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**Nevada Medicaid Web Announcement 3875**

## **Medicaid Behavioral Health Providers In Nevada Get Raise To Help Children**

Nevada Medicaid is boosting pay for children's behavioral health services across the state by up to 25%, including higher incentives in rural Nevada and for services provided at home. These changes are retroactive to January 1, 2025. The pay increase is expected to help up to 320,000 Nevada children and youth under 21 who are eligible for behavioral health services such as psychotherapy, basic skill training, and psychosocial rehabilitation.

"Reforming provider reimbursement rates is one of many tools in our box to address the behavioral health needs of Nevadans," **said Ann Jensen, Nevada Medicaid Administrator.** "The bottom line is, we need more behavioral health providers serving youth in our state at home and in their communities. This rate increase supports Nevada's transformative goals to improve behavioral health for kids."

This rate reform is a unique model. It increases the base rates and incentivizes care delivered in high-need settings. All reimbursement rates for outpatient behavioral health services delivered to children, such as therapy at home, in a clinic, or in school, increased by an average of 10 percent. When these services are delivered in rural Nevada, the reimbursement rate increases by another 10 percent. Additionally, if a child receives this service at home, reimbursement increases another 5 percent.

All Managed Care Organization health plans are required to reimburse providers at least the rate of the State's Fee for Service rates. This ensures providers will see this rate increase for all youth receiving Medicaid coverage in the State.

"We are excited about the Medicaid rate increases for behavioral health services," **said Steve Shell, Founder and Executive Director of the Behavioral Health Association of Nevada.** "They will enable our providers to better serve our communities and support those most in need. Up to this point the reimbursement rates for all payers have not kept up with the mounting costs to do business. This shows that the Nevada Health Authority is committed to listening to providers and moving Medicaid rates to a more reasonable level for some critical behavioral health services. It is a meaningful step toward expanding access to essential services for Nevadans and ensuring that providers can continue to deliver the high-quality care that Nevadans deserve."

Behavioral health services for youth in Nevada were found by the United States Department of Justice (DOJ) to be insufficient in 2022, with inadequate services available at home and in the community. In 2025 the State of Nevada entered a [settlement with the DOJ](#) to transform children's behavioral health services. Hundreds of stakeholders have met regularly since the fall of 2024 to help shape the state's transformative model, which includes new services and a new health plan for children with behavioral health needs, set to launch in 2027.

For more information, visit the [Children's Behavioral Health Transformation website](#) and reference [Web Announcement 3860](#).