

DISCLAIMER

This Molina Clinical Policy (MCP) is intended to facilitate the Utilization Management process. Policies are not a supplementation or recommendation for treatment; Providers are solely responsible for the diagnosis, treatment, and clinical recommendations for the Member. It expresses Molina's determination as to whether certain services or supplies are medically necessary, experimental, investigational, or cosmetic for purposes of determining appropriateness of payment. The conclusion that a particular service or supply is medically necessary does not constitute a representation or warranty that this service or supply is covered (e.g., will be paid for by Molina) for a particular Member. The Member's benefit plan determines coverage – each benefit plan defines which services are covered, which are excluded, and which are subject to dollar caps or other limits. Members and their Providers will need to consult the Member's benefit plan state to determine if there are any exclusion(s) or other benefit limitations applicable to this service or supply. If there is a discrepancy between this policy and a Member's plan of benefits, the benefits plan will govern. In addition, coverage may be mandated by applicable legal requirements of a State, the Federal government or CMS for Medicare and Medicaid Members. CMS's Coverage Database can be found on the CMS website. The coverage directive(s) and criteria from an existing National Coverage Determination (NCD) or Local Coverage Determination (LCD) will supersede the contents of this MCP and provide the directive for all Medicare members. References included were accurate at the time of policy approval and publication.

OVERVIEW

Psychoeducation

Psychoeducation refers to a structured and specific method of providing knowledge. Psychoeducation combines the elements of cognitive-behavior therapy, group therapy, and education. The basic aim is to provide the member and families knowledge about various facets of the illness and its treatment so that they can work together with mental health professionals for a better overall outcome.

Psychoeducation is an evidence-based therapeutic intervention for members and their family that provides information and support to better understand and cope with illness.

Psychoeducation helps members to:

- Understand their mental health condition
- Identify triggers and develop coping strategies
- Feel in control of their mental health
- Understand that mental health conditions are not their fault
- Understand their behavioral health conditions are treatable
- Understand the nature of their illness, including its causes, progression, and treatment
- Learn problem-solving and communication skills

RELATED POLICIES

COVERAGE POLICY

Members may be eligible under the Plan for psychoeducation when the following criteria supporting medical necessity are met:

- Individual diagnosed with a mental health condition (e.g., anxiety disorder [generalized, social, panic attacks, phobias], bipolar disorder, depressive disorder, schizophrenia, substance use, co-occurring conditions); **AND**
- Individual is under current care of a behavioral health provider; **AND**
- Psychoeducation delivered by an appropriately qualified and licensed behavioral health professional; **AND**
- Documentation includes detailed information regarding the subject(s) and content of, as well as time dedicated to the psychoeducation delivered; **AND**
- Individual has cognitive and emotional ability to participate in the psychoeducation program; **AND**
- Intervention is provided in support of and as an adjunct to clinical treatment; **AND**

- Clinical record includes an individualized treatment plan documenting **ALL** of the following:
 - Diagnosis/indication and rationale for psychoeducation; **AND**
 - Details of other clinical therapy/therapies the individual is receiving and how psychoeducation supports the goals of those treatments; **AND**
 - Person-centered, individualized approach to interventions and goals; **AND**
 - Addresses biopsychosocial stressors and coordination of care with other providers and community based resources; **AND**
 - Measurable recovery goals (distinct from psychotherapy or other treatment goals) defining improvement including how often progress toward goals is evaluated; **AND**
 - Treatment intensity (number of hours per week) and duration is designed to meet needs of the individual; **AND**
 - How treatment intensity will be adjusted according to individual's response to therapy and ability to participate effectively; **AND**
 - Plan for ending psychoeducation and transitioning to self-management and use of available community supports (e.g., Alcoholics Anonymous, AlAnon, Anxiety & Depression Association of America, Depression and Bipolar Support Alliance, Dual Recovery Anonymous, Mental Health America, Narcotics Anonymous, National Alliance on Mental Illness, Schizophrenia & Psychosis Action Alliance [not an all-inclusive list])

Members may NOT be eligible under the Plan for psychoeducation for any indications other than those listed above including, but may not be limited to:

- As a stand-alone therapy outside of other concurrent behavioral health treatment; **OR**
- Exceeding 2 hours per day; **OR**
- Provided to a group larger than 12 individuals; **OR**
- Continuation of psychoeducation when measurable progress toward established goals is no longer occurring; **OR**
- When delivered by peer support specialists, community support associates or registered behavior technicians

Members may NOT be eligible under the Plan for maintenance psychoeducation including, but may not be limited to the following:

- Activities intended to preserve the individual's present level of function and/or prevent regression of that level of function; **OR**
- Therapeutic goals of the treatment program are achieved; **OR**
- Individual is no longer under care of a behavioral health provider.

Note: Intensive Outpatient Program Programs must have a ratio of ten (10 recipients to one (1) staff person. See 907 KAR 15: 10, 907 KAR 15:20, and 907 KAR 15:22.

DOCUMENTATION REQUIREMENTS. Molina Healthcare reserves the right to require that additional documentation be made available as part of its coverage determination; quality improvement; and fraud; waste and abuse prevention processes. Documentation required may include, but is not limited to, patient records, test results and credentials of the provider ordering or performing a drug or service. Molina Healthcare may deny reimbursement or take additional appropriate action if the documentation provided does not support the initial determination that the drugs or services were medically necessary, not investigational, or experimental, and otherwise within the scope of benefits afforded to the member, and/or the documentation demonstrates a pattern of billing or other practice that is inappropriate or excessive.

SUMMARY OF MEDICAL EVIDENCE

Psychoeducational services, H2027, are not considered medically necessary. A review of the current medical literature shows that there is no evidence to determine that this service is standard medical treatment. There is an absence of current, widely used treatment guidelines or acceptable clinical literature examining benefit and long-term clinical outcomes establishing the value of this service in clinical management for these indications..

CODING & BILLING INFORMATION

HCPCS (Healthcare Common Procedure Coding System) Codes

HCPCS	Description
H2027	Psychoeducational service, per 15 minutes

CODING DISCLAIMER. Codes listed in this policy are for reference purposes only and may not be all-inclusive. Deleted codes and codes which are not effective at the time the service is rendered may not be eligible for reimbursement. Listing of a service or device code in this policy does not guarantee coverage. Coverage is determined by the benefit document. Molina adheres to Current Procedural Terminology (CPT®), a registered trademark of the American Medical Association (AMA). All CPT codes and descriptions are copyrighted by the AMA; this information is included for informational purposes only. Providers and facilities are expected to utilize industry standard coding practices for all submissions. When improper billing and coding is not followed, Molina has the right to reject/deny the claim and recover claim payment(s). Due to changing industry practices, Molina reserves the right to revise this policy as needed.

APPROVAL HISTORY

Examples:

07/02/2025 New policy.

REFERENCES

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- UpToDate, Inc. Specific phobias in adults: cognitive behavioral therapy. <https://www.uptodate.com>. Published October 2024.
- UpToDate, Inc. Unipolar depression in adults: family and couples therapy. <https://www.uptodate.com>. Published October 2024.
- 907 KAR 3:130. Medical Necessity and Clinically appropriate determination basis
- Communication from Commissioner Lee, Dated November 1, 2024, Re: Behavioral Health Policy Updates for Psychoeducation (H2027) and Peer Support Services (H0038) https://www.chfs.ky.gov/agencies/dms/ProviderLetters/Psychoeducation%20Policy%20Update%20H2027%20and%20H0038_11.1.24%20FINAL.pdf

APPENDIX

Reserved for State specific information. Information includes, but is not limited to, State contract language, Medicaid criteria and other mandated criteria.