

**DATE:** June 18,2025

**TO:** All Iowa Provider Enrolled with a Managed Care Organization

**APPLIES TO:** Managed Care (MC)

**FROM:** Iowa Department of Health and Human Services (HHS),  
Iowa Medicaid

**RE:** B3 Mental Health and Substance Use Disorder Services

**EFFECTIVE:** Immediately

Iowa Medicaid members enrolled with a Managed Care Organization (MCO) have access to an expanded array of mental health and substance use disorder services. These services are often referred to as “B3” services because they are authorized as a 1915(b)(3) waiver exemption by the Centers for Medicare and Medicaid Services (CMS). Individuals not enrolled with an MCO do not have coverage for B3 mental health and substance use disorder services. Iowa Health and Wellness Not Medically Exempt and Hawk-I members are not eligible for any B3 services.

The intent of this publication is to provide additional clarification on Integrated Services and Supports (HCPCS code H2022), Peer Support (HCPCS code H0038) and Respite (HCPCS code H0045) and how to request B3 services through MCO. Qualified providers must enroll with Iowa Medicaid and contract with the MCOs to deliver the services listed below. Providers and MCOs negotiate the reimbursement rates for all B3 services to begin this process, the Provider must contact their Provider Representative at each of the MCOs.

Integrated Services and Supports (H2022) has been broken down into five service categories to provide a clearer path for authorization and claims payment. Integrated Services & Supports are informal services/supports offered by providers, family/friends, and other members of the natural support community. These interventions help

individuals to remain in or return to their homes and limit the need for more intensive out-of-home mental health treatment. Integrated services and support are specifically tailored to an individual consumer's needs at a particular point in time and are not a set menu of services.

A joint treatment planning process may identify the need for integrated services/supports. The consumer/family member must lead the planning process, and other members of the team must give their input as well. Individual contacts with the individual/family may also identify the need. Ideally, this provides more flexibility to individuals with unique services to address mental health needs and augment and complement those provided through other funders and systems. The services/supports must be integrated into the treatment plan. Integrated Services and Supports may have natural support involvement that requires reimbursement and, at other times, be part of the family process.

<b>HCPC Code &amp; Modifier</b>	<b>Service</b>	<b>Service Description</b>	<b>Eligible Providers</b>	<b>Rate</b>
H2022-X1	1:1 Supervision	1:1 Supervision will be utilized in cases where a member needs increased supervision due to safety concerns. The intent of this service is to help members stay in the least restrictive environment possible while putting support in place to improve and maintain their safety. This modifier covers increased supervision for 1 - 8 hours per day.	Entire provider network contracted using MCO credentialing standards.	Provider Negotiated Rate  Per Diem Unit
H2022-X2	1:1 Supervision	1:1 Supervision will be utilized in cases where a member needs increased supervision due to safety concerns. The intent of this service is to help the members stay in the least restrictive environment possible while putting support in place to improve and maintain their	Entire provider network contracted using MCO credentialing standards.	Provider Negotiated Rate  Per Diem Unit

		safety. This modifier covers increased supervision for 8.25 – 16 hours per day.		
H2022-X3	1:1 Supervision	1:1 Supervision will be utilized in cases where a member needs increased supervision due to safety concerns. The intent of this service is to help members stay in the least restrictive environment possible while putting support in place to improve and maintain their safety. This modifier covers increased supervision for 16.25 - 24 per day.	Entire provider network contracted using MCO credentialing standards.	Provider Negotiated Rate Per Diem Unit
H2022-X4	Mentoring	Mentoring is centered around improving members' well-being by providing a positive role model who can support them through growth, struggles, and life transitions. Mentoring allows members to participate in activities such as going to a movie, shopping, going out to eat, or favorite sporting event. Because mentoring is focused on building a healthy attachment to an adult, mentoring is not dependent on the treatment progress.	Entire provider network contracted using MCO credentialing standards.	Provider Negotiated Rate Per Diem Unit
H2022-X5	Other services and supports	Other services and supports cover a broad array of services. Examples of these services include transportation for treatment, and hotel costs related to visiting a member.	Entire provider network contracted using MCO credentialing standards.	Provider Negotiated Rate Per Diem Unit

Peer Support & Parent Peer Support (H0038) has been broken down into three service categories to provide a clearer path for authorization and claims payment. Peer Support and Parent Peer Support services may be provided to members who are receiving therapeutic foster care services. If a member is enrolled in an Integrated Health Home (IHH) the IHH will provide this support and is not able to be billed in addition to the IHH.

