

INTEGRATED CO-OCCURRING DISORDERS DIRECTED PAYMENT GUIDANCE

The Centers for Medicare and Medicaid Services Medicaid managed care regulations at [42 C.F.R. § 438.6\(c\)](#) govern how states may direct plan expenditures in connection with implementing delivery system and provider payment initiatives under Medicaid managed care contracts. The Oregon Health Authority (OHA) implemented multiple directed payment (DP) programs in 2023 in the coordinated care organization (CCO) contracts that further the goals and priorities of the Agency.

The DPs covered in this guidance document apply to the 2026 [Medicaid](#), [Non-Medicaid](#), and [OHP Bridge-Basic Health Program](#) Contracts. This document provides guidance on policy, operational, and rate-setting considerations.

In the 2026 Medicaid Contract, which is the primary CCO contract, these payments are referred to as “Qualified Directed Payments (QDPs) within CCO Payment Rates” and covered in Exh. C, Sec. 1, Para. d, Sub.Para. (2). The DP requirements in the Medicaid Contract are incorporated by reference in both of the other contracts in Exh. C, Sec. 1, Para. d, Sub.Para. (1), Sub-Sub.Paras. (a-f).

Capitalized terms not defined in this document have the meanings assigned to them in the CCO contracts. If the term “Member” is qualified, by referencing one specific CCO contract, it means the guidance applies to only those Members covered under that specific CCO contract and not any of the Members covered under the other two contracts. For example, if this document uses the term “Medicaid Member,” then the guidance only applies to Members covered under the Medicaid CCO contract and does not apply to Members under the non-Medicaid or Basic Health Program Contract.

Note that recent updates to the contracts resulted in deleting the directed payment obligations for services provided to HOP members and members with standalone Title XXI coverage (Children's Health Insurance Program). However, CCOs may, but are not required to, mirror the directed payment amounts for services received by these individuals.

For many years, research and best practices have indicated that an integrated approach to Co-Occurring Disorder (ICOD) treatment is best. However, Oregon Providers lacked the broader

system supports and payment models needed to achieve this goal. To close this gap, Enrolled House Bill [2086](#) (2021) directed OHA to:

- Reimburse for Integrated COD treatment services at an enhanced rate based on clinical complexity and the education level of the treating Provider.
- Provide one-time start-up funding for programs that provide Integrated COD treatment.
- Study reimbursement rates for Integrated COD treatment, including treatment of co-occurring intellectual/developmental disability and gambling disorder.

Starting in 2023, OHA implemented a DP arrangement to fulfill the first HB 2086 directive, which provides a uniform payment increase to CCO Participating Providers of Behavioral Health services approved by OHA for integrated treatment of COD rendered by qualified staff consistent with the Integrated COD rules in Oregon Administrative Rules [\(OAR\) 309-019-0145](#).

For 2026, the payment increase under this DP must equal:

1. 10% of the Oregon Health Plan (OHP) State Plan BH fee-for-service (FFS) [fee schedule](#) rate (effective January 1, 2026) for covered non-residential services by Providers who are Qualified Mental Health Associates, Peers, or Substance Use Disorder (SUD) Treatment Staff as defined in OAR [309-019-0105](#).
2. 20% of the OHP BH FFS fee schedule rate (effective January 1, 2026) for covered non-residential services by Providers who are Qualified Mental Health Professionals (QMHPs), Licensed Health Care Professionals, or Mental Health Interns as defined in OAR 309-019-0105.
3. 15% of the OHP BH FFS fee schedule rate (effective January 1, 2026) for SUD residential.

The increase(s) will be in addition to the CCO-negotiated base rates in place for qualified BH Providers delivering services while meeting Integrated COD standards. The billing entity must be approved for Integrated COD under OAR [309-019-0145](#).

IMPACTED SERVICES

The DP is limited to covered services in the SUD Residential, MH Non-Inpatient, and SUD Categories of Services (COS) listed in the OHP BH FFS fee schedule. Refer to Appendix A in this document for a crosswalk of Oregon Health Grouper (OHG) financial service grouping criteria to these COS. Additionally, a COD diagnostic combination must be present on the encounter. OHA has provided detailed diagnosis code lists in a separate Integrated COD implementation guide at www.oregon.gov/icd.

To qualify for the Integrated COD rate increase to the OHP BH fee schedule, the following criteria must be met by a Provider or Provider organization:

4. The Provider organization must possess a current OHA approval to provide Integrated COD services per the Integrated COD OARs and the published process.
5. Provider staff rendering services must meet staff training and requirements per Integrated COD OARs and use the appropriate billing codes on their claims.

