

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Greese</i>	DATE <i>1-4-12</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>101254</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Koch</i> <i>Closed 1/19/12, letter attached!</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>1-13-12</i> DATE DUE _____ <input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			



3620 Covenant Road
Columbia, SC 29204
Phone: (803) 787-3033
Fax: (803) 787-0300

*BRN - v08
PLS
C: Knicker
AK*

Date: 1/4/12 Pages: 2 (including cover sheet)

To: Anthony Keck

Fax Number: 255-8235

RECEIVED

JAN 04 2012

From: The Therapy Place: Dawn Darby

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Comments: RE: _____

- Evaluation
- Quarterly Progress Note
- Discharge Summary
- Please sign and return to fax number: 787-0300. Thank you for this referral.
- Please place in patient's medical records

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Innovative Therapies for Kids –
Resources for Families

January 4, 2012

RECEIVED

VIA FAX: 255-8235

Anthony Keck, Director
SCDHHS

JAN 04 2012

PO Box 8206
Columbia, SC 29202

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Mr. Keck:

You may recall that I have written letters to you in the past with concerns about reimbursement rates, the fairness of hospital versus private clinic reimbursement and other issues. You kindly sent Diane McLeod and Christopher Lykes to visit with us and we received answers to our billing questions but the questions and concerns over Medicaid practices still exist. We continue to have problems and continue to struggle. We are not alone in this issue. It almost feels as if there is a push to exclude private clinics when I believe the law is that every effort should be made to ensure that children have access to care. Currently, we are seeing 70 children for pediatric therapy and have a waiting list of 40+ children.

The most concerning problem recently is the fact that FirstChoice HMO has put us in a contract where they pay only 80% of the Medicaid posted rates. When I called Kaye Steele, local representative for FirstChoice, she informed me that all of the HMO's will be doing that soon and that the state is, in fact, reimbursing therapy incorrectly. She said that FirstChoice has been trying to get Medicaid to change for years. Ms. Steele went on to say that the 1 unit (15 minute) rate of \$23.00, for CPT 97530, Occupational therapy (for example) should be \$23.00 for one hour of therapy. In other words, we are getting paid 4 times the amount that we should be. Her information also included that Medicaid could come back up to 10 years of payments and request their money back.

I don't know if this is true about the amounts being reimbursed but I do believe that by choosing to pay 80%, they are in violation of some law, if not at least jeopardizing the existence of small clinics. The last thing I want to do is draw attention to a problem that results in a reduced rate to us (and even causes others to close as a result of my contact). On the other hand, I can't go on pretending that everything is as it should be and one day have Medicaid come ask us for their 75% back.

Once again, I am asking to meet with you on these issues. Disability Advocacy Day is coming up and I am planning my advocacy efforts. It would be nice to meet with you before then and have some things resolved.

Thanks so much for your consideration of this request.

Sincerely,

Dawn M. Darby
Executive Director/Co-Founder
(803)787-3033

CC: Governor Nikki Haley

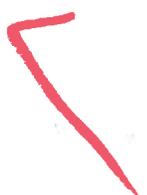
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Grise Campbell</i>	DATE <i>1-4-12</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
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	<input type="checkbox"/> FOIA DATE DUE _____
	<input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
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2. <i>BB Jucian</i>		<i>1/3/12</i>	
3.			
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_IMDRREF05 S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES 01/05/12
 PROCEDURE PRICING SCREEN
 SUBID/PROC N THERA 97530 THERAPEUTIC ACTIVITIE PT CONTACT EA 15 M
 PROC CODE MOD 000 PERSONAL SERV BY OCCU TRHPT OR OP OCCU TRHPT PLAN
 PRICE SPECIALTY 84 THERAPIST

PAYMENT / OUTPATIENT NONPATIENT

STATUS L FS X LINE-UNITS 4 DO NOT PAY
 CURRENT CHARGE 23.14 0.00
 EFFECTIVE DATE 07/11/11 03/01/04

APPLY CO-PAY 0 DO NOT APPLY CO-PAY IDLU TARAB
 CURRENT CO-PAY 0.00 DLU 07/11/11
 EFFECTIVE DATE 0 DOES NOT APPLY

BASIC ANESTHESIA UNITS 00 VALUE 0.00
 MINIMUM TIME UNITS 00
 MAXIMUM TIME UNITS 00

PF6->RETURN PF7->PRIOR PRICING PF8->NEXT PRICING
 PF10->PREV MENU PF11->PRIOR PRICING HIST PF12->NEXT PRICING HIST

SECTION 4 PROCEDURE CODES

Procedure Code	Procedure Code Description	Modifier	Modifier Description	Unit of Service	Frequency
97003	Occupational therapy evaluation	GO	Services delivered under an outpatient occupational therapy plan of care	One evaluation	2 every 12 months
Individual Occupational Therapy					
97530	Therapeutic activities, direct (one-on-one) patient contact by the provider (use of dynamic activities to improve functional performance), each 15 minutes	GO	Services delivered under an outpatient occupational therapy plan of care	15 minutes	4 units per day (1 hour) Limited up to 300 units per state fiscal year (75 hours) Combined Total for Therapies (92507,92508, 97110-GP, 97113-GP, 97530-GO, and 97113-GO)
Individual Aquatic Therapy					
97113	Therapeutic procedure, one or more areas, each 15 minutes; aquatic therapy with therapeutic exercises	GO	Services delivered under an outpatient occupational therapy plan of care	15 minutes	8 units per calendar month (may be a combination of units not to exceed 8 units per month) Limited up to 300 units per state fiscal year (75 hours) Combined Total for Therapies (92507,92508, 97110-GP, 97113-GP, 97530-GO, and 97113-GO)

NOTE: Payment for this procedure includes both time and cost of material.

