



ORPRN

*Oregon Rural Practice-Based
Research Network*

In Lieu of Services (ILOS): Funding Opportunity for Peer Services

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Introductions

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Purpose of today's webinar:

- Provide an overview of in lieu of services (ILOS), including its unique flexibilities
- Discuss frequently asked questions
- Provide space for deflection programs to ask questions about potential next steps

Welcome!

Does your organization currently bill Medicaid
for peer services?

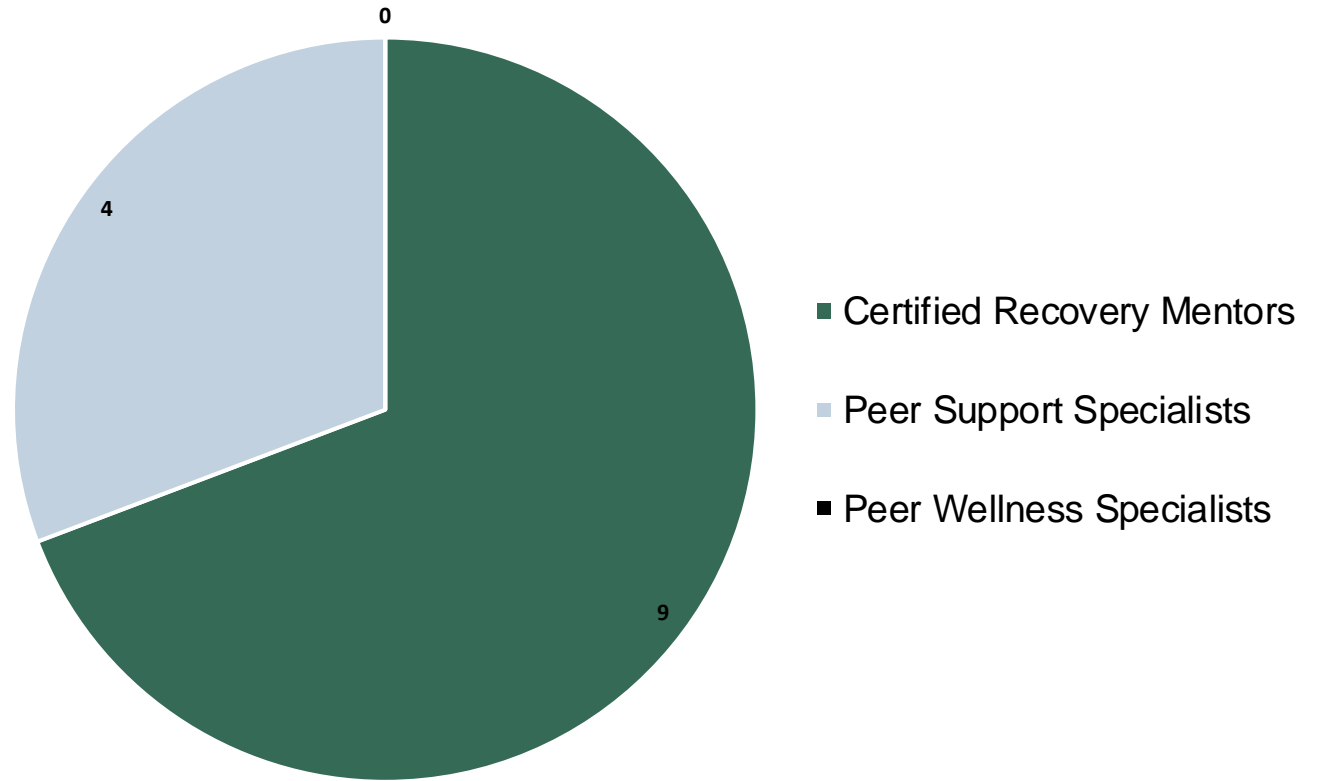
Type in your answer to the chat section



Background

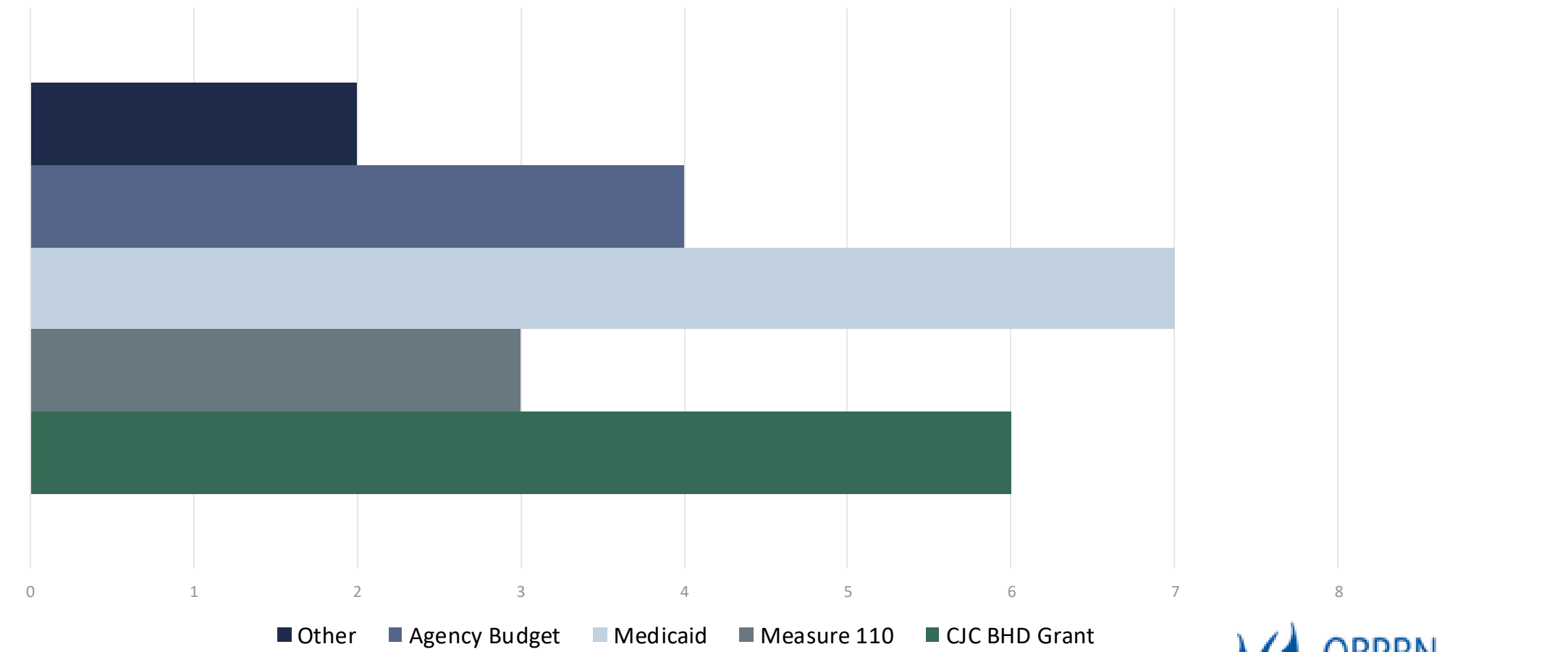
Current state* of Medicaid billing for peer deflection services

- All deflection programs that responded are using certified peers
- Most counties surveyed (11 of 13) are already billing Medicaid for peers (although it was unclear if the deflection-related peers are included in billing)
- About half of respondents indicated that they are interested in billing



Current funding sources for peer deflection services

County deflection programs are using a patchwork of funding to support peer services



*Note: most counties reported multiple funding sources

Barriers to billing Medicaid for peer services

- **Perception that services are not reimbursable until after a service plan is completed or diagnosis is made**
- **Perception that case management and service navigation is not billable**
- Reimbursement rate is too low to justify the cost of billing
- Organizations are not interested in tailoring client needs to Medicaid requirements
- Medicaid requirements are not a good match with nature of peer role which requires more flexibility (e.g., sometimes driving distances to see clients during a workday)
- Inability to collect demographic and insurance information needed for Medicaid at time of service
- **Peer supervision requirements are a barrier**

Overview

Overview of in lieu of services (ILOS)

In lieu of services (ILOS) are **medically appropriate** and **cost-effective substitutes** for covered services or settings under the state Medicaid plan, the Oregon Health Plan (OHP).

