

Clinical Policy: Individual Placement and Support (IPS)

Reference Number: LA.CP.BH.509c

Date of Last Revision: 1/26

[Coding Implications](#)

[Revision Log](#)

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Description

Individual Placement and Support (IPS) refers to the evidence-based practice of supported employment for members/enrollees with mental illness. IPS helps members/enrollees living with mental health conditions work at regular jobs of their choosing that exist in the open labor market and pay the same as others in a similar position, including part-time and full-time jobs. IPS helps people explore the world of work at a pace that is right for the member/enrollee. Based on member's/enrollee's interests, IPS builds relationships with employers to learn about the employers' needs in order to identify qualified job candidates. The job search is based on individual preferences, strengths, and work experiences, not on a pool of jobs that are readily available or the IPS specialist's judgment. Job seekers indicate preferences for job type, work hours, and types of job supports. Job supports are individualized based on the needs of the member/enrollee and what will promote a positive work experience. IPS offers help with job changes career development and career advancement, including additional schooling and training, assistance with education, a more desirable job, or more preferred job duties. The majority of IPS services must be provided in the community. Members/enrollees are not excluded on the basis of job readiness, diagnoses, symptoms, substance use history, mental health symptoms, history of violent behavior, cognition impairment, treatment non-adherence, work history, psychiatric hospitalizations, level of disability, legal system involvement, or personal presentation.

IPS provides competitive job options that have permanent status rather than temporary or time-limited status. Competitive jobs pay at least minimum wage, are jobs that anyone can apply for and are not set aside for people with disabilities. IPS offers to help with another job when one has ended, regardless of the reason that the job ended or number of jobs held. Some people try several jobs before finding employment they like. Each job is viewed as a positive learning experience. If a job is a poor match, an IPS specialist offers to help the member/enrollee find a new job based upon lessons learned. IPS follows the philosophy that all choices and decisions about work, further schooling, technical training and support are individualized based on the member's/enrollee's preferences, strengths, and experiences. In IPS, members/enrollees are encouraged to be as independent as possible and IPS specialists offer support as needed.

I. Individual Placement and Support Model of Care- Each IPS specialist carries out all phases of employment service, including intake, engagement, assessment, job placement, job coaching, and follow-along supports before stepping down to less intensive employment support from another mental health practitioner. The IPS model is based on an integrated team approach which includes the following:

- A.** IPS programs are staffed by IPS specialists, who meet frequently with the mental health treatment team to integrate IPS services with mental health treatment.

Louisiana Rehabilitation Services (LRS) counselors also work closely with IPS specialists to ensure that members receive services that are coordinated. Please note: Prior to providing members with IPS services, IPS specialists shall document in the member's file that IPS services are not available to the member through LRS. IPS specialists with a caseload of nine (9) or fewer members/enrollees participate in bi-weekly client-based individual or group supervision and mental health treatment team meetings for each team to which they are assigned. Once IPS specialists have a caseload of ten (10) or more members/enrollees, they participate in weekly client-based individual or group supervision, and mental health treatment team meetings for each team to which they are assigned.

1. The employment unit has weekly client-based individual or group supervision following the supported employment model in which strategies are identified and job leads are shared. They provide coverage for each other's caseload when needed;
 2. IPS specialists attach to one (1) or two (2) mental health treatment teams, from which at least 90% of the employment specialist's caseload is comprised;
 3. IPS specialists actively participate in weekly mental health treatment team meetings (not replaced by administrative meetings) that discuss individual members/enrollees and their employment goals with shared decision-making; and
 4. The IPS specialists and LRS counselors have frequent contact for the purpose of discussing shared members and identifying potential referrals. IPS specialists actively participate in **monthly LRS meetings** if there is a shared member.
- B.** Members/enrollees are not asked to complete vocational evaluations (e.g., paper and pencil vocational tests, interest tests, and work samples), situational assessments (such as short-term work experiences), prevocational groups, volunteer jobs, short-term sheltered work experiences, or other types of assessment in order to receive assistance obtaining a competitive job.
- C. Initial vocational assessment (referred to as the “career profile”) occurs over 2-3 sessions** and is updated with information from work experiences in competitive jobs and aims at problem solving using environmental assessments and consideration of reasonable accommodations, such as but not limited to American Disability Act (ADA) requirements to encourage an atmosphere of productivity considering the member's/enrollee's diagnosis.
- D.** A vocational assessment/career profile form that includes information about preferences, experiences, skills, current adjustment, strengths, personal contacts, etc., is updated with each new job experience. Sources of information include the member/enrollee, treatment team, clinical records, and with the member's/enrollee's permission, from family members and previous employers. The vocational assessment/ “career profile leads to individualized employment

and education planning. The career profile is updated with each new employment and education experience. The purpose is not to determine employability, but to learn what the member/enrollee enjoys, skills and experiences, and what will help the member/enrollee achieve goals. **Initial vocational assessment occurs within 30 days after program entry.**