H0038	Peer Support and Parent Peer Support	The services provided to eligible people by other mental health consumers who are specifically trained to provide peer support services. Services are targeted toward the support of persons with a serious and persistent mental illness, serious emotional disturbance or substance use disorder. Peer support services focus on individual support and counseling from the perspective of a trained peer and may also include service coordination and advocacy activities as well as rehabilitative services. Peer support services are initiated when there is a reasonable likelihood that such services will benefit an eligible person's functioning and assist him or her in maintaining community tenure.	Peer support specialists at accredited organizations contracted using MCO credentialing standards and peer support specialists have received Appalachian Consulting Group Model training for mental health services, or for recovery coaches, the Connecticut Community for Addiction Recovery (CCAR) for substance use disorder service training, or for family peer support specialist certification through a state-	Provider Negotiated Rate  15-minute Unit
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			recognized training program	
H0038 U4 (ages 6-11)	Peer Support and Parent Peer Support	For children in Therapeutic Foster Care, the services provided to eligible persons by other mental health consumers who are specifically trained to provide peer support services to support the member. Services are targeted toward the support of persons with a serious and persistent mental illness, serious emotional disturbance or substance use disorder. Peer support services focus on individual support and counseling from the perspective of a trained peer and may also include service coordination and advocacy activities as well as rehabilitative services. Peer support services are initiated when there is a reasonable likelihood that such services will benefit an eligible person's functioning and assist him or her in maintaining community tenure.	Peer support specialists at accredited organizations contracted using MCO credentialing standards and peer support specialists have received Appalachian Consulting Group Model training for mental health services, or for recovery coaches, the Connecticut Community for Addiction Recovery (CCAR) for substance use disorder service training, or for family peer support specialist certification through a state-recognized training program	Provider Negotiated Rate  15-minute unit

H0038 U5 (ages 12-15)	Peer Support and Parent Peer Support	For children in Therapeutic Foster Care, the services provided to eligible persons by other mental health consumers who are specifically trained to provide peer support services to support the member. Services are targeted toward the support of persons with a serious and persistent mental illness, serious emotional disturbance or substance use disorder. Peer support services focus on individual support and counseling from the perspective of a trained peer and may also include service coordination and advocacy activities as well as rehabilitative services. Peer support services are initiated when there is a reasonable likelihood that such services will benefit an eligible person's functioning and assist him or her in maintaining community tenure.	Peer support specialists at accredited organizations contracted using MCO credentialing standards and peer support specialists have received Appalachian Consulting Group Model training for mental health services, or for recovery coaches, the Connecticut Community for Addiction Recovery (CCAR) for substance use disorder service training, or for family peer support specialist certification through a state-recognized training program	Provider Negotiated Rate  15-minute unit
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Respite (H0045) has been broken into three service categories to provide a clearer path for authorization and claims payment. Respite services can be planned or unplanned. If the member is in therapeutic foster care they may utilize this service with another therapeutic foster care home. If a member is receiving a Home and Community Based

(HCBS) waiver, this service must be utilized through waiver prior to accessing B3 respite services.

H0045	Respite	<p>In-/Out-of-Home Respite consists of community- and home-based services that can be provided in a variety of settings. Respite care is a brief period of rest and support for individuals and/or families. Respite care is intended to provide a safe environment with staff assistance for individuals who lack an adequate support system to address current issues related to a mental health diagnosis. Respite may be provided for up to 72 hours and can be planned or in response to a crisis. A comprehensive respite program must provide or ensure linkages to a variety of residential alternatives for stabilizing and maintaining individuals who require short-term respite in a safe, secure environment with 24-hour supervision outside a hospital setting. Respite is a community-based alternative to inpatient hospitalization that provides a temporary, safe, and secure environment with a flexible level of supervision and structure. These services are designed to divert individuals from acute hospitalization to a safe environment where medical and psychiatric symptoms can be monitored.</p>	<p>Entire provider network contracted using MCO credentialing standards. Hospitals, agencies*, CMHCs contracted using MCO credentialing standards and holding national accreditation (JCAHO, CARF, COA, AOA, or AAAHC) or under Iowa Administrative Code Chapter 24) *HCBS Waiver respite agencies may contract to deliver B3 respite when they meet one of the above qualifications.</p>	<p>Provider Negotiate Rate</p> <p>Per Diem Unit</p>
H0045 U4 (ages 6-11)	Respite	<p>Specifically for members in Therapeutic Foster Care. In-/Out-of-Home Respite consists of community- and home-based</p>	<p>Entire provider network contracted</p>	<p>Provider Negotiate Rate</p>

