not have coverage for B3 mental health and substance use disorder services.

The table below provides service descriptions of all B3 services, a list of providers eligible to provide each service, and updated guidance on billing codes. Providers of community-based and hospital-based substance use disorder treatment should note a change in the codes assigned to those respective services. Effective for dates of service beginning July 1, 2022:

- Level III.3 & III.5 Clinically-managed Medium/High Intensity Residential Substance Use Disorder Treatment – Community-based must be billed using procedure code and modifier combination **H0018 TF**.
- Level III.7 Community-based Substance Use Disorder Treatment must be billed using procedure code and modifier combination **H0018 TG**.
- Level III.3 & III.5 Clinically-managed Medium/High Intensity Residential Substance Use Disorder Treatment – Hospital-based must be billed using the procedure code and modifier combination **H0017 TF**.

Qualified providers must enroll with Iowa Medicaid and contract with one or both MCOs to deliver the services listed below. Providers and MCOs negotiate the reimbursement rates for all B3 services.

Service	Service Description	Eligible Providers	HCPCS Code
Level III.1 Clinically Managed Low Intensity Residential Substance Use Disorder Treatment	<p>Level III services offer organized treatment services that feature a planned regimen of care in a 24-hour residential setting. All Level III programs serve individuals who, because of their specific functional deficits, need a safe and stable environment to develop their recovery skills. The sublevels within Level III exist on a continuum ranging from the least intensive to the most intensive medically monitored intensive inpatient services.</p> <p>Level III.1 – at least 5 hours/week of treatment plus the structured recovery environment.</p>	Substance abuse programs licensed by Iowa Department of Public Health (IDPH) under Iowa Code Chapter 125	H2034
Level III.3 & III.5 Clinically Managed Medium/High Intensity Residential Substance Use Disorder Treatment – Community- Based	<p>Structured recovery environment in combination with clinical services. Functional deficits seen in individuals are primarily cognitive and based on a behavioral assessment (Level III.3). Level III.5 is designed to treat persons who have significant social and psychological problems. Services are based on a therapeutic treatment community.</p> <p>A step-down or alternative to Level III.7.</p>	Substance abuse programs licensed by IDPH under Iowa Code Chapter 125	H0018 TF
Level III.3 & III.5 Clinically Managed Medium/High Intensity Residential Substance Use Disorder Treatment – Hospital- Based	<p>Structured recovery environment in combination with clinical services. Functional deficits seen in individuals are primarily cognitive and based on a behavioral assessment (Level III.3). Level III.5 is designed to treat persons who have significant social and psychological problems. Services are based on a therapeutic treatment community.</p> <p>A step-down or alternative to Level III.7.</p>	Substance abuse programs licensed by IDPH under Iowa Code Chapter 125	H0017 TF
Level III.7 Community- based Substance	24-hour professionally directed evaluation, observation, medical monitoring, and addiction treatment in a licensed substance abuse facility.	Substance abuse programs licensed by	H0018 TG

Use Disorder Treatment		IDPH under Iowa Code Chapter 125	
Intensive Psychiatric Rehabilitation	<p>Rehabilitation and Support Services are comprehensive outpatient services based in the individual's home or residence and/or community setting. These services are directed toward the rehabilitation of behavioral/social/emotional deficits and/or amelioration of symptoms of mental disorder. Such services are directed primarily to individuals with severe and persisting mental disorders, and/or complex symptoms who require multiple mental health and psychosocial support services. Such services are active and rehabilitative in focus, and are initiated and continued when there is a reasonable likelihood that such services will lead to specific observable improvements in the individual's functioning.</p>	<p>Community mental health centers (CMHCs), other agencies providing mental health services, and accredited organizations under Iowa Administrative Code Chapter 24</p>	<p>H 2017 U1-U5</p>
Community Support	<p>Community Support Services (CSS) are provided to adults with a severe and persistent mental illness. These services are designed to support individuals as they live and work in the community. These services address mental and functional disabilities that negatively affect integration and stability in the community. CSS staff attempt to reduce or manage symptoms/reduced functioning that result from a mental illness. CSS providers are expected to have knowledge and experience in working with this population. Staff should have the ability to create relationships with this population that provide a balance between support of the mental illness and allow for maximum individual independence. Community support program components include: (1) monitoring of mental health symptoms and functioning/reality orientation; (2) transportation; (3) supportive relationship; (4) communication with other providers; (5) ensuring individual attends appointments/obtains medications; (6) crisis intervention/developing crisis plan; and (7) coordination and development of natural</p>	<p>CMHCs and accredited organizations under Iowa Administrative Code Chapter 24</p>	<p>H0037 – Low H0037 TF – High</p>

	support systems for mental health support.		
Peer Support and Parent Peer Support	<p>The services provided to eligible persons by other mental health consumers who are specifically trained to provide peer support services. Services are targeted toward the support of persons with a serious and persistent mental illness or substance use disorder. Peer support services focus on individual support and counseling from the perspective of a trained peer, and may also include service coordination and advocacy activities as well as rehabilitative services. Peer support services are initiated when there is a reasonable likelihood that such services will benefit an eligible person's functioning and assist him or her in maintaining community tenure.</p>	Peer support specialists at accredited organizations contracted using MCO credentialing standards and peer support specialist has received Appalachian Consulting Group Model training for mental health services, or for recovery coaches, the Connecticut Community for Addiction Recovery (CCAR) for substance use disorder service training, or for family peer support specialist certification through a state-recognized training program	H0038
Integrated Services and Supports (Wraparound Services)	<p>Informal services/supports that are offered by providers, family/friends, and other members of the natural support community. The services/supports must be integrated into the treatment plan. These interventions help individuals to remain in or return to their home and limit the need for more intensive out of home mental health treatment. Integrated services and supports are</p>	Entire provider network contracted using MCO credentialing standards	H2022

	<p>specifically tailored to an individual consumer's needs at a particular point in time and are not a set menu of services. A joint treatment planning process may identify the need for integrated services/supports. The consumer/family member must lead the planning process and other members of the team giving their input as well. Individual contacts with the individual/family may also identify the need. Ideally this provides more flexibility to provide individuals with unique services to address mental health needs and to augment and complement those provided through other funders and systems. There is natural support involvement that may require reimbursement and at other times be part of the family process. Examples include peer mentor, family support person, transportation for treatment, and hotel for parent to attend treatment of child.</p>		
Respite	<p>In-/Out-of-Home Respite consists of community- and home-based services that can be provided in a variety of settings. Respite care is a brief period of rest and support for individuals and/or families. Respite care is intended to provide a safe environment with staff assistance for individuals who lack an adequate support system to address current issues related to a mental health diagnosis. Respite may be provided for up to 72 hours and can be planned or in response to a crisis. A comprehensive respite program must provide or ensure linkages to a variety of residential alternatives for stabilizing and maintaining individuals who require short-term respite in a safe, secure environment with 24-hour supervision outside a hospital setting. Respite is a community-based alternative to inpatient hospitalization that provides a temporary, safe, and secure environment with a flexible level of supervision and structure. These services are designed to divert individuals from an acute hospitalization to a safe environment where medical and psychiatric symptoms can be monitored.</p>	<p>Hospitals, agencies*, CMHCs contracted using MCO credentialing standards and holding national accreditation (JCAHO, CARF, COA, AOA, or AAHC) or under Iowa Administrative Code Chapter 24)</p> <p>*HCBS Waiver respite agencies may contract to deliver B3 respite when they meet one of the above qualifications.</p>	H0045

