



500 Summer St NE E35
Salem, OR, 97301
Voice: 800-527-5772
Fax: 503-373-7689
TTY: 711
Oregon.gov/OHP

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To: Behavioral health programs
Substance use disorder treatment programs

From: Donny Jardine, Medicaid Behavioral Health Policy manager
Medicaid Programs

Subject: Fee-for-service rate increase for Medicaid behavioral health services effective October 1, 2023

The Oregon Health Authority (OHA) is updating its fee-for-service claim system to reflect new reimbursement rates effective October 1, 2023. The increase:

- Applies to behavioral health services rendered on or after October 1, 2023.
- Is a net average of 3.4 percent for rates listed in the current [Behavioral Health Fee Schedule](#).

OHA aims to complete this work by March 1, 2024. When this work is complete, OHA will:

- Post communications on the [Behavioral Health Rate Increase page](#).
- Update the Behavioral Health Fee Schedule with the new rates.
- Adjust rates for adult mental health residential billing codes T1020 and T2033 retroactive to October 1, 2023.

Why is this happening?

The 2022 Oregon Legislature granted OHA funding to increase behavioral health reimbursement and support improvements to Oregon's behavioral health system. This included funding an annual cost-of-living adjustment of 3.4 percent for State Fiscal Years 2023 and 2024.

What should you do once the rate updates are complete?

Adult mental health residential providers: OHA or Comagine Health may ask you to rebill on the plan of care to receive the higher amount. Submit any unbilled claims for reimbursement at this time.

Other behavioral health providers: Bill new claims at the higher amount identified in the forthcoming [Behavioral Health Fee Schedule](#). For previously submitted, claims, use **one** of these options:

1. Adjust the claims for timely reimbursement.
2. Wait for OHA to reprocess the claims. This will be three or four weeks after the system updates.

Questions?

- **About fee-for-service reimbursement:** Please contact Provider Services at 800-336-6016 (option 5) or DMAP.ProviderServices@odhsoha.oregon.gov.
- **About the rate increases:** Please email [Medicaid Programs](#) at or visit OHA's [Behavioral Health Rate Increase page](#)

Thank you for your continued support of the Oregon Health Plan and the services you provide to our members.