		<p>services that can be provided in a variety of settings. Respite care is a brief period of rest and support for individuals and/or families. Respite care is intended to provide a safe environment with staff assistance for individuals who lack an adequate support system to address current issues related to a mental health diagnosis. Respite may be provided for up to 72 hours and can be planned or in response to a crisis. A comprehensive respite program must provide or ensure linkages to a variety of residential alternatives for stabilizing and maintaining individuals who require short-term respite in a safe, secure environment with 24-hour supervision outside a hospital setting. Respite is a community-based alternative to inpatient hospitalization that provides a temporary, safe, and secure environment with a flexible level of supervision and structure. These services are designed to divert individuals from acute hospitalization to a safe environment where medical and psychiatric symptoms can be monitored.</p>	<p>using MCO credentialing standards. Hospitals, agencies*, CMHCs contracted using MCO credentialing standards and holding national accreditation (JCAHO, CARF, COA, AOA, or AAAHC) or under Iowa Administrative Code Chapter 24) *HCBS Waiver respite agencies may contract to deliver B3 respite when they meet one of the above qualifications.</p>	<p>Per Diem Unit</p>
<p>H0045 U5 (ages 12-15)</p>	<p>Respite</p>	<p>Specifically for members in Therapeutic Foster Care. In-/Out-of-Home Respite consists of community- and home-based services that can be provided in a variety of settings. Respite care is a brief period of rest and support for individuals and/or families. Respite care is intended to provide a safe environment</p>	<p>Entire provider network contracted using MCO credentialing standards. Hospitals, agencies*, CMHCs</p>	<p>Provider Negotiate Rate</p> <p>Per Diem Unit</p>



		with staff assistance for individuals who lack an adequate support system to address current issues related to a mental health diagnosis. Respite may be provided for up to 72 hours and can be planned or in response to a crisis. A comprehensive respite program must provide or ensure linkages to a variety of residential alternatives for stabilizing and maintaining individuals who require short-term respite in a safe, secure environment with 24-hour supervision outside a hospital setting. Respite is a community-based alternative to inpatient hospitalization that provides a temporary, safe, and secure environment with a flexible level of supervision and structure. These services are designed to divert individuals from acute hospitalization to a safe environment where medical and psychiatric symptoms can be monitored.	contracted using MCO credentialing standards and holding national accreditation (JCAHO, CARF, COA, AOA, or AAAHC) or under Iowa Administrative Code Chapter 24) *HCBS Waiver respite agencies may contract to deliver B3 respite when they meet one of the above qualifications.	
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Community Support Services (H0037) identifies low and high intensity needs. Members who are low intensity will be billed using no modifier. Low intensity members will receive 2-4 contacts per month, with occasional episodes of increased frequency. Contacts may be completed by telephone or face-to-face, with a minimum of one face-to-face contact required per month. CSS staff must have at least one contact with the psychiatrist every three months to plan low intensity CSS service components. Members who are high intensity will be billed using the TF modifier. High intensity members will receive 5-12 contracts per month. Contacts may be completed by telephone or face-to-face, with a minimum of four (4) required face-to-face contacts per month. CSS staff must have at least two contacts with the psychiatrist per month to plan high intensity CSS service components. This service is billed for one unit per month.

H0037 – Low  H0037 TF –High	Community Support Services	Community Support Services (CSS) are provided to adults with a severe and persistent mental illness. These services are designed to support individuals as they live and work in the community. These services address mental and functional disabilities that negatively affect integration and stability in the community. CSS staff attempt to reduce or manage symptoms/reduced functioning that result from a mental illness. CSS providers are expected to have knowledge and experience in working with this population. Staff should have the ability to create relationships with this population that provide a balance between support of the mental illness and allow for maximum individual independence. Community support program components include: (1) monitoring of mental health symptoms and functioning/reality orientation; (2) transportation; (3) supportive relationship; (4) communication with other providers; (5) ensuring individual attends appointments/obtains medications; (6) crisis intervention/developing crisis plan; and (7) coordination and development of natural support systems for mental health support.	Entire provider network contracted using MCO credentialing standards. CMHCs and accredited organizations under Iowa Administrative Code Chapter 24	Provider Negotiated Rate  1 unit = 1 month
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The following are additional B3 services with no additional clarification.