- ILOS are only available to coordinated care organization (CCO) members, not Open Card* OHP members.
- CCOs are not required to offer ILOS to members.
- CCO members are not required to use the alternative service or setting.

*Open Card: If a person with OHP doesn't have a CCO, they have Open Card. They can see any provider who accepts fee-for-service or Open Card members.



Intent and purpose of ILOS

- ✓ Strengthen access to care, most commonly by offering services in **different places**, such as non-clinical, community-based settings or by **different providers**, such as culturally specific providers.
- ✓ Supports **key services**, such as engagement in mental health and substance use treatment or chronic disease self-management
- ✓ Reduce health disparities and address unmet **health-related social needs** of members

ILOS in Oregon

- Nationally, Oregon is an earlier adopter of ILOS
- Oregon consults with other states to see how they're using ILOS
- Oregon elected to adopt ILOS in the state Medicaid Waiver in 2021
- The first set of seven ILOS were available for adoption by CCOs in 2023
- In 2025, there are thirteen ILOS available to CCOs

What do CCOs need to do to offer ILOS?

- CCOs must follow implementation requirements outlined in CCO contracts with Oregon Health Authority (OHA) before offering an ILOS.
- CCOs must adhere to reporting requirements, including submission of ILOS claims and annual reporting of aggregate ILOS information.

OHP covered service vs. ILOS example

Covered service	In lieu of service (ILOS)
Psychosocial rehabilitation services; clubhouse services; substance use disorder (SUD) certified peer services in a clinic	Ongoing substance use recovery support provided to a member pre- or post-assessment and diagnosis by a certified Peer Support Specialist or Peer Wellness Specialist in a community setting with the peer being supervised by a Peer-Delivered Services Supervisor

Peer ILOS



Peer-related ILOS overview

- **Service description:** Outreach and engagement services provided by a certified Peer Support Specialist, Peer Wellness Specialist or Qualified Mental Health Associate to engage a member in their care and provide ongoing support for enhancing wellness management, coping skills, independent living skills and assistance with recovery. Services may be offered either **prior to or after assessment and diagnosis**, in clinical or **community settings**, in individual or group sessions, and may include drop-in services, care transition services, culturally specific services and services focused on specific OHP populations.
- **OHP covered service(s) in lieu of:** Psychosocial rehabilitation services
- **Clinically oriented population(s):** Members with behavioral health conditions and/or health-related social needs (such as houselessness) that exacerbate or prevent effective treatment of behavioral health conditions.

Supervision option

Peers providing this ILOS:

1. May work and bill under the supervision of a licensed health care professional, including physicians, certified nurse practitioners, physician assistants, dentists, Dental hygienists with an Expanded Practice Permit, Ph.D. Psychologists, PsyD Psychologists, Speech Language Pathologists, LCSW Social Workers and Licensed Professional Counselors, *or*
2. May bill under an **organization or billing hub** using a forthcoming enrolled OHP provider type, and **work under a Peer-Delivered Services Supervisor**, who is a qualified program staff with at least one year of experience as a Peer Support Specialist (PSS) or Peer Wellness Specialist (PWS) in behavioral health services, who is responsible for evaluating and guiding PSS and PWS program staff in the delivery of peer-delivered services and supports, as defined in [OAR 309-018-0105](#), clause 106.



