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MEMORANDUM

To: Mainstream Medicaid Managed Care Plans, Health and Recovery Plans (HARPs), HIV Special Needs Plans (HIV SNPs), and Medicaid Advantage Plus (MAP) Plans

From: New York State (NYS) Office of Mental Health (OMH)

Date: September 8, 2023

Subject: Mandated Rate Update: July 1, 2023 Rate Increase and New APG Rate Codes for School-Based Mental Health Services in MHOTRS Programs

Per the Enacted 2023-24 State Budget and effective **July 1, 2023**, the Ambulatory Patient Group (APG) Peer Group Base Rates for School-Based Mental Health (SBMH) Services in MHOTRS Programs will increase by 25 percent. **In order to receive the enhancement, services must be billed using new rate codes 1030 (Non-Hospital) and 1033 (Hospital).** These rate increases are subject to federal Centers for Medicare and Medicaid Services and NYS Division of the Budget approval.

This letter is being sent to alert Medicaid Managed Care Plans (MMCPs), including Mainstream Medicaid Managed Care Plans, HARPs, HIV SNPs, and MAP Plans (collectively referred to as “MMCPs” herein), and OMH MHOTRS providers of the systems configurations and adjustments needed to accommodate the new rate codes back to the effective date. These increases will be reflected in MMCP premiums upon State and Federal approvals.

This memo does not change other requirements outlined in the [NYS Office of Mental Health 14 NYCRR Part 599 MHOTRS Billing Guidance](#) with the exception of the rate and rate code changes. To receive the enhanced SBMH rate, services must be rendered and/or facilitated through the school-based program.¹ If services are delivered outside school-based satellite operations, then the provider must bill the regular on-site (e.g., 1504/1516) or off-site base rate (e.g., 1507/1519), utilize the correct zip+4, and attach the appropriate modifier if applicable (e.g., telehealth modifiers). Please note that the zip+4 of the school-based satellite location must be used on the claim in order to receive the enhanced rate. If the MHOTRS program has not been submitting claims using the satellite zip+4 of the school, please ensure the MHOTRS program does so going forward for proper reimbursement.

Please refer to the [OMH Mental Health Outpatient Treatment and Rehabilitative Services \(MHOTRS\) Rate Codes Page](#) for the new school-based clinic rate codes. The [CPT Procedure Weight and Rate Schedule](#) and [CPT Revenue Calculator](#) will be updated to reflect the enhancement. To assist the MMCPs with configuring their systems for this change, a list of school-based providers is attached (Appendix A-MHOTRS School-Based Clinic List 9.8.2023). Please note, this list is being made available as temporary support and is for informational purposes only.

¹ Additional guidance around the applicability of telehealth in a school-based clinic is forthcoming.

MMCPs can refer to the [NYS Department of Health APG Rates page](#) once the new rate codes are loaded into the State system and going forward.

Please note that 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 by phone (518-402-2822) or email BHO@omh.ny.gov.