

# MEDICAID FEE-FOR-SERVICE (FFS) BILLING: A PRACTICAL GUIDE FOR INNOVATORS



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# WHAT IS MEDICAID FEE-FOR-SERVICE (FFS)?

For those of you who are completely new to this world, here are some helpful bullet points on Medicaid Fee-for-Service (FFS):

- Providers bill for each covered service that they deliver to a patient
  - Providers can bill the state directly or managed care organizations
- Providers bill using CPT or H-codes, depending on the service they are delivering
  - CPT (Current Procedural Terminology) codes → Most common for outpatient therapy and psychiatry
  - HCPCS (Healthcare Common Procedure Coding System) Level II codes (often “H-codes”) → Often used for community-based, rehabilitative, crisis, and structured services

## → KEY DEFINITIONS

- **Add-On Code:** a code that must be billed with a primary service and cannot be billed alone; often specific to a primary service and which licensure type can bill them
- **Billing Unit:** a measurable quantity that defines how a service is reimbursed; (a unit of time like 15 min)
- **Licensure Type:** the credential of the provider who is billing (e.g., MD, NP, LCSW, etc.). Often this can impact if the code can be billed, by whom, or how much the reimbursement can be for
- **Modifier:** two-character code that provides further clarity to how the primary service was delivered (e.g., telehealth, delivered by a certain licensure type)
- **Setting:** location where the service is provided (e.g., outpatient, facility, etc.);

# HOW FFS IS OPERATIONALIZED AT THE STATE AND MANAGED CARE LEVEL

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## → STATE

- State publishes a fee schedule on its website ([Search Portal](#))
- Rates are transparently shared by code, at times with columns for different licensure types (e.g., MD, NP, etc.) or settings (e.g., facility, non-facility, inpatient, IOP, outpatient, etc.)
- These fee schedules can also be separated into types depending on the state. You may need to look by licensure (Physician Fee Schedule or LCSW), setting (e.g., Outpatient), etc.
- Rules around billing such as units, limits, etc. can be found in billing and provider manuals on state websites

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## → MANAGED CARE

- Health plan receives capitated payment from the state (i.e., a fixed amount of money per individual per unit of time)
- Plans typically mirror CPT/HCPCS structure and then set their own requirements on top of that, sometimes resulting in more complex authorization and documentation rules
- Reimbursement can follow the state fee schedule or can be negotiated on a case by case basis
- You contract with and send claims to the managed care organization directly

# COMMON BILLING PITFALLS BY INNOVATORS

## Not Checking State-Specific Manuals

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- Codes may be highly consistent across states but the definition of those services, rates, modifiers, licensure types, authorization, and more can all differ. Double check what is covered, by what code, and with what criteria.

## Overlooking Licensure Type Restrictions

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- 1) If you are using non-independently licensed clinicians and supervisors, ensure that the state allows non-independently licensed clinicians to provide the service.  
2) Payment differs by licensure (e.g., NPs do not get paid the same rate as MDs)

## Forgetting that Medicaid Includes Broader Services

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- Commercial health plans are mostly CPT and session-based. But state Medicaid offers broader rehabilitative and community services. Check the state's manuals and EPSDT rules to make sure you are optimizing your approach!

## Ignoring Units (Per Session vs Per 15 Minutes)

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- Understand the units at which you need to be billing to make sure you are submitting a claim that reflects the actual time spent on the service

## Match Your Model with Medicaid's System Structure

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- So many innovators design a solution first and then figure out how to bill it later. Don't do that. In Medicaid, learn the billing structure because it will influence who you hire, documentation, process, duration, and more. Design both in lock step.

# COMMON YOUTH BEHAVIORAL HEALTH CODES: QUICK REFERENCE TABLE

In this section, we are providing you with a quick reference table of **common** (not comprehensive) codes in youth behavioral health. Prior to using any of these codes, please be sure to check the state specific manuals to ensure you have all the details and are meeting all of the appropriate requirements.

Few key points to remember:

- This list is NOT comprehensive; codes may be missing or certain states may use different HCPCS codes for certain services. Please always refer to state specific fee schedules
- CPT is commonly used for outpatient psychotherapy and psychiatry.
- HCPCS (especially H-codes) is commonly used for community-based, rehabilitative, crisis, and structured services in Medicaid.
- Just because a code is on this list does not mean it is covered by every state or every managed care organization
- Add-on codes must be used with their appropriate main codes and may be limited to a specific licensure type
- In order to be able to bill for a service, you must meet its definition, which outlines what the service is, who it is for, with other additional variables like time or the acuity of the patient
- Certain services also require modifiers

