

# PROVIDER BULLETIN

No. 11-22

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TO: Physical & Occupational Therapy Providers

FROM: Vivianne M. Chaumont, Director   
Division of Medicaid & Long-Term Care

BY: Nola Pollmann, Program Specialist  
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RE: Medicaid Coverage of Physical & Occupational Therapy

**Please share this information with professional, clinical, administrative, and billing staff.**

*This provider bulletin replaces bulletin number 05-06 (dated 2/15/2005) and number 06-20 (dated 8/14/2006).*

The following policies and coverage criteria regarding Nebraska Medicaid coverage of physical and occupational therapy services applies to all Nebraska Medicaid eligible clients.

- **Nebraska Medicaid reimburses for services that are medically necessary as defined in 471 NAC 1-002.02A.**
- **Nebraska Medicaid does not pay for services that are experimental or investigational.**
- **A physician (MD or DO) order for therapy services is required before services are provided.**
  1. The initial physician order can cover up to 60 calendar days of services. If services continue to be medically necessary past the initial 60 calendar days, a new physician's order must be obtained every 30 calendar days thereafter.
  2. The initial and subsequent physician orders must describe the medical need for therapy services, an estimate of the continued duration of the services, the diagnosis, and the goals for the client.
- **Nebraska Medicaid reimburses for services that require the performance by or supervision of a licensed therapist or physician.**
- **For individuals age 21 and older, Medicaid covers a combined total of 60 therapy sessions per fiscal year (physical therapy, occupational therapy, and speech therapy). Services for individuals age 20 and younger are covered when specific criteria are met (see 471 NAC 17-003.02, 471 NAC 14-003.02, and 471 NAC 23-003-02). All therapy services must be medically necessary, with an expectation that there will be a definable degree of improvement in a reasonable length of time.**
- **Nebraska Medicaid does not reimburse:**
  1. Sensory integrative techniques to enhance sensory processing and promote adaptive response to environmental demands

2. Facilitated communication
3. Therapy for learning disorders or for services that are formal educational services in academic subjects
4. Functional capacity evaluations
5. General exercises to promote overall fitness, flexibility or weight reduction
6. Maintenance therapy (Nebraska Medicaid policy for maintenance therapy is found in 471 NAC 17-003.03 for Physical Therapy and 471 NAC 14-003.03 for Occupational Therapy)
7. Procedure codes 92605 and 92606

- **Nebraska Medicaid pays for face-to-face treatment time.** Time starts when the therapist is working directly with the patient and the time counted is the time the patient is treated. Nebraska Medicaid does not reimburse for therapist travel time, time spent documenting the treatment provided, or time spent in consultation regarding the client. This non-face-to-face time is considered part of the provider's overhead cost and is not reimbursable.
- **Claims must be submitted according to the instructions found in appendix 471-000-61.**
- **Claims must be billed in a manner consistent with good coding practices and the National Correct Coding Initiative.**
- **Treatment is billed based on the time spent on each single modality, not the total time of the treatment session for multiple modalities.**

<b>Patient File Documentation Requirements</b>
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The following documentation must be maintained in the patient's file and be available upon request.

1. A copy of all physician orders for evaluation and treatment.
2. A copy of the therapy evaluation containing the following elements:
  - a. The patient's significant past medical history, including past therapy services
  - b. The patient's diagnoses that require therapy
  - c. The results achieved during prior therapy services
  - d. A plan of care regarding the type, amount, and frequency of therapy to be provided, anticipated duration of therapy and specific and measurable goals.
3. The time each individual session is initiated and terminated.
4. The duration of each individual modality that is reported with a time based code.
5. The patient's response to therapy, progress, or reason for lack of progress should be documented. Progress should directly relate to measurable goals established in the plan of care.
6. The name and credentials of the individual providing therapy.

It is your responsibility as a Nebraska Medicaid provider to ensure that you have current regulations. This includes provider handbooks, appendix material, provider bulletins, and all updates. The Nebraska Medicaid regulations are found at [http://dhhs.ne.gov/medicaid/Pages/med\\_regs.aspx](http://dhhs.ne.gov/medicaid/Pages/med_regs.aspx). Provider Handbooks are found at [http://dhhs.ne.gov/medicaid/Pages/med\\_ph.aspx](http://dhhs.ne.gov/medicaid/Pages/med_ph.aspx). Provider Bulletins are found at [http://dhhs.ne.gov/medicaid/Pages/med\\_pb\\_index.aspx](http://dhhs.ne.gov/medicaid/Pages/med_pb_index.aspx). These sites should be checked regularly for updates and changes.

Please contact Nola Pollmann at (402) 471-9342 or via e-mail at [nola.pollmann@nebraska.gov](mailto:nola.pollmann@nebraska.gov) with questions.