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**Lisa Lee**  
COMMISSIONER

**PROVIDER LETTER**

**TO:** Behavioral Health Care Providers  
**FROM:** Lisa D. Lee, Commissioner  
**DATE:** April 10, 2026  
**RE:** Behavioral Health Policy Update for Psychoeducation Services (H2027)

The Department for Medicaid Services is informing providers that psychoeducation services (H2027) is no longer a Medicaid-covered service and cannot be reimbursed.

House Bill 470 (HB 470), passed during the 2026 legislative session, prohibits coverage of the service, both individually and in a group setting. The bill contained an emergency clause, which means it is effective as of the date it became law, April 10, 2026.

Managed Care Organizations are aware of this change and will no longer accept or reimburse for any H2027 claim with a date of service on or after April 10, 2026.

HB 470 supersedes any prior guidance on psychoeducation services contained in previous provider letters and outlined in existing regulations. DMS will amend regulations to align with HB 470.

Please direct any questions regarding this letter to [DMS.Issues@ky.gov](mailto:DMS.Issues@ky.gov).

Sincerely,

A handwritten signature in cursive script that reads "Lisa D. Lee".

Lisa D. Lee, Commissioner  
Department for Medicaid Services