

Bulletin: MSA 05-36

Distribution: Outpatient Hospitals
Rehabilitation Facilities
Nursing Facilities

Issued: July 1, 2005

Subject: New Outpatient Therapy Database
Clarifications and Reminders of Outpatient Therapy Policies

Effective: As indicated

Programs Affected: Medicaid, Children's Special Health Care Services (CSHCS) (This bulletin applies only to those therapy services provided by nursing facilities and provider type 40 outpatient hospitals and rehabilitation facilities.)

Outpatient Therapy Database

Effective 1/1/05, a new outpatient therapy database was created and posted on the Michigan Department of Community Health (MDCH) website. The database shows all covered outpatient therapy codes, their associated maximum fee screens, required modifiers and applicable frequency limits for provider type 40 outpatient hospitals and rehabilitation facilities. This database was updated effective 5/1/05 to reflect both the 2005 relative value units and the 4% fee reduction. The database is located at www.michigan.gov/mdch>>Providers>>Information for Medicaid Providers>>Provider Specific Information.

Dual-Use Therapy Codes

Medicaid has previously identified a number of therapy codes as "dual-use" therapy codes. The codes may be billed by both a physical therapist and an occupational therapist on the same date of service when both professionals provide covered therapy services on the same day under their corresponding treatment plans. The codes are identified on both the Outpatient Therapy Database and Nursing Facilities Database with required modifiers GO and GP. The appropriate modifier must always be used when billing dual-use codes. The modifiers further define each HCPCS code as follows:

Modifier	Description
GO	Services delivered under an outpatient occupational therapy plan of care
GP	Services delivered under an outpatient physical therapy plan of care

Effective 7/1/05, the following additional procedure codes are considered dual-use outpatient therapy services when services meet all Medicaid/CSHCS coverage requirements:

HCPCS Code	Description
97140	Manual therapy
97520	Prosthetic training

Aquatic Therapy

Medicaid/CSHCS does not cover aquatic therapy as a separately billable treatment or modality. Therefore, HCPCS code 97113 is not covered. A covered therapeutic procedure performed in a pool would be reimbursed when billed using the HCPCS code describing the covered procedure as long as the service met all Medicaid/CSHCS coverage requirements.

Outpatient Therapy Provided to School-Aged Children During Summer Months

Outpatient therapy services provided to school-aged children during the summer months in order to maintain the therapy services provided in the school are considered a continuation of therapy services when there is no change in beneficiary diagnosis or function. Per existing Medicaid policy, prior authorization is required before initiating a continuation of therapy.

Medicaid/CSHCS-covered outpatient therapies must be medically necessary, reasonable, and necessary to return the beneficiary to the functional level either a) prior to illness or disability, or b) appropriate to a stable medical status within a reasonable amount of time. Medicaid and CSHCS cover only those modalities and therapeutic procedures provided by a qualified therapist to reach the goals defined in the beneficiary's treatment plan. All services must be provided according to published Medicaid policies. Therapy services provided by outpatient therapy providers are not covered for educational, vocational, social/emotional or recreational purposes.

Group Therapy

Occupational and physical therapeutic procedures are not covered by Medicaid/CSHCS when provided concurrently to a group of two or more individuals by the therapist. Covered therapeutic procedures require direct (one-on-one) patient contact by the therapist.

CSHCS Requirements Reminder

CSHCS-covered outpatient therapy services must be directly related to the CSHCS-eligible diagnosis. In addition, all services must be referred by the beneficiary's assigned pediatric sub specialist, except that CSHCS diagnostic evaluations authorized by the local health department do not require a referral by the pediatric sub specialist.

Manual Maintenance

Providers utilizing the January 2005 CD version of the Michigan Medicaid Provider Manual should retain this bulletin until the next CD version of the Manual is issued. Providers utilizing the online/website version of the Manual should retain this bulletin until the information has been incorporated into the posted version.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Paul Reinhart, Director
Medical Services Administration