

Aetna Better Health of Texas

PROVIDER NOTICE

In Lieu of Services Program Overview

Including the Addition of Coordinated Specialty Care for First Episode of Psychosis

Audience	Program	Effective Date	Programs Impacted
Behavioral Health Providers, Primary Care Providers, Local Mental Health and Behavioral Health Authorities	In Lieu of Services	December 1, 2026	Texas Medicaid

Purpose

Aetna Better Health of Texas is committed to ensuring members have access to medically necessary, appropriate, and high-quality behavioral health services. As part of that commitment, Aetna Better Health of Texas offers **In Lieu of Services**, which are clinically appropriate alternatives to certain Medicaid State Plan services when medically necessary and authorized.

Effective December 1, 2026, Aetna Better Health of Texas will expand its In Lieu of Services program to include **Coordinated Specialty Care for First Episode of Psychosis**. This service complements existing behavioral health treatment options and expands access to evidence-based care for eligible members experiencing a first episode of psychosis.

What Are In Lieu Services (ILOS)?

In Lieu of Services are optional, medically appropriate alternatives to traditional Medicaid-covered services. The intent of the program is to improve member outcomes, expand access to evidence-based treatment options, reduce avoidable inpatient utilization, and support care in the least restrictive clinically appropriate setting.

Providers must not offer outpatient services in lieu of inpatient hospitalization services for Members who are at immediate risk of harming themselves or others.

Aetna Better Health of Texas continues to provide all medically necessary Medicaid-covered services in accordance with the Texas Medicaid Provider Procedures Manual. Participation in any In Lieu of Services offering is voluntary, subject to medical necessity, and requires prior authorization. The Member must agree to receive ILOS before the service is provided.

Current Aetna Better Health of Texas In Lieu of Services Offerings

In Lieu of Services Offering	Provider-Facing Description
Partial Hospitalization Program	A structured outpatient behavioral health treatment program that provides intensive services while allowing members to remain in their home environment.
Intensive Outpatient Program	A structured outpatient treatment option providing a higher level of behavioral health support than routine outpatient services and intended to help prevent or reduce the need for inpatient hospitalization.
Coordinated Specialty Care for First Episode of Psychosis	Effective December 1, 2026. A multidisciplinary, evidence-based treatment program for adolescents and young adults experiencing a first episode of psychosis. Services may be provided for up to 36 months and focus on recovery, community integration, and improved functional outcomes.

New Service Effective December 1, 2026

Coordinated Specialty Care for First Episode of Psychosis

Coordinated Specialty Care for First Episode of Psychosis is an intensive outpatient behavioral health model that delivers coordinated treatment through a multidisciplinary team approach. The program is designed to identify and treat psychosis early, improve long-term recovery outcomes, and reduce psychiatric crises and inpatient utilization.

Services May Include

- Psychiatric evaluation and medication management
- Individual psychotherapy
- Family counseling and education
- Case management
- Psychosocial rehabilitation
- Peer support services
- Supported employment services
- Supported housing support
- Recovery-oriented engagement activities
- Crisis intervention services, when medically necessary and delivered in an outpatient setting.

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Member Eligibility

Members may qualify for Coordinated Specialty Care for First Episode of Psychosis when they:

- Are 15 through 30 years of age.
- Have a diagnosis of depression, bipolar disorder, schizophrenia, or schizoaffective disorder.
- Are experiencing symptoms associated with a first episode of psychosis.
- Meet medical necessity requirements.
- Meet the required Level of Care determination generated through the Clinical Management for Behavioral Health Services system.

Symptoms may include hearing voices others do not hear, seeing things others do not see, delusional beliefs, significant paranoia or suspiciousness, or difficulty concentrating or functioning in daily activities.

Member Rights and Access to Services

Members have the right to participate in decisions regarding their behavioral health treatment and may choose among medically appropriate treatment options. Members may also change their treatment decision when clinically appropriate.

Members may access In Lieu of Services through referral by a primary care provider, behavioral health provider, another treating clinician, through discussion with their care team regarding available treatment options or self-referral. All services remain subject to medical necessity review and prior authorization requirements.

Provider Eligibility

Providers delivering In Lieu of Services must:

- Be enrolled with Texas Medicaid.
- Be credentialed with Aetna Better Health of Texas.
- Meet all applicable provider qualification requirements.
- Maintain required service-specific certifications.

For Coordinated Specialty Care for First Episode of Psychosis specifically, services may only be provided by Texas Medicaid-enrolled Local Mental Health Authorities and Texas Medicaid-enrolled Local Behavioral Health Authorities.

