

To: All Providers Participating in the Nebraska Medicaid Program
From: Drew Gonshorowski, Director *DG*
Date: June 1, 2026
Re: Nebraska Medicaid Coverage Limits for Adult Rehabilitation Therapy Services

This provider bulletin is being issued to notify Nebraska Medicaid providers of how Nebraska Medicaid will determine the coverage limit for adult rehabilitation therapy sessions. **Effective July 1, 2026**, Nebraska Medicaid's benefit limit of 60 rehabilitation therapy sessions per state fiscal year (July 1st through June 30th) will be adjusted to decrement therapy session visits after the primary payor source (Medicare, commercial non-Medicare insurance, or other primary payer) benefit has been exhausted.

Nebraska Medicaid covers a combined total of 60 rehabilitation therapy sessions per state fiscal year for individuals age 21 and older. Rehabilitation therapy services are physical therapy (PT), occupational therapy (OT), and speech therapy (SP). A session refers to one scheduled period of treatment where a therapist works with a patient to perform therapeutic activities or interventions.

Currently, when Nebraska Medicaid is the secondary payor source to a primary payor source, Nebraska Medicaid is counting any primary payer payment towards the 60-rehabilitation therapy session per state fiscal year limit.

Effective July 1, 2026, for Medicaid beneficiaries with a primary payer source to Medicaid, the Nebraska Medicaid benefit of 60 rehabilitation therapy sessions per state fiscal year will not begin to be counted until the primary payor source benefit has been exhausted.

Per the Nebraska Medicaid State Plan, the 60 rehabilitation therapy sessions per state fiscal year limit may be exceeded based on medical necessity.

Medicaid and Long-Term Care (MLTC) will update the existing PT/OT/SP therapy visits count logic to only include claims where Medicaid is primary payer source.

MLTC will determine payer priority at the claim line level during adjudication using third party liability (TPL)/other insurance (OI) data and will count PT/OT/SP therapy service visits toward the 60-visit state fiscal year limit only where Medicaid is the primary payer.

Medicaid Only:

When Medicaid is the only payer on the claim (no other/private insurance present), the visit will count toward the 60-visit limit.

Medicaid + Other/Private Insurance (No Payment from Other/Private Insurance):

When both Medicaid and other/private insurance are present, and the other/private insurance payment amount is zero, Medicaid is considered the primary payer. In this case, the visit will count.

Medicaid + Other/Private Insurance (Payment from Other/Private Insurance):

When both Medicaid and other/private insurance are present, and the other/private insurance has

paid an amount greater than 0, Medicaid is considered the secondary payer. In this case, the visit will **not** count.

Medicaid + Medicare + Other/Private Insurance:

When Medicaid, Medicare, and Other/private insurance are present, Medicare is primary and the claim is processed as a crossover claim. These visits are excluded and will not count toward the limit.

Medicaid + Other/Private Insurance + Payment by other source (POS):

When the other insurance payment amount is greater than zero dollars, this amount is populated in the Payment by Other Sources (POS) field. These visits will not count towards the limit by excluding claims with POS greater than zero dollars.

Resources

For more information on occupational (OT) and physical (PT) therapy services, refer to 471 NAC 14. <https://rules.nebraska.gov/rules?agencyId=37&titleId=226>

For more information on speech therapy (SP) services, refer to 471 NAC 23. <https://rules.nebraska.gov/rules?agencyId=37&titleId=226>

For more information, refer to Nebraska State Plan Attachment 3.1-A. <https://dhhs.ne.gov/Pages/Medicaid-State-Plan.aspx>

If you have questions regarding this advisory, please email: DHHS.MLTCPhysicalHealth@Nebraska.gov. Health plans should also copy their contract manager.

Provider Bulletins, such as this one, are posted on the DHHS website at <http://dhhs.ne.gov/pages/Medicaid-Provider-Bulletins.aspx>. Please subscribe to the page to help you stay up to date about new provider bulletins.