Unique flexibilities

Unique flexibilities of ILOS

- Reduced dataset= alternative billing/claims process
- Supervision option
- Pre-assessment or pre-diagnosis services

Reduced dataset

- If the ILOS provider **has billing infrastructure**, ILOS is billed through standard Medicaid claims
- If the ILOS provider is **unable to submit a claim**, CCOs **have the option** to:
 - Collect a limited dataset from the ILOS provider
 - Add remaining data needed to create and submit a valid claim

Reduced dataset

- This **optional** billing pathway was identified to reduce the administrative process of ILOS billing for community-based organizations without billing infrastructure
- Can be collected from ILOS providers electronically, paper, etc.
 - *Peer service providers and CCOs are encouraged to work together to tailor how ILOS data is collected*

Reduced dataset elements

- National Provider Identifier (NPI) of billing & rendering provider, except for atypical providers
- Name & Medicaid ID number of member
- Valid diagnosis code(s), procedure code(s) and modifier(s)
- Billed amount for service
- Coordinated care organization (CCO) allowed and paid amounts for service

Supervision option

Peers providing this ILOS:

1. May work and bill under the supervision of a licensed health care professional, including physicians, certified nurse practitioners, physician assistants, dentists, Dental hygienists with an Expanded Practice Permit, Ph.D. Psychologists, PsyD Psychologists, Speech Language Pathologists, LCSW Social Workers and Licensed Professional Counselors, *or*
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Pre-assessment or pre-diagnosis services

Service description: Outreach and engagement services provided by a certified Peer Support Specialist, Peer Wellness Specialist or Qualified Mental Health Associate to engage a member in their care and provide ongoing support for enhancing wellness management, coping skills, independent living skills and assistance with recovery. Services may be offered either **prior to or after assessment and diagnosis**, in clinical or **community settings**, in individual or group sessions, and may include drop-in services, care transition services, culturally specific services and services focused on specific OHP populations.

Frequently asked questions

I am a provider interested in providing an ILOS. How can I start?

- CCOs can choose to offer an ILOS.
- Look in your CCO's member handbook to determine if the peer ILOS has been adopted.
- If not offered, contact your CCO and share your interest.
 - List of CCO contacts:
<https://www.oregon.gov/oha/hsd/ohp/pages/coordinated-care-organizations.aspx>
 - For an introduction to your CCO or help navigating, email the ORPRN ILOS technical assistance team at ORPRN_TA@ohsu.edu.

What are the requirements for ILOS providers?

- Eligible provider types and supervisory requirements for each ILOS are outlined in the [ILOS Program Overview guidance document](#).
- CCOs **may be more prescriptive** than the eligibility and supervisory requirements outlined in the ILOS descriptions. It is up to each CCO's discretion which additional criteria they may choose to require of ILOS providers.

Questions?



I'm interested! What's next?

- Look in your CCO's member handbook to determine if the peer ILOS has been adopted.
- If not offered, contact your CCO and share your interest.
 - List of CCO contacts:
<https://www.oregon.gov/oha/hsd/ohp/pages/coordinated-care-organizations.aspx>
 - For an introduction to your CCO or help navigating, email the ORPRN ILOS technical assistance team at ORPRN_TA@ohsu.edu.
- For ILOS questions, contact ILOS.info@odhsoha.oregon.gov

Upcoming technical assistance (TA)

- **In-person training-** "Law Enforcement, Addiction, and Deflection"- March 20
 - See next slide for more details
- **April webinars**
 - Overdose Response
 - Planned – sharing from law enforcement on upskilling new officers for search and seizure trainings.

Guidance documents:

- [ILOS Program Overview](#)

Law Enforcement, Addiction, and Deflection

This in person training is aimed at law enforcement to develop skills to have more productive encounters with people with substance use disorders. These sessions address the effects of addiction on the brain, basics and benefits of deflection and skills to explore ambivalence and motivate change.

March 20

Salem

9 a.m. - 12 p.m. or 1:30 - 4 :30 p.m.

Police Academy

4190 Aumsville Hwy SE, Salem

Registration for all events can be found on our Eventbrite page.

[Register Here](#)



If you are interested in hosting a training your community, please e-mail deflection@ohsu.edu

Thank you

