

03/31/2022

CHIP Co-Payments for MH/SUD Outpatient Office Visits & Residential Services Prohibited as of July 1

Background:

In response to the COVID-19 public health emergency, HHSC waived copayments for office visits beginning in March 2020. To comply with the Mental Health Parity and Addiction Equality Act (Pub. L. 110-343), HHSC is prohibiting co-payments for CHIP Mental Health and Substance Use Disorder (MH/SUD) outpatient office visits and residential treatment services on July 1, 2022. This prohibition is not contingent on the public health emergency.

Key Details:

42 CFR 457.496(d)(2) prohibits any financial requirement (e.g. co-payment) or treatment limitation for mental health or substance use disorder (MH/SUD) benefits in any classification that is more restrictive than the predominant financial requirement or treatment limitation of that type applied to medical or surgical benefits in the same classification. In accordance with 42 CFR 457.496(d)(2), HHSC is removing CHIP copayment requirements for MH/SUD outpatient office visits and [residential treatment services](#) from its policies.

Effective July 1, 2022, CHIP providers are prohibited from collecting co-payments for office visits and residential treatment services for mental health conditions and substance use disorders. CHIP MCOs are responsible for maintaining applicable MH/SUD procedure /diagnosis codes. HHSC will not apply a fiscal year (FY) 2022 rate adjustment for MH/SUD copays. However, HHSC will continue to assess the fiscal impact and adjust rates for FY 2023 if warranted. For dates of service on and after July 1, 2022, HHSC will not be reimbursing MCOs for MH/SUD office visit copays not collected using the COVID-19 copay reimbursement process described in the attached MCO notice.

CHIP MCOs must notify members and providers of this policy change for CHIP MH/SUD outpatient office visit co-payments no later than May 31, 2022. HHSC will amend the UMCM to reflect the prohibition of co-payments for outpatient MH/SUD office visits; until that time, this MCO notice serves as official notification of that change.