- E.** An individualized job search plan is developed and updated with information from the vocational assessment/career profile form and new job/educational experiences.
- F.** IPS specialists systematically visit employers, who are selected based on the job seeker's preferences, to learn about their business needs and hiring preferences. Each IPS specialist makes at least 6 face-to-face employer contacts per week on behalf of members/enrollees looking for work. An employer contact is counted even when an employment specialist meets the same employer more than one time in a week, and when the member/enrollee is present or not present. Member/enrollee-specific and generic contacts are included. IPS specialists use a weekly tracking form to document employer contacts.
- G.** IPS programs use a rapid job search approach to help job seekers obtain jobs rather than assessments, training, and counseling. IPS specialists help members/enrollees look for jobs soon after entering the program instead of requiring pre-employment assessment and training or intermediate work experiences, such as prevocational work units, short-term jobs to assess skills, transitional employment, agency-run businesses or sheltered workshops. The first face to face contact with the employer by the member/enrollee or the IPS specialist occurs within 30 days.
- H.** IPS specialists ensure that members/enrollees are offered comprehensive and personalized benefits planning, including information about how work may affect their disability and government benefits. The purpose is to help members/enrollees make informed decisions about job starts and changes. In all situations members/enrollees are encouraged to consider how working and developing a career may be the quickest way to avert poverty or dependence on benefits. All members/enrollees are offered assistance in obtaining comprehensive, individualized work incentives (benefits) planning before starting a new job and assistance accessing work incentives planning thereafter when making decisions about changes in work hours and pay. Work incentives planning includes SSA benefits, medical benefits, medication subsidies, housing subsidies, food stamps, spouse and dependent children benefits, past job retirement benefits, and any other sources of income.
- I.** Job supports are individualized and continue for as long as each worker wants and needs the support. Members/enrollees receive different types of support for working a job that are based on the job, member/enrollee preferences, work history, needs, etc. Once members/enrollees obtain employment, the IPS

specialist and staff from the mental health treatment team provide support as long as members/enrollees want and benefit from the assistance. The goal is for each member/enrollee to work as independently as possible and transition off the IPS caseload when the member/enrollee is comfortable and successful in their work life.

1. IPS specialists have face-to-face contact within one (1) week before starting a job, within three (3) days after starting a job, weekly for the first month, and documented efforts to meet with members/enrollees at least monthly for a year or more, on average, after working steadily, and desired by members/enrollees.
2. Members/enrollees are transitioned to step down job supports from a mental health worker following steady employment. IPS specialists contact members/enrollees within three (3) days of learning about the job loss. IPS specialists also provide employer support (e.g., educational information, job accommodations) at a member's/enrollee's request.

- J.** Service termination is not based on missed appointments or fixed time limits.
1. Engagement and outreach attempts made by integrated team members/enrollees are systematically documented, including multiple home/community visits, coordinated visits by IPS specialist with integrated team member, and contacts with family, when applicable.
 2. Once it is clear that the member/enrollee no longer wants to work or continue with IPS services, the IPS specialist stops outreach.

II. Method of Service Delivery- There shall be member/enrollee involvement throughout the planning and delivery of services. Services shall be:

- A.** Delivered in a culturally and linguistically competent manner
- B.** Respectful of the member/enrollee receiving services
- C.** Appropriate to members of diverse racial, ethnic, religious, sexual and gender identities and other cultural and linguistic group
- D.** Appropriate for age, development, and education
- E.** Services may be provided to the member/enrollee:
 1. Individual
 2. On-site
 3. Off-site.

III. Medical Necessity Criteria- It is the policy of Louisiana Healthcare Connections that Individual Placement and Support (IPS) Outpatient service rendered to adults are **medically necessary** to reduce the disability resulting from mental illness and to restore the individual to his/her best possible functioning level in the community for the following indications:

- A.** Member/enrollee is 21 years of age or older.
- B.** Member/enrollee have transitioned from a nursing facility or been diverted from nursing facility level of care through the My Choice Louisiana program.

- C. Have a qualifying mental health diagnosis. An adult with a diagnosis of a substance use disorder or intellectual and developmental disability without an additional co-occurring qualifying mental health diagnosis shall not meet the criteria for mental health services.
- D. Services require a prior authorization. Providers shall submit sufficient documentation to determine medical necessity. Failure to do so may result in a partial or non-authorization for services.

