

Michigan Department of Community Health

Bulletin Number: MSA 12-02

Distribution: Outpatient Hospitals, Outpatient Rehabilitation Facilities, Practitioners

Issued: January 31, 2012

Subject: Changes to Outpatient Therapy Service Limitations and Coordination of Services to School-Aged Beneficiaries

Effective: March 1, 2012

Programs Affected: Medicaid, Children's Special Health Care Services (CSHCS)

The following changes to the Outpatient Therapy chapter of the Medicaid Provider Manual are being made effective March 1, 2012.

Outpatient Therapy Service Limitations

Physical Therapy and Occupational Therapy

Currently, certain outpatient physical and occupational therapy services are limited to 36 visits in a 90-day time period before prior authorization is required for an initial period of skilled therapy. The terminology "36 visits" is inconsistent with billing practices as physical and occupational therapy services are billed in units of 15 minutes each.

For initial physical and occupational therapy services currently limited to 36 visits in a 90-day time period, the limitation will be changed to 144 units in a 12-month time period. Prior authorization is not required for the 144 units of initial therapy, but is required if the beneficiary needs any continued therapy beyond these limits at the same facility or for changes in diagnosis and condition. The therapy provided must meet the current standards of coverage, as described in the Medicaid Provider Manual. Please refer to the Outpatient Therapy Database, located on the Michigan Department of Community Health (MDCH) website, for the Healthcare Common Procedure Coding System/Current Procedural Terminology (HCPCS/CPT) codes affected by this policy change.

When a beneficiary completes 144 units of initial therapy and then chooses to change providers for continued therapy, prior authorization for the continued therapy is required.

Speech Therapy

Currently, certain outpatient speech therapy services are limited to 36 visits in a 90-day time period before prior authorization is required for an initial period of skilled therapy. Speech therapy services are billed in "visits."

To align with the outpatient physical and occupational therapy service changes, the speech therapy limitation will be changed to 36 visits in a 12-month time period for an initial period of skilled therapy. Prior authorization is not required for the 36 visits of initial therapy, but is required if the beneficiary needs any continued therapy beyond these limits at the same facility or for changes in diagnosis and condition. The therapy provided must meet the current standards of coverage, as described in the Medicaid Provider Manual. Please refer to the Outpatient Therapy Database, located on the MDCH website, for the HCPCS/CPT codes affected by this policy change.

When a beneficiary completes 36 visits of initial therapy and then chooses to change providers for continued therapy, prior authorization for the continued therapy is required.

Coordination of Services to School-Aged Beneficiaries

If a school-aged beneficiary receives medically necessary therapy services in both a school setting, as part of an Individualized Education Plan (IEP), and in an outpatient setting, coordination of therapy between the providers is required. Documentation of this coordination will no longer need to be submitted with the request for prior authorization; however, the providers are expected to maintain this documentation in the beneficiary's file.

Manual Maintenance

Retain this bulletin until it has been incorporated into the Medicaid Provider Manual.

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

A handwritten signature in black ink that reads "Stephen Fitton". The signature is written in a cursive style with a large initial 'S'.

Stephen Fitton, Director
Medical Services Administration