**Aetna Better Health of Kentucky**
9900 Corporate Campus Drive, Suite 1000
Louisville, KY 40223

April 1, 2026

Payment Policy

# Intensive Outpatient Program Services (IOP)

## Effective Date: May 1, 2026

Aetna Better Health of Kentucky reimbursement policies are intended to provide a general reference for claims filing, coding and documentation guidelines. Coding methodology, regulatory requirements, industry-standard claims logic, benefits design and other factors not listed in this policy statement are considered in the development of reimbursement policies.

In addition to this Policy, reimbursement of rendered services is subject to member benefits, eligibility on the date of service, medical necessity, other plan policies and procedures, claim editing logic, provider contracts and all applicable authorization, notification and utilization management guidelines set forth by the Kentucky Department for Medicaid Services and the Centers for Medicare and Medicaid Services (CMS).

This policy does not ensure either an authorization or reimbursement of services or product. Please refer to the plan contract for the service(s) referenced therein. If there is a conflict between either this policy or the plan contract, then the plan contract will be the controlling document used to make an authorization or payment determination. We reserve the right to review and update this policy periodically.

**CONTENTS OF POLICY**

## A.Policy

Aetna Better Health of Kentucky implements comprehensive and robust policies to ensure alignment with the Kentucky Department of Medicaid (DMS), evidence-based practices and clinical guidelines. The effective date of implementation for this policy is contingent upon the Kentucky Department of Medicaid's endorsement.

Aetna Better Health of Kentucky conducts a bi-annual review of utilization comparing prior periods and industry benchmarks to identify inappropriate utilization trends that may signal overutilization of a service as well as a quality or safety concern.

This policy outlines requirements for the provision and reimbursement of Intensive Outpatient Program (IOP) services (HCPC H0015, S9480, and Revenue 0905, 0906). Payment for IOP services is contingent upon meeting all standards required in your contract with Aetna Better Health of Kentucky, including compliance with all State Regulations and provision of services that are evidence-based practices, and meet all requirements for reimbursement as outlined in this policy.

IOP is a per diem service and is not reimbursable on the same day for the same recipient as other diem services. IOP is not reimbursable on the same day as other psychotherapy or outpatient services.

Providers must submit one claim per week for IOP services. A "week" of IOP services must be billed on the same claim and may not be split across multiple claims. Aetna defines a billable week of IOP services as services reported within a rolling seven-day period, beginning with the first date of service on the claim.

## B. Overview

Aetna Better Health of Kentucky provides this policy to outline coverage, reporting, and billing requirements for Intensive Outpatient Program (IOP) services (HCPC H0015, S9480 and Revenue 0905, 0906) provided to our members.

Except where otherwise noted, providers must deliver and report IOP services in accordance with applicable requirements issued by the Kentucky Department for Medicaid Services (DMS). This includes adherence to minimum service intensity thresholds, appropriate use of billing codes, and submission of claims that accurately reflect the delivery of services.

IOP services are a structured, non-residential level of care designed to provide intensive behavioral health treatment as an alternative to inpatient hospitalization or as a step-down

from a higher level of care. IOP services must offer a multi-modal, multi-disciplinary structured outpatient treatment program that is significantly more intensive than individual, group, and family therapies.

For adults, DMS requires that IOP services be rendered for a minimum of nine (9) hours per week, with services provided for at least three (3) hours per day on at least three (3) days per week. For adolescents, IOP services must be provided for a minimum of six (6) hours per week, delivered on at least two (2) days per week.

IOP services should include individual, group, and family therapy unless contraindicated, crisis intervention as it would occur in the setting where IOP is being provided, and psychoeducation. These services should be available to the recipients according to their individualized treatment plans.

To provide intensive outpatient program services, a provider must be employed by a behavioral health multi-specialty group, CMHC, CCBHC, or behavioral health provider group. In addition, the provider group must have access to a board-certified or board-eligible psychiatrist for consultation and access to a psychiatrist, physician, or advanced practiced registered nurse for medication prescribing and monitoring. “Access to” means that the provider group must have a contract with those providers.

| C. Definitions | |
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| Intensive Outpatient Program (IOP) | A structured, non-residential behavioral health treatment program that delivers multi-modal, multidisciplinary services at an intensity greater than standard outpatient care but less than partial hospitalization or inpatient treatment. IOP services typically include individual therapy, group therapy, family therapy (when clinically appropriate), medication management, crisis intervention, and psychoeducation, provided in accordance with an individualized treatment plan. |
| Adult | For purposes of this policy, an individual who is 18 years of age or older at the time IOP services are rendered. Adult IOP services must meet DMS minimum intensity requirements of at least nine (9) hours per week, delivered over a minimum of three (3) service days. |

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| Adolescent | For purposes of this policy, an individual under 18 years of age at the time IOP services are rendered. Adolescent IOP services must meet DMS minimum intensity requirements of at least six (6) hours per week, delivered over a minimum of two (2) service days. |
| Rolling Seven-Day Period | A consecutive seven-day timeframe used for reporting and billing IOP services, beginning with the first date of service on the claim. All required service days for the week must be included on a single claim and must not exceed seven calendar days. |
| IOP Billing Codes | Healthcare Common Procedure Coding System (HCPCS) and revenue codes used to identify Intensive Outpatient Program services, including but not limited to H0015, S9480, and Revenue Codes 0905, 906 when reported in accordance with this policy and applicable DMS guidance |

## D. Prior Authorization & Service Limitations

Prior authorization for Intensive Outpatient Program services is required.

