

IMPORTANT INFORMATION FOR MEDICARE PROVIDERS & PRACTITIONERS

Supporting Medicare Patients in California: Coverage for Behavioral Health Services

Behavioral health services includes both mental health and substance use disorder treatment. Both are underutilized in California, especially among Medicare beneficiaries. It is estimated that only one-third of adult Californians with mental health conditions reported receiving treatment, counseling, or prescription medication.¹ Further, in 2021 only 8.8% of Californians age 65 and over saw a health care professional for mental health or substance use disorders.²

Barriers to receiving Medicare-covered treatment include:

(1) a lack of awareness that Medicare covers behavioral health services; (2) a need to increase the number of behavioral health providers enrolled in Medicare; and (3) the stigma that may be associated with seeking treatment.

New! Starting January 1, 2024, Medicare covers mental health services and visits with marriage & family therapists and mental health counselors.

Behavioral health providers and practitioners, primary care physicians, and other clinicians have a critical role in helping Medicare beneficiaries receive behavioral health services.



This fact sheet covers:

- » Behavioral health services covered by Medicare, including treatment for mental health conditions (e.g., depression or anxiety), significant mental health needs (e.g., schizophrenia or bipolar disorder), and substance use disorders (e.g., alcohol or opioid dependence).
- » How to enroll as a Medicare provider and participate in Medicare.
- » How providers can help Medicare beneficiaries access care.
- » 2024 changes in Medicare for behavioral health.

What behavioral health services are covered by Medicare?

Medicare covers mental health and substance use disorder services for patients who are eligible for Medicare [Part A](#) and [Part B](#). Services include individual and group therapy, family counseling (if it will help with your patient's treatment), psychotherapy for crisis, diagnostic tests, inpatient hospitalization,³ partial hospitalization (an alternative to inpatient hospitalization), intensive outpatient services, substance use disorder treatment, medication-assisted treatments through [Opioid Treatment Programs](#) or office-based settings, and more. Depression screenings are offered to patients at no cost through annual wellness visits. Patients do not need to show signs or symptoms of depression to qualify for screening.

Medicare Part D prescription drug plans also cover prescription drugs related to mental health and substance use disorders. Plans must cover antidepressant, antipsychotic, and anticonvulsant medications, but the specific drugs that they cover may vary.

How can providers help reduce stigma?

The stigma surrounding mental health and substance use disorders is one of the greatest barriers to patients receiving care. Spending time with and offering empathy to patients may help to normalize perceptions of mental health. Avoid stigmatizing language (e.g., "substance abuse" or "addict") and emphasize discussions around the patient's emotional health, to help patients feel more comfortable.

For AMA resources to avoid stigma when talking to patients, [read here](#).

Additionally, peer support services can help reduce stigma and improve engagement with mental health services.⁴ The [National Alliance on Mental Illness \(NAMI\)](#) has multiple branches throughout California that can offer support to patients and providers, and help empower family members of individuals with mental health needs.



How do I refer Medicare patients to behavioral health services?

There are several opportunities to support patients in accessing mental health and substance use disorder services.

Original Medicare: In Original Medicare, prior authorizations are not needed for behavioral health services. But be sure to refer patients to a behavioral health provider who accepts Medicare. To find providers, you can use the [Medicare Provider Compare Tool](#).

Medicare Advantage: For patients enrolled in Medicare Advantage, providers should refer them to their Medicare Advantage plan for assistance in finding in-network providers. Patients can call the number on the back of their Medicare Advantage card or look up their plan's provider directory online.

Dually Eligible for Medicare and Medi-Cal: For people who have both Medicare and Medi-Cal, Medicare is the primary payer. Medi-Cal may cover costs for some co-payments or additional services not covered by Medicare. If a patient has a significant mental health need they may be eligible to receive specialty mental health services through their local [County Mental Health Plans](#). Medi-Cal covers a variety of inpatient and outpatient behavioral health services.

How can I enroll as a Medicare behavioral health provider?

Many types of providers and practitioners can get paid by Medicare for providing behavioral health services. [Eligible providers](#) include physicians (both MD and DO), clinical psychologists, clinical social workers, nurse practitioners, physician assistants, and more.

