Supervised Behavioral Health Provider Program Requirements

Last Updated: 4/8/2026 **Last Reviewed: 4/20/2026** **Originally Effective: 8/9/2023**

Last update includes payment policy changes, subject to 28 TAC §3.3703(a)(20)(D)? No

If yes, Texas Last Update Effective Date: n/a **Policy #: RPM079**

Scope

Companies: Moda Partners, Inc. and its subsidiaries & affiliates (All)
States: Oregon & Idaho
Claim Forms: CMS1500 (paper and electronic versions)
Claim Dates: 11/1/2023 & following
Provider Contract Status: Contracted directly, any/all networks
Types of Business: Commercial

Reimbursement Guidelines

A. General Policy Statement

We are creating a Supervised Behavioral Health Provider Program to expand our covered providers to include supervised mental health providers who meet specific requirements. The purpose of this program is to expand the pool of available covered behavioral health providers for our members and thereby improve access to behavioral health services.

We currently allow coverage for unlicensed behavioral health providers if they are working for a provider group with a Certificate of Approval (COA) from the Oregon Health Authority (also called a "State Approved Program" or SAP). This policy *does not apply to* unlicensed or supervised behavioral health providers working in a SAP.

The Supervised Behavioral Health Provider Program goes beyond the existing SAP provision to extend coverage to pre-licensed and/or supervised providers who are *not* working in a SAP, if they meet the requirements outlined in this policy.

This policy is intended to outline the requirements for a Contracted Entity to employ Supervised Behavioral Health Providers for their services. The policy also includes our requirements for these supervised Behavioral Health providers to be covered under our plans and provides guidance for proper billing and reimbursement of services by supervised providers in the Supervised Behavioral Health Provider Program.

B. Definitions

1. Supervised Behavioral Health Providers
   A "supervised provider" in this policy refers to both Behavioral Health Associates and Behavioral Health Residents.

2. Behavioral Health Associate
   a. A "Behavioral Health Associate" in this policy refers to a behavioral health provider who:
      i. Has completed their master's degree in a behavioral health-related field.
      ii. Is not working in a State Approved Program (SAP). (Note: These are covered under a different process.)
      iii. Is employed within a group practice who is contracted with us and employs credentialed providers.
      iv. Is in an approved supervision plan with their applicable state board working toward full licensure as an independent-practice behavioral health professional.
   b. In Oregon, this includes:
      i. Clinical Social Work Associates (CSWAs)
      ii. Professional Counselor Associates (PCAs - working toward LPC)
      iii. Marriage & Family Therapy Associates (MFTAs - working toward LMFT)

iv. Psychologist Residents (working towards licensed clinical psychologist)

c. In Idaho, this includes Licensed Master Social Worker (LMSW).
(Note: in Idaho LMSWs are licensed as dependent practitioners that must have a formal supervision relationship to practice. Therefore, everything in this policy regarding supervised providers applies equally to LMSWs.)

3. Behavioral Health Resident
A "Behavioral Health Resident" in this policy refers to a behavioral health provider who:
   a. Has completed their doctorate degree in a behavioral health-related field.
   b. Is not working in a State Approved Program (SAP). (Note: These are covered under a different process.)
   c. Is employed within a group practice who is contracted with us and employs credentialed providers.
   d. Is in an approved plan of supervised practice with their applicable state board working towards accumulating the required practice hours to apply for licensure with their state board.

4. Contracted Entity
A "Contracted Entity" in this policy refers to an individual or provider group who is contracted with us and who employs a supervised provider who is participating in our Supervised Behavioral Health Provider Program. The contracted entity may or may not employ the supervising provider(s) for the approved plan of supervised practice with the applicable state board.

