BlueCross BlueShield of North Carolina | Healthy Blue Care Together

North Carolina Utilization Management Guideline for Medicaid

Subject: ILOS – Outpatient Plus
Status: Active

Current Effective Date: 02/10/2026
Last Review Date: 02/10/2026

Description

Outpatient Plus (OPT Plus) combines best practices in outpatient therapy with monitoring, support, and care management for individuals ages 4 and above with complex clinical needs that traditional outpatient care cannot adequately address. Positioned between standard outpatient care and more intensive support services like IIH/CST, OPT Plus incorporates a case management component to facilitate effective treatment, reduce service duplication, and minimize the need for higher levels of care.

The service includes evidence-based therapies and community-based interventions to optimize care coordination, facilitate access to necessary services, and support treatment continuity. Providers must detail collaboration strategies with Healthy Blue Care Together in the care plan. Key functions include coordinating service delivery, connecting beneficiaries to supportive resources, making referrals, establishing medical homes, ensuring effective PCP implementation, and providing skills development education.

OPT Plus is person-centered and recovery-focused, aiming to maintain and improve individual stability and wellness through personalized care plans. In line with clinical guidelines, it serves two groups: those requiring intensive but less comprehensive support than IIH/CST, and those preparing to transition to Basic Outpatient Services. Goals include symptom reduction, community reintegration, prevention of enhanced service necessity, and ensuring community resource linkage.

In the Healthy Blue Care Together Needs Assessment, there are identified gaps in both the child and adult treatment continuums between traditional outpatient therapy and IIH/CST. We often find that children and adults need something more intensive than basic individual and family therapy, but that they do not meet the full criteria for IIH/CST.

Clinical Indications

Eligibility Criteria for ages 4 and above:

- Eligibility criteria include having:

1) A mental health or substance use disorder diagnosis (excluding only intellectual and developmental disability) per DSM-5 standards, AND
2) An indication for this service following a comprehensive clinical assessment with prior inconsistent outpatient treatment attempts, AND
3) A need for coordination between multiple agencies (medical or non-medical). Additionally, two or more other specified conditions must be met:

- Service Indicators:
  - Chronic non-engagement in outpatient therapy due to MH/SUD symptoms.
  - Multi-system involvement or dual diagnosis.
  - High risk or recent criminal/juvenile justice history (within six months).
  - Difficulty meeting basic needs, residing in or at risk of substandard housing or homelessness.
  - Inconsistent participation in outpatient services despite attempts with alternative therapies, risking higher care levels.
  - Requires extensive collateral contact and inter-agency coordination.

Additional Eligibility Conditions:

- Need for coordination between at least two agencies, including medical/non-medical services.
- History of erratic or non-engagement in treatment due to barriers
- Transitioning from a higher level of care to outpatient.
- Symptoms/behaviors unmanageable across settings, requiring intensive intervention.
- Unmet basic needs affecting symptom management and recovery focus.

Pre-Authorization/Entrance:

- Prior authorization is needed before or on the first service date, with an initial approval period of 90 days. If a member discontinues treatment within this period, documentation of service provision attempts is required.

Continued Stay/Re-Authorization:

- Reviews will occur every 30 days following the initial 90 days.
- Submit appropriate clinical documentation to support medical necessity, such as updated PCP and Crisis Plan

Documentation Requirements:

- Complete and submit a CCA to establish medical necessity before service begins.
- Include relevant diagnostic information in the Person-Centered Plan.

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- A Service Order signed by a licensed clinician is mandatory.

Targeted Length of Service: Length of stay in this service is typically a maximum of 180 days. For Medicaid beneficiaries ages 21 and over there may be exceptional circumstances when one additional reauthorization up to 60 days can be approved.

Program Requirements

OPT Plus is delivered by nationally accredited organizations that comply with NC Medicaid Clinical Policy 8C and are enrolled in the Healthy Blue Care Together network for enhanced services. Services are provided by Licensed or Associate Licensed Professionals, who are credentialed within this network and employed by network providers. Qualified Professionals (QPs) from the same organization handle care monitoring, support, and management, coordinating these services under clinician supervision. Both LPs and QPs must have the necessary knowledge and skills for the served population, with LPs responsible for therapy and QPs for support functions and skill development. QPs also follow an individualized supervision plan.

Licensed Professional (LP)/Associate Licensed Professional: LPs or Associate LPs must have the necessary knowledge and skills for the population they serve, with at least one year of experience. They deliver OPT Plus services through nationally accredited organizations meeting NC Medicaid Clinical Policy 8C and must be credentialed in the Healthy Blue Care Together network.