Starting January 1, 2024, mental health counselors (MHCs), marriage and family therapists (MFTs), and addiction counselors (who meet requirements to enroll in Medicare as MHCs) can directly bill and be reimbursed by Medicare Part B.⁵

Providers can enroll as Original Medicare health care providers who either: (1) bill Original Medicare for services, which includes the ability to order and certify services, or (2) solely have the ability to [order and certify](#) services. If you wish to bill Medicare for services or solely wish to order and certify services, you can enroll as a Medicare provider by completing [three steps](#). You must first have a National Provider Identifier (NPI), which is used through the [National Plan and Provider Enumeration System](#). After you have your NPI, you will fill out your Medicare enrollment application via [PECOS](#) or through a [paper enrollment application](#), and then follow up with your [Medicare Administrative Contractor](#) for the next steps. To learn more, you can read further [information on Medicare enrollment](#).

Providers can also contract with Medicare Advantage plans to serve Medicare beneficiaries as an in-network provider. To do so, you must be approved and enrolled as a Medicare provider to contract with a Medicare Advantage plan.

How do I bill for mental health or substance use disorder services in Medicare?

Enrolled Medicare providers and practitioners follow established Centers for Medicare & Medicaid Services (CMS) guidance when billing for mental health and substance use disorder services for patients with Original Medicare.

For patients enrolled in a Medicare Advantage plan, you should contact the specific plan to learn about covered services, billing processes, and prior authorization requirements. Medicare Advantage plans are responsible for claims processing. Provider reimbursement amounts are determined through negotiation with the plan.

As there are thousands of Current Procedural Terminology (CPT) codes, it is important that the correct code be used for proper billing of behavioral health services. For an inventory of codes covered and not covered by Medicare, you can use the [Medicare Coverage Database](#). If you are part of a physician group, refer to your group guidelines and procedures for guidance on mental health or substance use disorder services billing.

If you have a patient with both Medicare and Medi-Cal, but you are not enrolled as a Medi-Cal provider, you can seek approval for reimbursement of Medicare cost-sharing amounts if you enroll as a Medi-Cal crossover provider. "[Crossover Only](#)" providers can receive reimbursement through Medi-Cal by submitting an application through [PAVE](#). To learn more about crossover billing, use the following [toolkit](#).

What if my patient is unable to travel to an appointment?

If your patient is unable to travel to an appointment, telehealth services may benefit them. Telehealth services are covered under Medicare Part B and include services that diagnose, evaluate, and treat mental health needs, which can be furnished to patients in their homes. Many Medicare providers can provide telehealth services. For patients with difficulty accessing telehealth services, there are [affordable connectivity](#) and [device assistance](#) programs, as well as the



[California LifeLine Program](#) for discounted home and cell phone services.

If your patient needs access to transportation for their appointment, free or low-cost transportation may be available. Patients with Medicare can be directed to their local [Area Agency on Aging](#), which can help connect them to low-cost transportation. Additionally, if they are in a Medicare Advantage plan, transportation services may be available through their plan. If your patient is eligible for Medicare and Medi-Cal, they may be eligible for non-emergency transportation through the Medi-Cal program.

Can primary care or other providers be reimbursed for helping patients access behavioral health services or coordinating this care?

Primary care physicians and practitioners or others who help patients access behavioral health services or coordinate treatments can be reimbursed using CPT code 99484, or Healthcare Common Procedure Coding System (HCPCS) code G0323, for general [behavioral health integration \(BHI\)](#) services. In addition to reimbursement for BHI, Medicare also covers psychotherapy for crisis, as well as opioid use disorder screening and treatment. To learn more, [read here](#).

Primary care practices using the [Collaborative Care Model](#) to coordinate behavioral health services can bill for these services using CPT or HCPCS codes for psychiatric collaborative care management services (e.g., 99492, 99493, 99494, G2214). Starting January 1, 2024, Medicare covers MHCs and MFTs to provide integrated behavioral health care in primary care settings.⁶

What are the 2024 changes for behavioral health services in Medicare?