C. Key Features of the Supervised Behavioral Health Provider Program

1. Formal supervision requirement, as noted under Definitions above.

2. In-Network Requirement
   a. A supervised behavioral health provider must be approved for participation in our Supervised Behavioral Health Provider Program to be listed as an in-network provider and be eligible for coverage and reimbursement of services under our member plans.
   b. To participate in the Supervised Behavioral Health Provider Program, the supervised provider must be employed by contracted entity with us.
   c. To apply to have supervised providers participate in the Supervised Behavioral Health Provider Program, the contracted entity must:
      i. Ensure their contract or an amendment to their contact includes coverage of their supervised providers. Reach out to ContractRenewal@ModaHealth.com to confirm contract language.
      ii. Submit the following documentation after the appropriate contract is in place. This documentation needs to be sent to ContractRenewal@ModaHealth.com :
         1) Provider Roster - Template. This document can be updated for multiple providers.
         2) The Contracted Entity Attestation for employing supervised provider(s).
      iii. The Contracted Entity ensures:
         1) Each supervised provider is following the state licensing board's approved supervisory protocol.
         2) There is a state board approved supervisor supporting the supervised behavioral health provider.
         3) A copy of the supervised provider's malpractice insurance certificate is on file and can be supplied to us upon request.
   d. After the Attestation and Provider Roster are completed and submitted by the Contracted Entity, it will take 30-45 days for the supervised provider to be registered in our system, and claims can be processed for benefits.
   e. The supervised provider will be entered in our system as an in-network provider under their own NPI and the contracted entity's tax identification number (TIN).

f. Claims received from out-of-network supervised providers will be denied to provider liability as not a covered provider.
The denial explanation code will be:

PS3	*(Non-covered benefit. Non-participating provider.)*

835 CARC/RARC denial combination:

CARC 96	*Non-covered charge(s).* *At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason [sic] Code, or Remittance Advice Remark Code that is not an ALERT.)* *Usage: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.*
RARC N130	*Consult plan benefit documents/guidelines for information about restrictions for this service.*

3. Credentialing
   a. Supervised providers will not be credentialed directly with us.
      i. The contracted status of the Contracted Entity at which the supervised provider practices, the supervision provided by the supervising provider, and the approval of the state licensing board of the supervision plan and registering into the Supervised Behavioral Health Provider Program will be sufficient during the supervised provider status.
      ii. Once the supervised provider becomes fully licensed as an independently practicing behavioral health professional, to remain on-panel with us they will need to complete a credentialing application and will be subject to full credentialing requirements. The process varies somewhat based on where the supervised provider will be employed after licensure. See here for more information.
   b. Newly licensed providers will be included in ongoing validation of our provider listings against the OIG and GSA-SAM lists of excluded providers. Should a newly licensed (or any other) provider be found on a list of excluded individuals, they will be notified and no longer listed as an in-network, eligible provider.

4. Effective date of the Supervised Behavioral Health Providers Program
   a. The Supervised Behavioral Health Providers Program was implemented in graduated phases.
   b. The pilot program was effective November 1, 2023 (date of service) and was by invitation only to supervised behavioral health providers in a supervision plan with select provider groups.
   c. The full-scale program was implemented for coverage of services effective March 15, 2024 (date of service. Provider groups interested in applying to add supervised behavioral health providers need to:
      i. Ensure their contract or an amendment to their contact includes coverage of their supervised providers. Reach out to ContractRenewal@ModaHealth.com to confirm contract language.
      ii. After the appropriate contract is in place, the following items need to be sent to ContractRenewal@ModaHealth.com:
         1) Provider Roster – Template. This document can be updated for multiple providers.
         2) The Contracted Entity Attestation for employing supervised provider(s).
      iii. The Contracted Entity ensures:
         1) Each supervised provider is following the state licensing board's approved supervisory protocol.

2) There is a state board approved supervisor supporting the supervised behavioral health provider.
3) A copy of the supervised provider's malpractice insurance certificate is on file and can be supplied to us upon request.

