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**Date:** June 12, 2024

**To:** Behavioral health treatment 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 July 1, 2024

The Oregon Health Authority (OHA) is updating its fee-for-service claim system to reflect new reimbursement rates effective July 1, 2024. The increase:

- Applies to behavioral health services rendered on or after July 1, 2024.
- Applies 3.4 percent for rates listed in the [Behavioral Health Fee Schedule](#).

OHA aims to have the 3.4 percent increase completed by the end of this month. When this work is complete, OHA will:

- Post communications on the [Behavioral Health Rate Increase page](#).
- Post the new rates in the July 2024 Behavioral Health Fee Schedule.
- Adjust rates for adult mental health residential billing codes T1020 and T2033.

### 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:** Starting July 1, 2024, submit all claims at the higher rate as noted on each resident's plan of care.

**Other behavioral health providers:** Bill new claims at the higher amount listed in July 2024 Behavioral Health Fee Schedule.

### Questions?

- **About fee-for-service reimbursement:** Please contact [Provider Services](#) (800-336-6016).
- **About the rate increases:** Please email [Medicaid Programs](#) 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.