

# **Behavioral Health Medicaid Reimbursement in Kentucky: A Regional and National Comparison**

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Medicaid Oversight & Advisory Board

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Kentucky's voice for at-risk children and families

**Children's Alliance Recommendation: Require Kentucky fee schedules to be posted no later than March 1<sup>st</sup> of each year for an April 1<sup>st</sup> implementation date.**

The Medicare Physician Fee Schedule (PFS) is updated annually by the Centers for Medicare and Medicaid Services (CMS), with new rates going into effect on January 1st. **CMS is required to publish the new rates in the Federal Register by November of the preceding year.**

New behavioral health rates in Kentucky were posted on July 15, 2025 for an April 1, 2025 effective date.

Delay in posting the new rates is very inefficient for providers and payors (MCOs, Medicaid) due to having to reprocess all these claims.



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**Kentucky Medicaid  
undervalues behavioral  
health care, by only  
reimbursing providers at just  
75% or less of Medicare rates.**

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# Kentucky Lags Behind Neighboring States in Behavioral Health Rates:

## Medicaid Reimbursement Rates 2025

*Kentucky Compared to Surrounding States*

Service	CPT Code	Provider Type	KY	Avg Other States	IL IL-MD	MO	IN	OH	VA	WV WV - MD
60 min Psychotherapy	90837	Licensed Independent Therapist	\$ 89.91	\$ 119.65	\$ 139.36	\$ 112.26	\$ 109.16	\$ 115.35	\$ 112.27	\$ 129.52
		Psychiatrist, MD/DO	\$ 112.39	\$ 133.80	\$ 91.58	\$ 149.68	\$ 145.54	\$ 135.71	\$ 166.32	\$ 113.97
45 min Psychotherapy	90834	Licensed Independent Therapist	\$ 60.69	\$ 84.51	\$ 104.52	\$ 76.43	\$ 74.05	\$ 78.63	\$ 76.32	\$ 97.14
		Psychiatrist, MD/DO	\$ 75.86	\$ 90.87	\$ 62.03	\$ 101.90	\$ 98.73	\$ 92.51	\$ 113.06	\$ 76.96
30 min Psychotherapy	90832	Licensed Independent Therapist	\$ 46.00	\$ 61.10	\$ 69.68	\$ 57.90	\$ 56.09	\$ 60.49	\$ 57.69	\$ 64.76
		Psychiatrist, MD/DO	\$ 57.50	\$ 68.99	\$ 46.98	\$ 77.20	\$ 74.78	\$ 71.16	\$ 85.46	\$ 58.33
Psy. Diagnostic Evaluation	90791	Licensed Independent Therapist	\$ 103.63	\$ 134.29	\$ 139.36	\$ 133.09	\$ 123.35	\$ 125.28	\$ 133.48	\$ 151.20
		Psychiatrist, MD/DO	\$ 129.53	\$ 155.37	\$ 122.11	\$ 177.45	\$ 164.46	\$ 147.39	\$ 197.75	\$ 123.04
Family Psychotherapy w/ client present	90847	Licensed Independent Therapist	\$ 60.71	\$ 94.71	\$ 151.36	\$ 75.83	\$ 73.78	\$ 96.53	\$ 76.05	
		Psychiatrist, MD/DO	\$ 75.89	\$ 95.45	\$ 69.80	\$ 101.11	\$ 98.37	\$ 113.56	\$ 112.67	\$ 77.21
Family Psytch w/o Patient	90846	Licensed Independent Therapist	\$ 58.24	\$ 88.87	\$ 151.36	\$ 73.24	\$ 70.40	\$ 98.02	\$ 72.95	\$ 67.22
		Psychiatrist, MD/DO	\$ 72.80	\$ 97.79		\$ 97.65	\$ 93.87	\$ 115.32	\$ 108.08	\$ 74.02
Group Psychotherapy	90853	Licensed Independent Therapist	\$ 16.37	\$ 26.41	\$ 38.48	\$ 20.33	\$ 19.77	\$ 31.71	\$ 20.43	\$ 27.72
		Psychiatrist, MD/DO	\$ 20.47	\$ 29.26	\$ 33.70	\$ 27.11	\$ 26.36	\$ 37.31	\$ 30.27	\$ 20.83
Alcohol/Drug Abuse (SBIRT)	99408	Licensed Independent Therapist	\$ 17.55	\$ 19.22			\$ 23.91		\$ 9.65	\$ 24.10
		Psychiatrist, MD/DO	\$ 21.95	\$ 23.40			\$ 31.88		\$ 14.30	\$ 24.02
		Comparison State is Lower than KY								
		Comparison State is Comparable to KY								
		Comparison State is Higher than KY								
		No reimbursement rate found for this code for this level of professional								
		Both IL and WV use different billing codes for their community behavioral health services - so not a match, however they were included to demonstrate reimbursement comparison based on service descriptions/practice								

*Double-click to access links and Excel data*



## Medicaid Reimbursement Rates 2025



*Double-click to access links and the Excel data*

# Kentucky is Not Keeping up with Cost of Care

90837 – 60 min. Individual Therapy

	Associate Level Therapist	Licensed Independent Therapist
2005 Impact Plus	\$78.40/hour	\$78.40/hour
2025 Medicaid	\$78.67/hour	\$89.91/hour

*Consumer Price Index (CPI) indicates \$78.40 has the same buying power as \$132.61 today based on the rate in 2005.*



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## Children's Alliance Recommendation:

Increase Kentucky Medicaid Behavioral Health rates to 100% of Medicare so Kentuckians can have access to care, and we can effectively compete for behavioral health professionals in Kentucky.

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# For Additional Information:



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