



NETWORK *Notification*

Notice Date: November 22, 2024
To: Indiana Marketplace Providers
From: CareSource
Subject: Mental Health Counseling Billing Update, Reminder
Effective Date: January 1, 2024

Summary

Upon the release of Centers for Medicare and Medicaid Services' (CMS') [Medicare Learning Network Booklet on Medicare and Mental Health Coverage](#) and our [Reimbursement of Advanced Practice Behavioral Health Providers IN MP-PY-1542 policy](#), CareSource made changes to reimbursement for mid-level mental health practitioners effective January 1, 2024. Our provider contracts for CareSource Marketplace usually apply Medicare billing practices and base reimbursement off a percentage of the Medicare allowed amount. However, prior to January 1, 2024, Medicare did not enroll these practitioners as billing providers, and CareSource had been reimbursing at the higher physician rate absent federal policy.

Impact

Prior to January 1, 2024, CareSource reimbursed specialties, not recognized by CMS, at 100% of the Medicare Professional Fee Schedule (MPFS) rate paid to providers.

CMS amended their Medicare policy as of January 1, 2024, allowing certain mid-level providers to bill independently for mental health services at 75% of the physician rate. It should be noted that reimbursement at 75% of the physician rate is standard practice under the State Medicaid program.

Importance

CareSource adopted the January 1, 2024 change in methodology to the now standard 75% of the physician rate utilized by Medicare and Medicaid. This was a prospective change and there were no recoupments of CareSource payments made prior to CMS adding mental health counselors and marriage/family therapists as eligible providers on January 1, 2024. We are requiring payments for services this year to be consistent with the federal methodology.

We apologize for any confusion this has caused our health partners. CareSource values clinicians, as a critical part of our mental health workforce, and the service they provide to our members.

Questions?

Please contact Provider Services at **1-833-230-2101** (TTY: 711), Monday through Friday, 7 a.m. to 7 p.m. Eastern Time (ET).

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