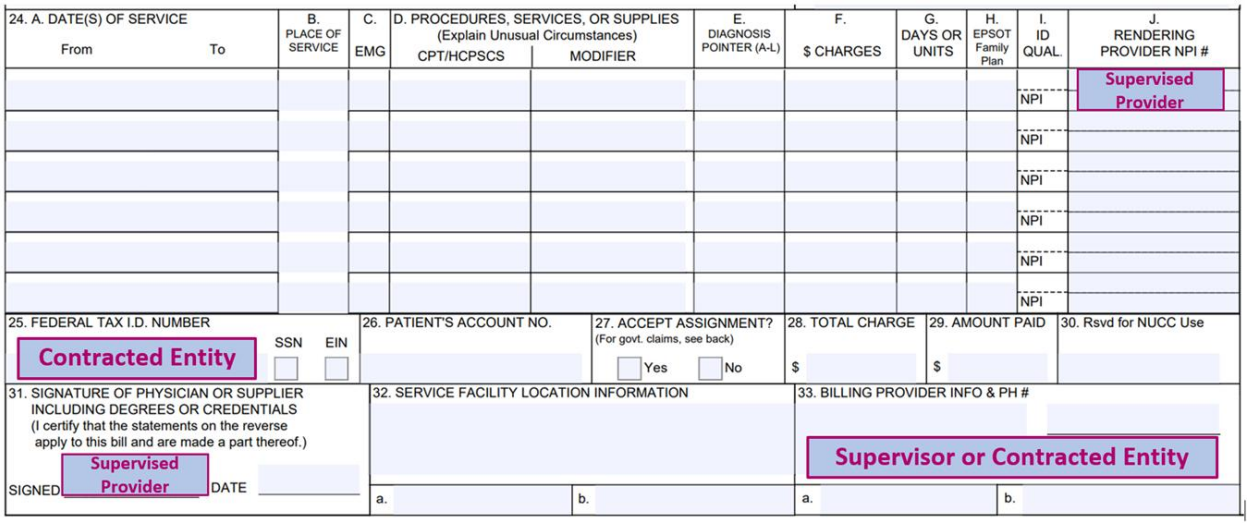
d. After the Attestation and Provider Roster are completed and submitted by the Contracted Entity, it will take 30-45 days for the supervised provider to be registered in our system, and claims can be processed for benefits.

D. Billing for Supervised Behavioral Health Provider Services

1. The supervised behavioral health provider will submit claims as the rendering provider of the services billed.

   Supervised providers are not allowed to bill using "incident to" or "supervisory" billing, in which the service is billed as if the supervising provider were the rendering provider. [E] The supervised behavioral health provider is the rendering provider.

2. Submit the supervised provider services on a CMS1500 claim form (or electronic equivalent) with the provider information reported in the specified fields as follows:
   a. Box 24J: Supervised Behavioral Health Provider's NPI
   b. Box 25: Contracted entity's TIN.
   c. Box 31: Supervised Provider's Name and/or Signature.
   d. Box 33: Contracted Entity's (Provider Group's) name.



3. Submit the services using the appropriate procedure codes for the services rendered.
   a. Standard coding guidelines apply (CPT, CPT Assistant, CCI, CMS, etc.). Standard clinical editing based on those coding guidelines also apply (including but not limited to PTP, MUE).
   b. We encourage supervised providers to browse and review the other policies in our Reimbursement Policy Manual. Key policies which interconnect with this policy are listed and linked in the Cross References section of this policy. The full listing of policies found in our Reimbursement Policy Manual can be found here.

E. Reimbursement for Supervised Behavioral Health Provider Services

Reimbursement for supervised associates not working in a SAP will be a reduced amount as compared to the allowance for a licensed master's level provider.