To improve access to behavioral health services, Medicare has several new policies:

- » Medicare covers mental health services and visits with marriage & family therapists and mental health counselors.
- » Medicare covers intensive outpatient services in certain settings.
- » Medicare Advantage plans will be: (1) evaluated for having an adequate network of licensed clinical social workers and clinical psychologists; (2) required to establish care coordination programs, which include the coordination of community, social, and behavioral health services that emphasize parity between behavioral health and physical health services; and (3) required to have arrangements with

contracted providers to ensure that enrollees have [continuity of care](#) and integration of services for behavioral health services.

- » Also for Medicare Advantage: Emergency behavioral health services are not subject to prior authorization, appointment wait time standards apply for primary care and behavioral health services, and plans must notify enrollees midyear when their behavioral health or primary care provider is no longer in-network.

For more information on Medicare benefits and claims processing, please refer to these additional resources:

- » [Medicare Learning Network Booklet: Medicare & Mental Health Coverage](#)
- » [Medicare Benefit Policy Manual, Chapters 2, 6, and 15](#)
- » [Medicare Claims Processing Manual, Chapters 3 and 4](#)

Additional Mental Health Services

Additional services or programs may be available to your patient.

- » **State Behavioral Health Resources** California's [Mental Health Services Act \(MHSA\)](#), passed in 2004 by California voters, is designed to expand and transform the state's behavioral health system to serve people with serious mental health needs, as well as their families. MHSA focuses on prevention, early intervention, stigma reduction, and service needs, as well as the development of the infrastructure, technology, and training needed for an effective public behavioral health system.
- » **Specialty Mental Health Care** The [Medi-Cal Specialty Mental Health Services \(SMHS\)](#) program provides services to Medi-Cal beneficiaries through county mental health plans. These plans are responsible for authorization and payment of SMHS for Medi-Cal enrollees within their respective counties, in accordance with medical necessity criteria.

Key Definitions



- » **Original Medicare** - Also known as Regular Medicare, Original Medicare is coverage managed by the federal government.
- » **Medicare Part A** - Medicare hospital insurance, which covers inpatient hospital stays, post-acute rehabilitation and skilled nursing facility care, hospice care, and some home health care.
- » **Medicare Part B** - Medicare medical insurance, which covers certain provider services, outpatient care, medical equipment/supplies, and preventive services.
- » **Medicare Part D** - Medicare prescription drug coverage, which is a benefit available to all people with Medicare for an additional charge or at no cost, if eligible for Medicaid.
- » **Medi-Cal** - California's Medicaid health care program that pays for a variety of medical, behavioral health, and other services for people with limited income.
- » **Medicare Advantage** - Also known as "Medicare Part C," a type of health plan offered by a private company that provides all Medicare-covered services through providers contracted in their network.

¹ California Health Care Foundation. "California Health Care Almanac- Mental Health in California: Waiting for Care." July 2022. Available at: <https://www.chcf.org/wp-content/uploads/2022/07/MentalHealthAlmanac2022.pdf>.

² UCLA Center for Health Policy Research. AskCHIS 2021. "Saw any healthcare provider for emotional-mental and/or alcohol-drug issues in past year" (California). Available at <https://ask.chis.ucla.edu>. Accessed October 2, 2023.

³ Patients with Medicare can receive inpatient mental health services in a general hospital or psychiatric hospital. There is no limit to the number of benefit periods a patient can have in either setting; however, Part A only pays for up to 190 days of inpatient psychiatric hospital services during a patient's lifetime.

⁴ Sun, Jing et al. "Stigma and Peer-Led Interventions: A Systematic Review and Meta-Analysis." *Frontiers in psychiatry* vol. 13 915617. 5 Jul. 2022, doi:10.3389/fpsy.2022.915617.

⁵ Centers for Medicare & Medicaid Services. "Medicare and Medicaid Programs: Calendar Year 2024 Payment Policies under the Physician Fee Schedule and Other Changes to Part B Payment and Coverage Policies; etc." November 2023. Available at: <https://www.federalregister.gov/public-inspection/2023-24184/medicare-and-medicaid-programs-calendar-year-2024-payment-policies-under-the-physician-fee-schedule>.

⁶ Ibid., 5