



In Lieu of Services Frequently Asked Questions

April 2025

1. What is In-Lieu-of Services?

In lieu-of-services are services offered by MCOs like Texas Children's Health Plan (TCHP) that substitute for Medicaid state plan services or settings. In-lieu-of services are effective **May 1, 2025**.

TCHP covers the following HHSC-approved in-lieu-of services as medically appropriate and cost effective settings as an option for our members who choose these services as an alternative level of care to the acute care inpatient hospital setting:

- **Partial Hospitalization (PHP)**
- **Intensive Outpatient Program (IOP)**

TCHP's Service Coordination and Utilization Management teams collaborate with providers to ensure in-lieu-of-services are considered, authorized, and coordinated during discharge planning from inpatient hospitalization or when escalating care from the outpatient setting.

Members are not required to utilize in-lieu-of services or settings instead of a traditional service or setting, but may consider in-lieu-of services as an option when medically appropriate and cost effective.

2. What is the provider requirement to participate in the In-lieu-of services with TCHP?

At the time of enrollment, all providers will sign a contract (attestation) agreeing to participate in in-lieu-of services. This attestation covers provider qualifications and an agreement to obtain member consent for in-lieu-of services offered.

Ahead of May 1, applicable providers will receive an attestation online form from TCHP's Provider Relations Department for their review and submission.

3. Who decides if a member utilizes in-lieu-of services or settings instead of a covered service or setting?

TCHP's Service Coordination and Utilization Management teams collaborate with providers to ensure in-lieu-of-services are considered, authorized, and coordinated during discharge planning from inpatient hospitalization or when escalating care from the outpatient setting.

Members are not required to utilize in-lieu-of services or settings instead of a traditional service or setting, but may consider in-lieu-of services as an option when medically appropriate and cost effective.

4. Are prior authorizations required for In-lieu-of services?

Prior authorization is required for PHP and IOP in-lieu-of-services.

- Prior authorization requests for in-lieu-of-services can be securely submitted online from the provider portal, Texas Children's Link, at <https://www.texaschildrenshealthplan.org/providers/link-provider-portal>.

- Or send via fax to 832-825-8767 or toll-free fax line to 1-844-291-7505. Providers should include essential information as required in the [UMCM 3.22](#) and include supporting clinical documentation.

More information on PHP and IOP services can be found in the provider alert available at <https://www.texaschildrenshealthplan.org/news/provider-alert/lieu-services>

TCHP Members must provide written consent to receive in-lieu-of-services. Providers rendering the service obtain Member consent and provide to Texas Children's Health Plan or HHSC upon request. TCHP will give providers 24 business hours to submit requested consent information.

5. Where can I find reimbursement information?

Please view our in-lieu-of services provider alert for detailed information on reimbursement: <https://www.texaschildrenshealthplan.org/news/provider-alert/lieu-services>

Additional Resource:

- Provider alert: [texaschildrenshealthplan.org/news/provider-alert/lieu-services](https://www.texaschildrenshealthplan.org/news/provider-alert/lieu-services)