CMS generally prohibits billing multiple per diem service codes for the same individual, for the same date of service, as it often reflects duplicative billing or unbundling. Per diem (all inclusive) rates cover various services provided for a full day of care. Aetna Better Health of Kentucky will not reimburse for IOP billed on the same day as any other per diem service code.

Per Kentucky Administrative Regulations (KAR), Individual, Group and Family Outpatient Therapy shall not exceed (3) hours per day alone or in combination with any other outpatient therapy per individual unless additional time is medically necessary. Aetna Better Health of Kentucky will not reimburse for IOP on the same date of service as any psychotherapy or other outpatient service.

The following list of codes may not be an all-inclusive list of outpatient or per diem codes that are not billable on the same date of service as IOP. In addition, if the Department for Medicaid Services recognizes, at any point, additional outpatient therapy or per diem services codes, IOP services may not be reimbursable if billed on the same day as any such additional code(s).

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|---|---|---|---|
| 90832 | 90840 | 90875 | H2015 |
| 90833 | 90845 | 90876 | H2019 |
| 90834 | 90846 | H0004 | H2020 |
| 90836 | 90847 | H0011 | H2027 |
| 90837 | 90849 | H0035 | H2034 |
| 90838 | 90853 | H0015 | H2036 |
| 90839 | 90870 | H2012 | S9480 |

Prior authorization is not a guarantee of payment. Please refer to the Aetna Behavioral Health Provider Manual located on our provider website for specific guidance on how to file an appeal.

For Health Care Providers | Aetna Medicaid Kentucky

Claims paid for services exceeding the guidelines described throughout this policy are subject to review and/or recovery. Aetna Better Health of Kentucky may recover identified overpayments per KRS 304.17A-714.

## E. Conditions of Coverage

General Billing Requirements

Aetna Better Health of Kentucky requires providers to submit claims for Intensive Outpatient Program (IOP) services in a manner that accurately reflects the delivery of services and complies with Kentucky Department for Medicaid Services (DMS) requirements and Aetna billing standards. IOP services must be billed using the appropriate HCPCS and revenue codes, including but not limited to H0015, S9480, and Revenue Code 0905, 906 as applicable.

Weekly Claim Submission Requirement

Providers must submit one claim per week for IOP services. A “week” of IOP services must be billed on the same claim and may not be split across multiple claims. Aetna defines a billable week of IOP services as services reported within a rolling seven-day period, beginning with the first date of service on the claim.

Rolling Seven-Day Period

A rolling seven-day period consists of seven consecutive calendar days.
All required service days for the week must fall within the same seven-day span.
Claims that include dates of service spanning more than seven calendar days do not meet billing requirements and may be denied.

Minimum Service Day Requirements

To qualify as a billable week of IOP services:

Adults (18 years and older) ○
- Services must be provided on at least three (3) distinct service days within the rolling seven-day period.
- Services must meet the DMS minimum intensity requirement of at least nine (9) total hours per week, with no fewer than three (3) hours per service day.

Adolescents (under 18 years of age) ○
- Services must be provided on at least two (2) distinct service days within the rolling seven-day period.
- Services must meet the DMS minimum intensity requirement of at least six (6) total hours per week.

Claim Submission Standards

All service days used to meet the weekly IOP requirement must be reported on a single claim.
Each service day must be represented by a distinct date of service.
Claims that reflect fewer than the required number of service days within the rolling seven-day period may be denied as not meeting IOP billing criteria.
Providers must ensure that the statement from date and statement through date accurately represent the rolling seven-day billing period.

Non-Compliant Billing

Failure to submit IOP claims in accordance with these billing guidelines may result in, but is not limited to:
Claim denial.
Claim recoupment following post-payment review.
Requests for medical records to validate compliance with IOP service and billing requirements.

| **F. Review/Revision Date** | | |
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| Action | Date | Comments |
| Date Issued | 4/1/2026 | |
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| Effective Date | 5/1/2026 | |
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## H. Resources

907 KAR 1:044. Coverage provisions and requirements regarding community mental health center behavioral health services. https://apps.legislature.ky.gov/law/kar/titles/907/001/044/

907 KAR 1:054. Coverage provisions and requirements regarding federally qualified health center services, federally qualified health center look-alike services and primary care center services. https://apps.legislature.ky.gov/law/kar/titles/907/001/054/

907 KAR 1:082. Coverage provisions and requirements regarding rural health clinic services. https://apps.legislature.ky.gov/law/kar/titles/907/001/082/

907 KAR 15:005. Definitions for 907 KAR Chapter 15. https://apps.legislature.ky.gov/law/kar/titles/907/015/005/

5. 907 KAR 15:010. Coverage provisions and requirements regarding services provided by behavioral health services organizations for mental health treatment. https://apps.legislature.ky.gov/law/kar/titles/907/015/010/

907 KAR 15:020. Coverage provisions and requirements for behavioral health services provided by individual approved behavioral health practitioners, behavioral health provider groups, or behavioral health multi-specialty groups. https://apps.legislature.ky.gov/law/kar/titles/907/015/020/




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