To receive the 15% increase for SUD residential services, a residential Healthcare Common Procedure coding System (HCPCS) billing code and associated modifier from the following table must be present.

HCPSC CODE	Modifier
H0010	HH
H0011	HH
H0018	HH
H2036	HH
H0019	HH
H2013	Not HK

WHAT SHOULD YOU DO?

Providers:

6. Providers who meet the Integrated COD standards at the organization and rendering Provider levels should notify the CCO(s) with which they contract and provide supporting documentation of their approval.
7. Providers should bill using the appropriate payment modifier when a service is provided to a Member with a qualifying diagnostic combination: **HO** for services provided by approved Providers with a QMHP/QMHP equivalent or above in a BH field per the Behavioral Health Division's OARs and **HH** for all other Providers.

CCOs:

1. Upon receipt of documentation supporting qualification for the Integrated COD payment increase either by the contracted Provider directly or through OHA's list of approved Providers posted on OHA's Integrated COD [webpage](#), CCOs must pay the rate increase effective for

services delivered on the date of OHA approval to be an Integrated COD Provider and thereafter for dates of service in 2026.

2. By March 31, 2026, each CCO must provide OHA with a written attestation of compliance with all 2026 DP requirements, including Integrated COD. OHA will post the attestation template on the CCO Contract Forms [webpage](#) by December 31, 2025.
 - By September 30, 2026, each CCO must also submit an *updated* DP attestation for Providers whose contracts are new or have been modified since the March 31st attestation.

APPENDIX A — COS CROSSWALK

OHG DESCRIPTION	CLAIM TYPE	COS			
			TEAM	COD	CLSS
PROF-MH-ABA-SERVICES	Professional	ABA			X
PROF-MH-ACT	Professional	ACT/SE	X		X
PROF-MH-SUPPORT-EMPLOYMENT	Professional	ACT/SE	X		X
OP-MH-OTHER	Outpatient	MH Services Non-Inpatient	X	X	X
PROF-MH-ALT-TO-IP	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-ASSESSMENT-EVALUAT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CASE-MANAGEMENT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CASE-MGT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CONSULTATION	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-CRISIS-SERVICES	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-EVAL-MGMT-PCP	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-INTERP-SERVICES	Professional	MH Services Non-Inpatient	X	X	
PROF-MH-MED-MGT	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-MST	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-OP-THERAPY	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-PDTS	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-PHYS-OP	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-PRTS-CHILD	Professional	MH Services Non-Inpatient	X		
PROF-MH-RESPIRE	Professional	MH Services Non-Inpatient	X	X	
PROF-MH-SKILLS-TRAINING	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-SUBACUTE	Professional	MH Services Non-Inpatient	X		
PROF-MH-SUD-UNBUCKETED	Professional	MH Services Non-Inpatient	X	X	X

OHG DESCRIPTION	CLAIM TYPE	COS			
			TEAM	COD	CLSS
PROF-MH-SUPPORT-DAY	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-THERAPY	Professional	MH Services Non-Inpatient	X	X	X
PROF-MH-THERAPY-INPATIENT	Professional	MH Services Non-Inpatient	X	X	
PROF-MH-UNBUCKETED	Professional	MH Services Non-Inpatient	X	X	X
PROF-PHYS-OTHER-E-M-MH	Professional	MH Services Non-Inpatient	X	X	X
PROF-PHYS-PRIMCARE-E-M-MH	Professional	MH Services Non-Inpatient	X	X	X
PROF-PHYS-SOMATIC-MH	Professional	MH Services Non-Inpatient	X	X	X
OP-CD-A	Outpatient	SUD	X	X	X
OP-CD-B	Outpatient	SUD	X	X	X
PROF-MH-WRAPAROUND-SERVICE	Professional	MH Children's Wraparound			X
PROF-CD-ASSESS-SCREENING	Professional	SUD	X	X	X
PROF-CD-METHADONE-AMH	Professional	SUD	X	X	X
PROF-CD-METHADONE-TREAT	Professional	SUD	X	X	X
PROF-COMMUNITY-DETOX	Professional	SUD	X	X	X
PROF-SBIRT-A	Professional	SUD	X	X	X
PROF-SBIRT-B	Professional	SUD	X	X	X
PROF-SUD-UNBUCKETED	Professional	SUD	X	X	X
PROF-CD-RES-ADULT	Professional	SUD Residential		X	
PROF-CD-RES-CHILD	Professional	SUD Residential		X	
THW PROCEDURE CODES (NEW THW OHG UNDER DEVELOPMENT)					X

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<https://www.oregon.gov/oha/hsd/ohp/pages/bh-rate-increase.aspx>