Prior Authorization Requirements

All In Lieu of Services require prior authorization and must meet applicable medical necessity criteria.

For Coordinated Specialty Care for First Episode of Psychosis, providers must submit:

1. Child and Adolescent Needs and Strengths Assessment or Adult Needs and Strengths Assessment.
2. Level of Care determination generated through the Clinical Management for Behavioral Health Services system.
3. Clinical documentation supporting medical necessity.
4. Clinical justification explaining why the member requires Coordinated Specialty Care for First Episode of Psychosis services and how program criteria are met.

Billing reminder: Providers should not bill for services before a qualifying diagnosis has been established, and authorization has been approved.

Ongoing Clinical Requirements

- Continued eligibility determinations are completed through the Clinical Management for Behavioral Health Services system.
- Services remain medically necessary.
- Treatment remains aligned with the member's recovery plan.
- Members are reassessed whenever clinical needs change and at least annually.

Telehealth and Telemedicine

In Lieu of Services may be delivered through telehealth or telemedicine when clinically appropriate and consistent with applicable state and program requirements. Member choice must be documented when services are delivered through alternative modalities.

Aetna Better Health of Texas supports clinically appropriate telehealth options that improve access to care while maintaining quality and continuity of services.

Care Coordination Expectations

Providers are encouraged to coordinate with primary care providers, behavioral health providers, specialists, community resources, and other members of the care team to promote comprehensive treatment planning and improved outcomes.

Providers are also encouraged to work with the Aetna Better Health of Texas Service Coordinator to facilitate appropriate Member supports and to plan for hospital discharge, if necessary

Care coordination efforts should support continuity of care, recovery-oriented treatment planning, appropriate transitions between levels of care, and reduction in service duplication.

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Billing and Compliance Considerations

Providers are responsible for delivering services in accordance with applicable authorization, reimbursement, and program requirements.

Certain services may not be separately reimbursable on the same day as Coordinated Specialty Care for First Episode of Psychosis services. Providers should review applicable reimbursement policies and billing guidance before claim submission and should coordinate services appropriately to avoid duplication of care and billing.

Program Administration

Aetna Better Health of Texas notifies members and providers regarding authorization determinations, including approvals, reductions, and denials. Should Aetna Better Health of Texas elect to discontinue an In Lieu of Services offering, advance notice will be provided in accordance with applicable program requirements.

Applicable Billing Codes

Service	Billing Code
Coordinated Specialty Care for First Episode of Psychosis, Team-Based, Per Month	H2040
Coordinated Specialty Care for First Episode of Psychosis, Team-Based, Per Encounter	H2041
Partial Hospitalization Program - Mental Health Services	H0035
Partial Hospitalization Program - Substance Use Disorder Services	S0201
Intensive Outpatient Program - Mental Health Services	S9480
Intensive Outpatient Program - Substance Use Disorder Services	H0015

Provider Action Required

- Review current Aetna Better Health of Texas In Lieu of Services offerings.
- Identify members who may benefit from available In Lieu of Services programs.
- Ensure required assessments and clinical documentation are completed.
- Submit complete authorization requests before services are rendered.
- Coordinate care across treatment teams and community resources.
- Review applicable reimbursement and billing requirements before claim submission.
- Prepare for implementation of Coordinated Specialty Care for First Episode of Psychosis effective December 1, 2026.

Additional Information

Detailed medical necessity criteria, reimbursement requirements, provider qualifications, utilization management requirements, and clinical guidance remain available through applicable Aetna Better Health of Texas policies and Texas Medicaid program guidance.

For inquiries and support:

Providers serving Aetna Better Health of Texas members in the counties listed below may use the following health plan contact numbers for program-related questions, member support, or additional assistance.

Program	Service Area	Contact Number
CHIP	Bexar area	1-866-818-0959 (TTY: 711)
CHIP	Tarrant area	1-800-245-5380 (TTY: 711)
STAR Medicaid	Bexar area	1-800-248-7767 (TTY: 711)
STAR Medicaid	Tarrant area	1-800-306-8612 (TTY: 711)
STAR Kids	Dallas and Tarrant areas	1-844-787-5437 (TTY: 711)

Aetna Better Health of Texas thanks our provider partners for your continued commitment to delivering high-quality care and support to our members. We appreciate your ongoing partnership and collaboration as we work together to improve access, coordination, and outcomes for the communities we serve.

Sincerely,

ABH of Texas Provider Engagement.



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