

Louisiana Department of Health and Hospitals

Health Plan Advisory 14-3

March 7, 2014

Rehabilitation Therapy-Reimbursement Methodology Change

The reimbursement methodology for Rehabilitation Clinics and Home Health Rehabilitation Services has changed effective February 8, 2014. This change impacts provider types 65 and 44 and procedure codes 97001, 97003, 97110, and 97530.

1. Rehabilitation Clinics (Provider Type 65)

The Medicaid Program provides reimbursement for physical therapy, occupational therapy and speech therapy rendered in rehabilitation clinics to recipients under the age of 21. All rehabilitation clinic services must be medically necessary and prior authorized.

- Physical/Occupational Therapy - Effective for dates of service on or after February 8, 2014, reimbursement for physical and occupational therapy services are now 85 percent of the 2013 Medicare published rate. There are no automatic enhanced rate adjustments for physical and occupational therapy services.
- Speech/Language Therapy services will continue to be reimbursed at the flat fee in place as of February 8, 2014 and in accordance with the Medicaid published fee schedule for speech therapy services provided to recipients under the age of 21 in rehabilitation clinics.

2. Home Health Rehabilitation Services (Provider Type 44)

The Medicaid Program provides coverage for rehabilitation services rendered in the Home Health Program. Home Health rehabilitation services include physical therapy, occupational therapy, and speech therapy. All home health rehabilitation services must be medically necessary and prior authorized.

- Physical/Occupational Therapy - Effective for dates of service on or after February 8, 2014, reimbursement for physical and occupational therapy services are now 85 percent of the 2013 Medicare published rate. There are no automatic enhanced rate adjustments for physical and occupational therapy services.
- Speech/Language Therapy services will continue to be reimbursed at the flat fee in place as of February 8, 2014 and in accordance with the Medicaid published fee schedule for speech/language therapy services provided in the Home Health Program.

The Rehabilitation Services fee schedule located at www.lamedicaid.com has been updated to reflect these changes (the fee schedules are updated at the end of each month to reflect any changes).

For additional information regarding this Health Plan Advisory, contact Angela Hebert at 225-342-7878 or angela.hebert@la.gov.