

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
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ALL

MEDICAID BULLETIN

TO: Providers Indicated

SUBJECT: Clarification on Private Therapy Reductions

Due to system changes required, Private Rehabilitative Therapy Services (speech-language pathology therapy, occupational therapy, or physical therapy) will be limited to a combined total of 75 hours (300 units) per state fiscal year **effective April 1, 2011**. The state fiscal year begins July 1st and ends June 30th of each year. The combined therapy limit will be based on total hours as of April 1, 2011. The limits set on August 1, 2009 will apply to services billed before April 1, 2011. Providers may verify the therapy unit count by utilizing the Medicaid Interactive Voice Response System (IVRS) or South Carolina Medicaid Web-based Claims Submission Tool's eligibility screen beginning March 1, 2011.

As indicated in the Private Rehabilitative Therapy & Audiological Services Manual, on pages 2-4, "Payment for services that exceed frequency limitations must only be justified as a result of an Early and Periodic screening, Diagnosis, and Treatment (EPSDT) examination, and pre-approved by South Carolina Department of Health and Human Services (SCDHHS)." This policy remains unchanged.

Section 1905 (r)(5) of the Social Security Act (the Act) requires that any medically necessary health care service listed at Section 1905(a) of the Act intended to correct or ameliorate defects, and physical and mental illnesses and conditions discovered by the screening series, be provided to an EPSDT recipient. Children with special health care needs may need to be seen more frequently than children who have no identified specialized health care needs. When a physician identifies, through these screenings, a condition that requires referral to another practitioner, it is the responsibility of that physician to ensure appropriate referral be made to address that condition. It is also important that the physician reassess, on a regular basis, the need for ongoing services.

Should a physician determine through an EPSDT visit that a child requires additional private rehabilitative therapy services, that physician must document the medical necessity and request additional visits in writing for review by the SCDHHS Medical Directors. These pre-approved requests must include an evaluation overview, proposed treatment plan with expected outcomes, relative

progress notes, and anticipated units of services needed to address need(s). The documentation must indicate the diagnosis and/or functional impairment that establishes medical necessity, and must be signed by the child's primary care physician. Documentation should be faxed to SCDHHS staff at 803-255-8222, attention Private Rehabilitative Therapy Services Authorization, prior to provision of the service. Failure to comply with these requirements may result in denial or recoupment of payment.

These new limits apply to Private Rehabilitative Therapy Services. School-Based Rehabilitative Therapy Services provided under the Individuals with Disabilities Education Act (IDEA) are exempt from yearly frequency limits. Additionally, these limits do not apply to therapy services provided in Outpatient Hospital Clinics. These limits also do not necessarily apply to beneficiaries enrolled in Medicaid Managed Care Organization (MCOs).

Should you have any questions regarding this policy, please contact SCDHHS staff at 803-898-2655. Thank you for your continued support of the South Carolina Medicaid program.

/S/
Anthony E. Keck
Director

AEK/hpw

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