H 2017 U1-U5	Intensive Psychiatric Rehabilitation	Rehabilitation and Support Services are comprehensive outpatient services based in the individual's home or residence and/or community setting. These services are directed toward the rehabilitation of behavioral/social/emotional deficits and/or amelioration of symptoms of mental disorder. Such services are directed primarily to individuals with severe and persisting mental disorders, and/or complex symptoms who require multiple mental health and psychosocial support services. Such services are active and rehabilitative in focus, and are initiated and continued when there is a reasonable likelihood that such services will lead to specific observable improvements in the individual's functioning	Entire provider network contracted using MCO credentialing standards. Community mental health centers (CMHCs), other agencies providing mental health services, and accredited organizations under Iowa Administrative Code Chapter 24	Provider Negotiated Rate  15-minute unit
H2034	Level III.1 Clinically Managed Low Intensity Residential Substance Use Disorder Treatment	Level III services offer organized treatment services that feature a planned regimen of care in a 24-hour residential setting. All Level III programs serve individuals who, because of their specific functional deficits, need a safe and stable environment to develop their recovery skills. The sublevels within Level III exist on a continuum ranging from the least intensive to the most intensive medically monitored intensive inpatient services. Level III.1 – at least 5 hours/week of treatment plus the structured recovery environment.	Substance Use Programs licensed by Iowa Department of Health and Human Services (Iowa HHS) under Iowa Code Chapter 125	Provider Negotiate Rate  Per Diem Unit

H0018 TF	Level III.3 & III.5 Clinically Managed Medium/High Intensity Residential Substance Use Disorder Treatment – Community-Based	Structured recovery environment in combination with clinical services. Functional deficits seen in individuals are primarily cognitive and based on a behavioral assessment (Level III.3). Level III.5 is designed to treat people who have significant social and psychological problems. Services are based on a therapeutic treatment community. A step-down or alternative to Level III.7.	Substance use programs licensed by Iowa HHS under Iowa Code Chapter 125	Provider Negotiate Rate  Per Diem Unit
H0017 TF	Level III.3 & III.5 Clinically Managed Medium/High Intensity Residential Substance Use Disorder Treatment – Hospital-Based	Structured recovery environment in combination with clinical services. Functional deficits seen in individuals are primarily cognitive and based on a behavioral assessment (Level III.3). Level III.5 is designed to treat people who have significant social and psychological problems. Services are based on a therapeutic treatment community. A step-down or alternative to Level III.7.	Substance use programs licensed by Iowa HHS under Iowa Code Chapter 125	Provider Negotiate Rate  Per Diem Unit
H0018 TG	Level III.7 Community-based Substance Use Disorder Treatment	24-hour professionally directed evaluation, observation, medical monitoring, and addiction treatment in a licensed substance abuse facility.	Substance use programs licensed by Iowa HHS under Iowa Code Chapter 125	Provider Negotiate Rate  Per Diem Unit

**How to request B3 service(s)**

1. Verify Member has full Medicaid. If members have Iowa Health & Wellness Plan - Not Medically Exempt or Hawki they are not eligible for this service.
2. Verify which Managed Care Organization (MCO) the member is assigned to. Members who are assigned to Fee for Service (FFS) are not eligible to receive these services.
3. Check the MCO prior authorization tool to verify if prior authorization is required for the service.
4. Complete Outpatient Medicaid Prior Authorization Form
5. Submit to MCO per their identified process
  - a. Iowa Total Care by submitting through Availity or fax.
  - b. Molina Health Care by submitting through Availity or assigned Community Based Case Manager, Integrated Care Coordinator or Behavioral Health Case Manager.
  - c. Wellpoint by submitting through Availity or fax.

If you have questions, please contact Iowa Medicaid Provider Services, the appropriate managed care organization (MCO) or dental plan:

**Iowa Medicaid Provider Services:**

- Phone: 1-800-338-7909
- Email:

**Managed Care Organizations (MCOs):**

**Iowa Total Care:**

- Phone: 1-833-404-1061
- Email: [providerrelations@iowatotalcare.com](mailto:providerrelations@iowatotalcare.com)
- Website: <https://www.iowatotalcare.com>

**Molina Healthcare of Iowa:**

- Phone: 1-844-236-1464
- Email: [iaproviderrelations@molinahealthcare.com](mailto:iaproviderrelations@molinahealthcare.com)
- Website: <https://www.molinahealthcare.com/providers/ia/medicaid/home.aspx>
- Provider Portal: <https://www.availity.com/molinahealthcare>

**Wellpoint Iowa, Inc.:**

- Phone: 1-833-731-2143
- Email: [ProviderSolutionsIA@wellpoint.com](mailto:ProviderSolutionsIA@wellpoint.com)
- Website: <https://www.provider.wellpoint.com/iowa-provider/home>