



# Traditional Healing Implementation Update

# Workgroup Partners (I/T/U)

Fort Defiance Indian Hospital Board, Inc.,  
Winslow Indian Healthcare  
Tuba City Regional Health Care  
Chinle Comprehensive Healthcare  
Red Mesa Health Center  
Urban Indian Organizations  
Arizona Advisory Council on Indian Healthcare  
Intertribal Council of Arizona  
Arizona Healthcare Cost Containment System (AHCCCS)  
Host of Traditional Healer who represented one of the 22 Federal  
Recognized Tribes in the State of Arizona.

# Traditional Healing Waiver Timeline



The Traditional Healing Workgroup was established on December 12, 2015 to develop waiver language to include types of service, service parameters, covered and non-covered services and reimbursement methodology.

# Traditional Healing Services

- In October 2024, the Centers for Medicare and Medicaid Services (CMS) approved Medicaid coverage of Traditional Health Care Practices in four states (California, Arizona, Oregon and New Mexico) with a standard framework through Section 1115 waivers
- Traditional Healing is a system of culturally appropriate healing methods developed and practiced by generations of Tribal healers who apply methods for physical, mental and emotional healing
- The practices provided by traditional healers shall be in accordance with an individual Tribal Nation's established and accepted traditional healing practices as identified by the Qualifying Entity
- The purpose of the traditional healing program is to provide culturally appropriate options for AHCCCS members to maintain and sustain health and wellness through traditional healing practices.

# Continuation

- Each IHS/638 facility, in partnership with their local Tribal community, will individually define which services are most appropriate for Medicaid reimbursement
  - The covered traditional healing services, limitations, and exclusions shall be described by each facility (working with each tribe they primarily serve).
  - Traditional Healing practices are covered services in both inpatient and outpatient settings, and aid in care coordination and assist AHCCCS beneficiaries in achieving improved health outcomes.

Traditional Healing Reimbursement for 638 facilities and I.H.S healthcare facilities was effective October 1, 2025

# Where are we now after approval of the 1115 Waiver

- Review of:
- Billing and Reimbursement
- Outpatient and Inpatient
- Covered Services

# Turquoise Care (NM) Traditional Health Care

Traditional Healer is a person currently recognized as a traditional leader in good standing with a Native American Tribe, Nation, Pueblo or Band and with two years of experience as a recognized Native American spiritual leader practicing in a setting recognized by a Native American Tribe, Nation, Pueblo or Band, who is contracted or employed by the Indian Health Service , Tribal Facilities or Urban Indian Program. A Traditional Healer is a person with knowledge, skills and practices based on the cultural beliefs and experiences which are accepted by that Tribal community as handed down through the generations and which can be established through the collective knowledge of the elders of that Tribal community.

# Turquoise Care (NM) Traditional Health Care Practices Reimbursement & Definitions

A Natural Helper is a health advisor contracted or employed by Indian Health Service, Tribal facilities or an Urban Indian program who seeks to delivery health, recovery and social support in the context of Tribal cultures. A Natural Helper could be a spiritual leader, elected official, paraprofessional or other individuals who is a trusted member of a Native American Tribe, Nation, Pueblo or Band. The Natural Helper can work under the traditional healer as a helper.

# Eligible Members & Covered Services

- American Indian and Alaska Native individuals enrolled in Medicaid full benefits category of eligibility and eligible for I.H.S. or Tribal facilities can access these new Medicaid benefits upon referral from a healthcare practitioner. Providers are responsible for verifying Medicaid eligibility before providing services.
- Screening and admission
- Orientation
- Assessment
- Traditional Healing Treatment Plan
- Translate and interpret
- Provide follow up services

# Billing and Reimbursement

- Traditional Healing claims are submitted on UB-04 for American Indian/Alaska Native
- Diagnosis code must contain physical health, behavioral health or substance use abuse disorder codes
- Revenue Code include:
- 0919 for behavioral health centers
- 0519 for outpatient physical health
- 0529 for Tribal Federal Qualified Healthcare (FQHC)
- Procedure Codes:
- H0051 (Traditional Healer)
- T1016 (Natural Healer)

# Billing and Reimbursement

- A Traditional Healer can bill one OMB – All Inclusive Rate per day per Medicaid member.
- A Natural Helper can bill on OMB – All Inclusive Rate per day per Medicaid member
- Services can be provided in a group setting.
- If Traditional Healing services are provided in an inpatient setting this is part of the OMB – All Inclusive Rate for inpatient billing
- No Prior Authorization is required
- Non-American Indian/Alaska Native will be billed on a CMS-1500 form. Reimbursement is the current fee scheduled rate using procedure code H0051. Reimbursement is not the OMB-All Inclusive Rate
- \*\* There is no limit on the number of OBM –All Inclusive Rate that can be billed for a member in a month

# Arizona Healthcare Cost Containment System (AHCCCS)

Unlike New Mexico Turquoise Care, AHCCCS did not define definitions for Traditional Healers. In collaboration with the workgroup a broad reference was stated as to; practices provided by traditional healers shall be in accordance with the individual Tribal Nation's established and accepted traditional healing practices as identified by the Qualifying Entity.

In addition each I.H.S and tribal healthcare facilities in partnership with their local tribal community will individually define which services are most appropriate. The covered traditional healing services, limitations and exclusions shall be described by each facility.

# Billing and Reimbursement

- Traditional Healing claims are submitted on UB-04 for American Indian/Alaska Native
- ICD-10 CM diagnosis code system is utilized. Each claim must indicate at least one valid ICD-10 diagnosis code for processing of claim.

## Revenue Code include:

- 0509 is designated for I.H.S./638 healthcare facilities for AI/AN

## Procedure Codes:

- No procedural code required. As claim is billed with a valid ICD-10 diagnosis code

# Billing and Reimbursement

- A Traditional Healer can bill one OMB – All Inclusive Rate per day per Medicaid member.
- Traditional healing services is part of the five (5) daily encounter limit
- Traditional healing practitioners will not register as an independent provider
- Traditional healing practitioners must be contracted with or employed by an I.H.S. or Tribal Healthcare facility
- Non-Emergent Medical Transportation (NEMT) is a covered/reimbursable service if the traditional healing service is provided at an I.H.S or Tribal Healthcare facility.

# Billing and Reimbursement

- Services can be provided in a group setting.
- If Traditional Healing services are provided in an inpatient setting this is part of the OMB – All Inclusive Rate for inpatient billing
- No Prior Authorization is required
- Non-American Indian/Alaska Native will be billed on a CMS-1500 form. Reimbursement is the current fee scheduled rate using procedure code H0051. Reimbursement is not the OMB-All Inclusive Rate







# Questions

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