Service Type	CPT Codes	HCPCS Codes	Notes
<b>Diagnostic &amp; Assessment Services</b>			
Psychiatric diagnostic evaluation	90791, 90792	H0031 (MH assessment)	CPT is more common but some states use H0031
Interactive complexity	90785 (add-on)	—	Often for pediatric cases
Treatment plan development	—	H0032	Often for rehab models
Developmental screening	96110	—	ADHD, behavioral screeners
Developmental testing	96112, +96113	—	ASD/early childhood assessments
Psychological testing evaluation	96130, +96131	—	
Neuropsych testing evaluation	96132, +96133	—	Complex cases
Test administration/scoring	96136, +96137	—	Often paired with above
<b>Outpatient Therapy</b>			
Individual psychotherapy	90832, 90834, 90837	H0004	H-code is a 15 minute unit in some states
Family therapy (w/o patient)	90846	—	Very common in youth
Family therapy (with patient)	90847	—	Very common in youth
Multiple-family group	90849	—	Less common
Group therapy	90853	H0005	

Service Type	CPT Codes	HCPCS Codes	Notes
<b>Psychiatry / Medication Management</b>			
E/M new patient	99202–99205		Psychiatry & APPs
E/M established	99211–99215		Most common med mgmt
Psychotherapy add-on	90833, 90836, 90838		With E/M
Prolonged services	99354, 99355, 99417		Complex visits
<b>Crisis Services</b>			
Crisis psychotherapy	90839, +90840		Outpatient crisis
Mobile crisis intervention		H2011	Common Medicaid crisis structure; per 15 min
Community psychiatric support		H0036	Often stabilization
Crisis stabilization program		S9484, S9485	Short-term programs; code is state-dependent
<b>Community-Based &amp; Rehabilitative Services (rarely CPT based)</b>			
Comprehensive community support		H2015, H2016	In-home/community; H2015 is per 15 min; H2016 is per diem
Psychosocial rehabilitation		H2017, H2018	Skill-building; H2017 is per 15 min; H2018 is per diem
Therapeutic behavioral services		H2019	In-home youth behavioral intervention
Wraparound facilitation		H2021	Team-based care model

Service Type	CPT Codes	HCPCS Codes	Notes
<b>Structured &amp; Intensive Programs</b>			
Intensive Outpatient Program (IOP)		H0015 (per diem)	Medicaid structure often HCPCS
Partial Hospitalization (PHP)		H0035	Structured day programming
Behavioral health day treatment		H2012, H2013	School or clinic-based programs
Inpatient psychiatric care	99221–99223, 99231–99233, 99238–99239		Hospital-based
<b>Screening &amp; Brief Assessments</b>			
Brief emotional/behavioral assessment	96127		PHQ-9, GAD-7, PSC
Developmental screening	96110		Pediatric primary care
<b>Collaborative Care &amp; Care Management</b>			
Psychiatric Collaborative Care Model	99492, 99493, 99494		CoCM structure
Behavioral health integration	99484		Primary care-based
Care coordination (rehab-style)		H2021	Codes vary based on state typically

Service Type	CPT Codes	HCPCS Codes	Notes
<b>Peer Services Youth and Family</b> *not covered by all states; <a href="#">helpful FAQ</a>			
Individual peer support		H0038	Most common; per 15 min
Group peer support		H0038 HQ	Group modifier
Skills training by peer		H2014	Sometimes used but state specific
Peer-involved wraparound		H2014	Sometimes used but state specific
Peer case management variant		H2014	Sometimes used but state specific
<b>Collaborative Care &amp; Care Management</b> ( <i>very specific model</i> ; <a href="#">link to more info</a> )			
Psychiatric Collaborative Care Model	99492, 99493, 99494		
Behavioral health integration	99484		Primary care-based
Care coordination (rehab-style)		H2021	State defined codes
<b>Remote Therapeutic Monitoring (RTM)</b>			
This is a newer billing framework in the last few years for behavioral health. It is covered in Medicaid in only certain states and we'll cover it in its own how-to guide			

Telehealth Modifiers	
Code Type	Modifier / Point of Service
CPT or HCPCS	Modifier 95
CPT or HCPCS	Modifier GT
CPT or HCPCS	POS 02 (telehealth other than home)
CPT or HCPCS	POS 10 (telehealth in home)

# REFERENCES + HELPFUL LINKS

## EPSDT and CHIP Basics

- **Medicaid.gov EPSDT overview** - the cleanest official baseline ([Link](#))
- **Medicaid FAQ on EPSDT Services** - details what EPSDT must cover, including mental-health-related screening and treatment services. ([Link](#))
- **Children and Youth Behavioral Health on Medicaid.gov** - federal Center for Medicaid & CHIP Services resource page with links and good practice info on children's behavioral health coverage. ([Link](#))
- **CHIP benefits guidance** - helpful for innovators conflating Medicaid and CHIP ([Link](#)).

## CPT Code Authority (AMA)

- **AMA CPT Code Set Overview** ([Link](#))
- **CPT Psychiatry Code Information**
- (Note: Full CPT code descriptions require a license or CPT manual purchase but you can find these on many other sites)

## HCPCS Code Authority (CMS)

- HCPCS Level II Code Set ([CMS Official File](#))
- HCPCS Quarterly Updates ([Link](#))

## Medicaid FFS vs Managed Care

- Medicaid Managed Care Overview ([Link](#))
- State Medicaid Fee Schedules ([Search Portal](#))
  - Each state links to its FFS fee schedules and provider manuals.