



Memorandum

To: Youth and young adult behavioral health providers and coordinated care organizations (CCOs)

From: Emma Sandoe, Medicaid Director
Ebony Clarke, Behavioral Health Director

Date: April 6, 2026

Subject: Youth intensive treatment services rate changes

Oregon Health Authority (OHA) is increasing the Medicaid rates for youth intensive psychiatric treatment services as follows.

- The new Secure Inpatient Programs (SIP) rate is effective July 1, 2025.
- All other rates listed below will be effective July 1, 2026.

Rate type	% Increase	Current Rate	New Rate
Day Treatment	13%	\$342.00	\$387.52
Psychiatric Residential Treatment Services	3%	\$972.93	\$1003.95
SIP	5%	\$1630.36	\$1713.78
Substance Use Disorder Residential Treatment	31%	\$444.24	\$582.60

The July 2026 Behavioral Health Fee Schedule will reflect the new rates.

OHA will work with affected SIP providers to adjust paid claims with dates of service on or after July 1, 2025.

Why is this happening?

OHA is committed to responding to the needs and concerns of all partners, including safety net providers and CCOs. These modest rate increases are part of that response, while recognizing shrinking financial resources.

OHA is sharing these rates as early as possible so that partners have time to fully understand the changes and their responsibilities.

What should you do?

SIP providers may bill at the higher rate for services going forward. For services already provided and billed to OHA, no action is needed. OHA will contact SIP providers to adjust previously paid claims.

All other providers may bill the higher rate for services provided on or after July 1, 2026.

Before rendering services, be sure to verify the member's eligibility and benefit package as required by [Oregon Administrative Rule \(OAR\) 410-120-1140](#). Also verify the member's CCO enrollment and whether services require prior authorization. [View the Keys to Success to learn more.](#)

CCOs should review their claims processing systems and contracts and make any necessary changes

Questions?

If you have questions about differences between the above rates and proposed rates shared in past recommendations, please see the [Children's Treatment Services Rate Study Report](#). A high-level summary can be found [on the following page](#).

If you have questions about billing or adjusting fee-for-service claims, please contact Provider Services at 800-336-6016 or dmap.providerservices@odhsoha.oregon.gov.

If you have other questions about this memo, please email Medicaid Programs at Medicaid.Programs@odhsoha.oregon.gov.

Rate analysis background

Myers & Stauffer conducted a study of the rates for youth intensive services. The study included all levels of psychiatric residential treatment:

- Psychiatric residential treatment services (PRTS),
- Subacute care,
- Secure Inpatient Programs (SIP),
- Substance use disorder (SUD) residential treatment,
- Psychiatric day treatment, and
- In-Home Behavioral Health Treatment (IIBHT).

The study used comprehensive cost data from providers, studies of other states' rates, inflation rates, as well as market and national consumer indexes.

August 2025 rate recommendations

[The final report from this study](#) found that overall provider costs have risen moderately since 2022, primarily driven by staffing costs, and recommended the following rate adjustments based on provider-reported expenses:

- Increase rates for SIP, PRTS, Subacute, SUD residential and psychiatric day treatment by between 5 and 31 percent.
- Decrease rates for SUD residential (room and board and services) by between 18 and 30 percent.
- Establish a bed hold rate consistent with other states of approximately 50 percent.

Upon review, OHA made the following decisions based on the final report. OHA shared these discretionary rate changes through multiple meetings with CCOs.

IIBHT: No rate changes

The study found a wide range of costs reported by IIBHT programs. This, and the variety of CCO payment structures for IIBHT, made it difficult to compare rates or recommend changes.

Rather than lowering the fee-for-service rate for IIBHT, OHA is looking into alternate payment codes to ensure that agencies are fully compensated for IIBHT treatment.

PRTS, Subacute and SIP treatment rate

Some programs continue to run below full capacity, a lingering issue since the COVID-19 pandemic. OHA adjusted capacity expectations within the model to 90 percent. This brings expectations closer to pre-COVID levels, but also reduces rate increases below the August 2025 recommendations.

Bed hold rate

Programs shared that a bed hold rate would be useful, but a 50 percent rate was insufficient. OHA is continuing to explore potential solutions for a bed hold rate.