



State of Vermont  
Agency of Human Services  
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# Global Commitment Register

May 3, 2024

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GCR 24-008  
FINAL

## **Social Determinants of Health—Guidance**

### **Policy Summary:**

The Vermont Medicaid program is posting guidance for coverage of mental health services without a specific diagnosis to address social determinants of health for beneficiaries under the age of 21.

Vermont Medicaid provides coverage of mental health services without a specific mental health diagnosis and acknowledges the importance of recognizing how social determinants can have major impact on an individual's physical and mental health, wellbeing, and quality of life. Examples of life experiences that may require clinical intervention may include, but are not limited to, death of a parent or guardian, food instability or housing instability, exposure to domestic violence or other traumatic events, experience of discrimination based on race, ethnicity, gender identify, sexual orientation, religion, or disability. Social Determinants of Health (SDOH) codes cannot be used as a primary diagnosis, however Vermont Medicaid allows Z71.9, Counseling Unspecified as a primary diagnosis for Medicaid beneficiaries under the age of 21.

For Medicaid beneficiaries under the age of 21, the standard for medical necessity is more expansive than for adults per EPSDT regulations. Under EPSDT, medical necessity includes that a service is needed to correct or ameliorate a diagnosis or health condition, achieve proper growth and development, or prevent the onset or worsening of a health condition.

The coverage guidance and links to the related Health Care Administrative Rules can be found in the additional information section below.

### **Effective Date:**

May 3, 2024

### **Authority/Legal Basis:**

[Medicaid State Plan](#)

### **Population Affected:**

All Medicaid

### **Fiscal Impact:**

This change is expected to be budget neutral.

**Additional Information:**

Guidance Document: Counseling Unspecified Z71.9 Provisions of Service, is included on the next page.

[Health Care Administrative Rule, 4.106 Early and Periodic Screening, Diagnostic and Treatment \(EPSDT\) Services.](#)

[Health Care Administrative Rule, 4.104, Medical Necessity](#)

## **Guidance Document: Counseling Unspecified Z71.9 Provisions of Service**

### **Policy:**

Vermont Medicaid maintains a list of [ICD-10-CM diagnosis code restrictions](#). Utilization of these codes would result in denied claims as these codes are not allowed to be identified as the primary diagnosis. These codes cannot be reported to Vermont Medicaid due to a lack of specificity. Additionally, DVHA follows correct coding according to ICD-10-CM Official Guidelines.

Vermont Medicaid provides coverage of mental health services without a specific mental health diagnosis and acknowledges the importance of recognizing how social determinants can have major impact on an individual's physical and mental health, wellbeing, and quality of life. Examples of life experiences that may require clinical intervention may include, but are not limited to, death of a parent or guardian, food instability or housing instability, exposure to domestic violence or other traumatic events, experience of discrimination based on race, ethnicity, gender identify, sexual orientation, religion, or disability. Social Determinants of Health (SDOH) codes cannot be used as a primary diagnosis, however Vermont Medicaid allows Z71.9, Counseling Unspecified as a primary diagnosis according to ICD-10-CM. Please use Z71.9 for Medicaid beneficiaries under the age of 21. For Medicaid beneficiaries under the age of 21, the standard for medical necessity is more expansive than for adults per EPSDT regulations. Under EPSDT, medical necessity includes that a service is needed to correct or ameliorate a diagnosis or health condition, achieve proper growth and development, or prevent the onset or worsening of a health condition. ([Health Care Administrative Rule, 4.106 Early and Periodic Screening, Diagnostic and Treatment](#)).

The Z71.9 code is to be used on a case-by-case basis for Medicaid members under the age of 21 who could benefit from services such as psychotherapy but do not have a definitive diagnosis at the time of service. It is the expectation of the DVHA that providers utilize assessment tools to determine an appropriate clinical diagnosis. Once a more specific clinical diagnosis is determined that diagnosis code should be used instead of code Z71.9. Codes titled “unspecified” are for use when the information in the medical record is insufficient to assign a more specific code. Additionally, the use of secondary diagnosis codes that further describe the individual’s condition or the cause of the encounter is encouraged when appropriate. Code Z71.9 may not be used as the primary diagnosis code in an inpatient setting.

Vermont Medicaid only pays for healthcare services that are medically necessary. [Health Care Administrative Rule, 4.104, Medical Necessity for Covered Services](#), defines medically necessary as healthcare services that are appropriate, in terms of type, amount, frequency, level, setting and duration to the member’s diagnosis or condition and must conform to generally accepted practice parameters recognized by health care providers in the same or similar general specialty who typically treat or manage the diagnosis or condition.