SECTION 2 POLICIES AND PROCEDURES

PRIVATE REHABILITATIVE THERAPY & AUDIOLOGICAL SERVICES

Supervision of Occupational Therapy Assistants

Occupational Therapy Assistants shall perform their duties in accordance with applicable licensure requirements only after examination and evaluation of the child and development of a treatment plan have been completed by a licensed Occupational Therapist. Additionally, the supervising therapist must review and initial each Progress Summary completed by the assistant. These licensed individuals must adhere to any provisions as required by the South Carolina Department of Labor, Licensing and Regulation (LLR).

Supervision Requirements

See “Supervision” under “Provider Qualifications” earlier in this section.

Service Description

Occupational Therapy Evaluation

97003–GO: Occupational Therapy Evaluation

An Occupational Therapy Evaluation is a comprehensive evaluation that should be conducted in accordance with the American Occupational Therapy Association and South Carolina Board of Occupational Therapy guidelines, the physician or other LPHA referral, the Occupational Therapist’s professional judgment, and the specific needs of the child. The evaluation should include a review of available medical history records and an observation of the patient and interview, when possible. The evaluation must include diagnostic testing and assessment and a written report with recommendations.

Individual Occupational Therapy

Individual 97530–GO: Therapeutic activities, direct (one-on-one) patient contact by the provider (use of dynamic activities to improve functional performance), each 15 minutes

Individual Occupational Therapy involves the development and implementation of specialized Occupational Therapy programs that incorporate the use of appropriate interventions, occupational therapy activities in the school or home environment, and recommendations on equipment needs and adaptations of physical environments.

Occupational Therapy performed directly with one child should be documented and billed as Individual Occupational Therapy.

Effective April 1, 2011, the South Carolina Department of

SECTION 2 POLICIES AND PROCEDURES**PRIVATE REHABILITATIVE THERAPY & AUDIOLOGICAL SERVICES*****Individual Occupational Therapy (Cont'd)***

Health and Human Services (SCDHHS) will apply limits to this procedure code. A maximum combined total of 75 hours will be permitted for speech-language pathology, occupational, and physical therapies per state fiscal year for each beneficiary. Providers must start counting the beneficiary's hours of service at the beginning of the state fiscal year. This requirement is for the fee-for-service Medicaid population. The state fiscal year begins July 1st and ends June 30th of each year.

Requests for services in excess of these guidelines must be submitted to SCDHHS for review and approval before services are provided. Requests must document the medical necessity for the additional hours, expected outcome for beneficiary, and must indicate the number of additional hours requested to meet the beneficiary's needs.

Requests should be mailed or faxed to:

SC Department of Health and Human Services
PO Box 8206

Columbia, SC 29201-8206

Attn: Division of Medical Support Services
Private Therapy Coordinator

Fax: (803) 255-8222

Aquatic Therapy

Individual 97113-GO: Therapeutic procedure, one or more areas, each 15 minutes; aquatic therapy with therapeutic exercises

Aquatic therapy refers to any exercise/activity that is performed in a water environment including whirlpools, Hubbard tanks, underwater treadmills, and pools. Aquatic therapy is covered following the general medical necessity guidelines for all therapy services. The exercises/activities in the water must be medically necessary for the patient's condition and must require the unique skills of a therapist. Aquatic therapy is a timed code that requires direct, one-on-one patient contact by the therapist/assistant.

Consider the following points when providing aquatic therapy services:

- Does your patient require your unique skills as a therapist, or could the patient achieve functional improvement through a community-based aquatic exercise/activity program?



January 19, 2012

Ms. Dawn M. Darby
Executive Director
The Therapy Place
3620 Covenant Road
Columbia, South Carolina 29204

Dear Ms. Darby:

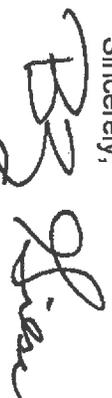
Thank you for your letter of January 4, 2012, regarding provider participation with Medicaid Managed Care Plans, specifically First Choice, and reimbursement rates for private therapy services.

I have verified that a reimbursement rate of \$23.14 per fifteen minute unit (CPT Code 97530 with GO modifier) is correct. This procedure is covered in detail in your Private Rehabilitative Therapy Manual, which is the most reliable source for information about Medicaid covered services and reimbursement rates. This resource and SCDHHS published Medicaid Bulletins should always be your primary source for valid information about Medicaid programs and services.

Medicaid Managed Care Plans operate in a competitive environment. One area of competition is the rates they will offer providers to participate in their networks. A Plan must have adequate provider coverage for each category of service they are required to cover, and will negotiate reimbursement rates accordingly. Common provider types are typically reimbursed at lower rates than more specialized provider types. Reimbursement rates are negotiated between Plans and providers. This agency does not dictate what the rates may be, and a negotiated rate at less than 100% of Medicaid reimbursement does not violate any law, as your letter suggests. No Plan should be expected to pay you a higher rate for the same service they can obtain from a similar provider at a lower rate.

I hope this information will be helpful in your network negotiations with Medicaid Managed Care Plans. Again, thank you for notifying us. Should you have any other questions, please contact our Private Rehabilitative Services Department at (803) 898-2655 or our Managed Care Department at (803) 898-4614.

Sincerely,



Melanie "Bz" Giese, RN
Deputy Director

MG/cb