F. Documentation of Supervised Behavioral Health Provider Services

Services performed by supervised behavioral health providers are subject to the standard documentation requirements (CPT, CPT Assistant, CCI, CMS, etc.) and clinical edits for the services rendered and procedure codes submitted. See also "Medical Records Documentation Standards." [D]

G. When a Supervised Behavioral Health Provider Earns Their License

1. When a supervised provider earns their license and will continue to be employed at the contracted entity, the following process exists to convert the in-network supervised provider listing to a fully licensed practitioner's listing and fee schedule. Services will continue to process at the in-network level of benefits after the newly licensed provider is registered in our system. The newly licensed provider needs to ensure the following procedure is followed and deadline requirements are met. Providers can review our Become a Provider webpage.
    a. The newly licensed provider needs to notify us of their licensure and submit a credentialing application within 60 days after obtaining licensure, using the following process:
        i. The newly licensed provider sends an email to credentialing@modahealth.com **and** to BHLicenseUpdates@modahealth.com .
        ii. Email subject line: "Transition to licensed provider."
        iii. Email includes:
            1) Provider's name
            2) NPI
            3) Contracted Entity's TIN
            4) License
            5) **Either** the provider's Council for Affordable Quality Healthcare (CAQH) Provider Identification Number **or** a completed practitioner credentialing application:
                a) For Oregon, use Oregon Practitioner Credentialing Application .
                b) For Idaho, use Idaho Credentialing Application (modahealth.com) .
    b. Our configuration team updates the provider's record to a licensed provider status, generally within 3-5 days of receiving the notification.
        i. Claims will continue to pay at the supervised provider rate until our configuration team updates the provider's record.
        ii. Once the record is updated, claims will begin to pay at the fully licensed rate. The rate paid is based on the date of adjudication, not the date of service.
    c. After the provider record is updated, the credentialling team will begin to evaluate the credentialing application. The newly licensed provider will continue to be eligible for in-network reimbursement while credentialing is in process. We will notify you of the credentialing decision (approval or denial) when the review is complete.
    d. If credentialing is denied, the newly licensed provider will no longer be eligible for in-network reimbursement as of the date of the credentialing denial.
    e. If the needed notification and credentialing documentation are not submitted within the required time requirements, the newly licensed provider's provisional contract relationship with us will be terminated.
    f. When the newly licensed provider's provisional contract relationship with us is terminated (whether by credentialling denial or due to missing the credentialling deadline), all patients with claims received for the past 6 months will receive a notification letter with the date the newly licensed provider's status changes to Out-of-Network.

2. When a newly licensed provider will be employed with a different provider group that is already in-network with us:
   a. The contracted entity (old employer during the Supervised Behavioral Health Provider Program) must submit an updated roster indicating the end-date of the supervisory relationship for the supervised provider.
   b. The new employer provider group must submit an updated roster indicating the start date for the newly licensed provider.
   c. The newly licensed provider must work with their new employer group to initiate and complete the full credentialing process with us.
3. When a newly licensed provider plans to establish their own independent practice and wishes to remain one of our in-network providers, refer to the Become a Provider page on our website. It will be important that:
   a. The contracted entity (old employer during the Supervised Behavioral Health Provider Program) must submit an updated roster indicating the end-date of the supervisory relationship for the supervised provider.
   b. The newly licensed provider initiates the process of becoming newly contracted and credentialed with us at New Providers – New Contract Request. We encourage initiating this process promptly after licensure as the process involves several steps and can require multiple months to complete.

Definitions

Acronyms/Abbreviations

Acronym	Definition
CAQH	Council for Affordable Quality Healthcare
CARC	Claim Adjustment Reason Code
CCI	Correct Coding Initiative (see "NCCI")
CMS	Centers for Medicare and Medicaid Services
COA	Certificate of Approval
CPT	Current Procedural Terminology
CSWA	Clinical Social Work Associate
GSA-SAM	General Services Administration System for Award Management
LCSW	Licensed Clinical Social Worker
LEIE	List of Excluded Individuals and Entities
LMFT	Licensed Marriage & Family Therapist
LMSW	Licensed Master Social Worker
LPC	Licensed Professional Counselor
MFTA	Marriage & Family Therapy Associate (Acronym/abbreviation not approved by the state licensing board. This is a Moda-specific abbreviation for ease of identification.)
MUE	Medically Unlikely Edits (a type of CCI edit)
NCCI	National Correct Coding Initiative (aka "CCI")
NPI	National Provider Identification
OHA	Oregon Health Authority
OIG	Office of Inspector General