Qualified Professional (QP): QPs assist in care monitoring and support, providing education and reinforcing skills introduced in therapy sessions. They must be knowledgeable in serving the specific population and age group, coordinating all services under the clinician's direction.

Training and Supervision:

- New hires complete a three-day training and comprehensive treatment manual covering problem behavior interventions, peer and gang involvement, and support system development, focused on the Transitional Youth Services model.

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- Quarterly training enhances clinician skills on topics like engagement strategies.
- Clinical reviews of admissions are conducted by trained LPs.
- Supervisors provide individualized professional development plans, involving session reviews, debriefings, and skill refinement, shared monthly with specialists.

Credentialing and Collaboration: All professionals adhere to the standard credentialing process, ensuring seamless service delivery and collaboration within the network.

Coding			
Procedure Code	**Service Description**	**Rate**	**Billing Frequency**
H2021 U5	OPT Plus is a level of care between OPT and IIH/CST	Based on Fee Schedule or Contract	1 Unit = 30 Days Anticipated Units of Service per person: 3-6 units Targeted Length of Services: 3-6 Months

Discussion/General Information

Service Exclusions and Limitations for OPT Plus

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- A beneficiary can receive OPT Plus services from only one provider during an active authorization period.
- Services to others are covered only if they directly benefit the enrolled beneficiary.
- Non-billable activities under this service include transportation time, habilitation activities, social/recreational activities, and staff supervision/team meetings, as these are included in the rate.
- OPT Plus cannot overlap with other services such as individual/family therapy, Intensive In-home, Multisystemic Therapy, Day Treatment, and specific mental health and substance abuse programs.
- It is not available concurrently with levels of residential treatment, nursing home care, or other specified services.
- OPT Plus can assist beneficiaries transitioning from certain adult mental health residential settings or in transitioning to/from services through admission facilitation and discharge planning, ensuring coordination with service providers.

Note: Individuals receiving Outpatient Plus are also eligible for care management. It is understood that Outpatient Plus includes a case management component. Providers of Outpatient Plus must clearly outline on the members' care plan how they will collaborate with Healthy Blue Care Together to ensure there is no duplication of services. The case management function of the Outpatient Plus service is to support treatment within the program to ensure progress and decrease the need for a higher level of care.

Description of Monitoring Activities:

Healthy Blue Care Together will review claims monthly to monitor patterns and trends in utilization of this service. Healthy Blue Care Together will monitor service utilization through prior authorizations, utilization management, and post payment reviews which will include validating 50% face-to-face therapy over the life of the case and an average of 2-4 hours of documented services weekly.

Definitions

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In Lieu of Services (ILOS): Services or settings that are not covered under the North Carolina Medicaid State Plan but are a medically appropriate, cost-effective alternative to a State Plan covered service.

Acronyms

ILOS: In Lieu of Services
CCP: Clinical Coverage Policy
CCA: Comprehensive Clinical Assessment
ASAM: American Society of Addiction Medicine
DSM: Diagnostic and Statistical Manual of Mental Disorder

References

Centers for Medicare & Medicaid Services. (n.d.). *In Lieu of Services and Settings (ILOS).* Federal guidance pursuant to 42 C.F.R. § 438.3(e)(2) and 42 C.F.R. § 438.6.NC

NC Medicaid/DHHS Clinical Coverage Policy 8A — Enhanced Mental Health and Substance Abuse Services (Amended Jan 1, 2025).

NC Clinical Coverage Policy 8C Outpatient Behavioral Health Services Provided by Direct-Enrolled Providers: Amendment Date 01/01/2025

NC Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS), the requirements of 10A N.C.A.C 27G and NC G.S. 122C

DMH/DD/SAS Records Management and Documentation Manual 45-2 (RMDM) Items 1 through 12, under Contents of a Service Note, Chapter 7 of the RMDM.

Exception to Policy Limitations for a Medicaid Beneficiary under 21 Years of Age 42 U.S.C. § 1396d(r) [1905(r) of the Social Security Act].

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Websites for Additional Information

NC Tracks Provider Claims and Billing Assistance Guide:
nctracks.nc.gov/content/public/providers/provider-manuals.html

EPSDT provider page:
ncdhhs.gov/dma/epsdt

History

Status	Date	Action
Draft	11/25/2025	DRAFT
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