

Provider Notice



From: Magellan Healthcare

Subject: Important update: 2026 prior authorization changes for adult services

Attention: Updates to prior authorization rules for adult services take effect Jan. 1, 2026.

Overview

Magellan will implement changes to prior authorization rules beginning Jan. 1, 2026. **These changes only apply to adult members (defined as individuals who are the age of 18 and older) with Medicaid.**

Key changes

Adult intensive outpatient services (IOP)

- Applies to both mental health and substance use disorder (SUD) treatment.
- A combined 50-unit annual threshold will apply.
- Prior authorization will be required once the 50 annual combined units are used.

Adult skills-building/community-based rehabilitative services (CBRS)

- The current 308-unit threshold will be removed.
- Beginning Jan. 1, 2026, prior authorization will be required for all adults receiving CBRS.
- Youth members will continue to have a 308-unit annual threshold before prior authorization is required.

To manage this change and minimize administrative burden, Magellan will begin entering authorizations in November 2025 for adult members currently receiving CBRS.

- Authorization end dates will be randomly staggered over the first six months of 2026.
- This approach ensures smoother renewals and avoids system bottlenecks.

New requests

- Members newly requesting CBRS or members who were denied and have no active 2025 units must submit as new authorization requests.
- Late notification penalties will be waived through Feb. 28, 2026, for these submissions.

Required documentation

CBRS authorization requests must include:

- An updated comprehensive diagnostic assessment (CDA)
- A current treatment plan
- Progress toward goals, as applicable

Code summary

Code	Description	Auth rule (adults only)
S9480 or Rev code 0905 with S9480	IOP-Intensive outpatient program eating disorder program	Authorization required after 50-unit annual threshold, MH/SUD combined
S9480 or Rev code 0906	ASAM Level 2.1	Authorization required after 50-unit annual threshold, MH/SUD combined
H2017	Skills-building/community-based rehabilitative services (CBRS)-skills-building/CBRS	Prior authorization required

Questions?

Please contact Magellan at IdahoProvider@MagellanHealth.com.