Acronym	Definition
PCA	Professional Counselor Associate (Acronym/abbreviation not approved by the state licensing board. This is a Moda-specific abbreviation for ease of identification.)
PTP	Procedure-To-Procedure (a type of CCI edit)
RARC	Remittance Advice Remark Code
RPM	Reimbursement Policy Manual (e.g., in context of "RPM052" policy number, etc.)
SAP	State Approved Program
TAC	Texas Administrative Code
TIN	Tax identification number

Definition of Terms

Term	Definition
Behavioral Health Associate	A behavioral health provider who has completed their master's degree in a mental health-related field and is in an approved plan of supervised clinical/counseling experience with their state board working toward full licensure as an independent-practice behavioral health professional.
Behavioral Health Resident	A behavioral health provider who has completed their doctorate degree in a mental health-related field and is in an approved plan of supervised practice working towards accumulating the required practice hours to apply for licensure with their state board.
Contracted Entity	An individual or provider group who is contracted with us and who employs a supervised provider who is participating in our Supervised Behavioral Health Provider Program. Note: The contracted entity may or may not employ the supervising provider(s) for the approved plan of supervised practice with the applicable state board.
Qualified Mental Health Provider	Supervised behavioral health providers working for a provider group with a Certificate of Approval (COA) from the Oregon Health Authority (otherwise known as a "State Approved Program" or SAP). For more information, see "Behavioral Health Case Management & Care Coordination," RPM058. (Moda[A])
Supervised Behavioral Health Provider	This term refers collectively to both behavioral health associates (Master's level) and behavioral health residents (Doctorate level).
Supervising Provider	A licensed clinician approved by the applicable state board as a supervisor for the supervised provider's approved plan of supervised practice. The supervising provider does not necessarily need to be contracted with us. Note: For various reasons, it is possible for the supervised provider to have more than one supervising provider under the approved supervised practice plan.

Related Policies

A. "Moda Health Reimbursement Policy Overview." Moda Health Reimbursement Policy Manual, RPM001.
B. "Clinical Editing." Moda Health Reimbursement Policy Manual, RPM002.
C. "Behavioral Health Case Management & Care Coordination." Moda Health Reimbursement Policy Manual, RPM058.
D. "Medical Records Documentation Standards." Moda Health Reimbursement Policy Manual, RPM039.
E. "Incident-To Services." Moda Health Reimbursement Policy Manual, RPM040.

Resources

None.

Policy History

Reminder: The most current version of our reimbursement policies can be found on our provider website. If you are using a printed or saved electronic version of this policy, please verify the current information by going to: https://www.modahealth.com/medical/policies_reimburse.shtml

Date	Summary of Update
4/20/2026	Acronyms updated. Hyperlinks validated/updated. Minor formatting updates. No policy changes.
3/12/2025	Related Policies updated. Minor rephrasing. Formatting updates. No policy changes.
2/14/2024	Policy updated to reflect the pilot program is now completed and there are some updates in process and terminology changes.
8/9/2023	Policy document initially approved by the Reimbursement Administrative Policy Review Committee & initial publication.
8/9/2023	Original Effective Date (with or without formal documentation). Note that this policy is effective as soon as initially published regarding the program requirements and information about steps to sign up for the program. However, covered services for the pilot program will begin with date of service November 1, 2023. Policy based on administrative decisions jointly developed by Behavioral Health, Sales, Provider Contracting and Credentialing, Claims, and Provider Configuration.