IV. It is the policy of Louisiana Healthcare Connections that Individual Placement and Support (IPS) Outpatient service rendered to adults are **not medically necessary when:**

- A. When IPS services duplicate any other Medicaid State Plan service or service otherwise available to the member/enrollee at no cost.
- B. Members receiving IPS are not served by LRS except to receive services not covered under IPS such as assistive technology devices/software, home and vehicle modifications, occupational exams/license, tools/equipment, transportation, and uniforms. There must be documentation in the member's file that IPS services are not available from programs funded under section 110 of the Rehabilitation Act of 1973; and
- C. Incentive payments, subsidies, or unrelated vocational training expenses may not be billed such as but not limited to: incentive payments made to an employer to encourage or subsidize the employer's participation in a IPS program; payments that are passed through to users of IPS programs; or payments for vocational training that is not directly related to a member's/enrollee's IPS program.

Coding Implications

This clinical policy references Current Procedural Terminology (CPT®). CPT® is a registered trademark of the American Medical Association. All CPT codes and descriptions are copyrighted 2023, American Medical Association. All rights reserved. CPT codes and CPT descriptions are from the current manuals and those included herein are not intended to be all-inclusive and are included for informational purposes only. Codes referenced in this clinical policy are for informational purposes only and may not support medical necessity. Inclusion or exclusion of any codes does not guarantee coverage. Providers should reference the most up-to-date sources of professional coding guidance prior to the submission of claims for reimbursement of covered services.

HCPCS Codes	Description	Modifier
H2024	INDIVIDUAL PLACEMENT AND SUPPORT (BILLABLE PER ENCOUNTER)	
H2024	INDIVIDUAL PLACEMENT AND SUPPORT (BILLABLE WHEN ≥ 6 ENCOUNTERS PER MONTH)	TG

Reviews, Revisions, and Approvals	Revision Date	Approval Date	Effective Date
Original approval date	1/22		
Policy reviewed and updated. Changed Member to member/enrollee in all instances. Removed background. In Description, included that enrollees are not excluded. Added sections I (IPS Model of Care), II (Method of Service Delivery), III (Provider Responsibilities). Changed section IV to Medical Necessity criteria and added sections D-E. Added section V for Not Medically Necessary criteria. Added LAC reference.	4/23	7/10/23	
Annual Review. References reviewed and updated. Changed HCPCS description from >6 to ≥6. Changed policy number from LA.CP.MP.509c.	4/24	7/16/24	
Updated section I. (A) and (4.) Minor rewording according to updates in LDH Behavioral Health Service Manual. Update to section V. References reviewed and updated.	12/24	3/12/25	4/12/25
Annual Review. Removed provider and staff qualification requirements to align the policy with its clinical purpose of defining medical necessity. Provider credentialing, licensure, accreditation, and workforce compliance requirements are addressed through separate credentialing, contracting, and provider enrollment processes. References reviewed and updated.	1/26	4/16/26	5/16/26

References

1. LDH Behavioral Health Services Provider Manual. 2.3 Outpatient Services- Individual Placement and Support (IPS). Issued 8/16/22. Replaced 2/21/22.
2. Louisiana Administrative Code. Title 50, Part XXXIII. Behavioral Health Services, Subpart 8, Chapter 71.

Important Reminder

This clinical policy has been developed by appropriately experienced and licensed health care professionals based on a review and consideration of currently available generally accepted standards of medical practice; peer-reviewed medical literature; government agency/program approval status; evidence-based guidelines and positions of leading national health professional organizations; views of physicians practicing in relevant clinical areas affected by this clinical policy; and other available clinical information. LHCC makes no representations and accepts no liability with respect to the content of any external information used or relied upon in developing this clinical policy. This clinical policy is consistent with standards of medical practice current at the time that this clinical policy was approved.

The purpose of this clinical policy is to provide a guide to medical necessity, which is a component of the guidelines used to assist in making coverage decisions and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage decisions and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy,

contract of insurance, etc.), as well as to state and federal requirements and applicable LHCC administrative policies and procedures.

This clinical policy is effective as of the date determined by LHCC. The date of posting may not be the effective date of this clinical policy. This clinical policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this clinical policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. LHCC retains the right to change, amend or withdraw this clinical policy, and additional clinical policies may be developed and adopted as needed, at any time.

This clinical policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members/enrollees. This clinical policy is not intended to recommend treatment for members/enrollees. Members/enrollees should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this clinical policy are independent contractors who exercise independent judgment and over whom LHCC has no control or right of control. Providers are not agents or employees of LHCC.

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