

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>7-13-06</i>
--------------------	------------------------

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>000079</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____		
2. DATE SIGNED BY DIRECTOR <i>cc: Bowling</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____		
		<input type="checkbox"/> FOIA DATE DUE _____	
		<input checked="" 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.			

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St., Suite 4120
Atlanta, Georgia 30303-8909



July 10, 2006

Mr. Robert M. Kerr, Director
Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Jos. Wells
"Noe. Action"
cc: Bowling

RECEIVED

JUL 13 2006
Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: South Carolina Title XIX State Plan Amendment, Transmittal #05-006

Dear Mr. Kerr:

We have reviewed South Carolina's State Plan Amendment (SPA) 05-006 which was submitted to the Atlanta Regional Office on March 31, 2005. This State Plan Amendment proposes to add Orientation and Mobility Services to the South Carolina State Plan, as well as clarify the policy and payment methodologies for Speech, Occupational, and Physical Therapies for children. Based on the information provided, we are pleased to inform you that South Carolina SPA 05-006 was approved on July 7, 2006. The effective date is January 1, 2005.

Copies of the signed CMS-179 form and approved plan pages are enclosed. If you have any questions regarding this amendment, please contact Elaine Elmore at (404) 562-7408.

Sincerely,

Renard L. Murray, D.M.
Associate Regional Administrator
Division of Medicaid & Children's Health

Enclosure

REVISEDFORM APPROVED
OMB NO. 0938-0193**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**1. TRANSMITTAL NUMBER:
05-0062. STATE
South Carolina**FOR: HEALTH CARE FINANCING ADMINISTRATION**3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR

4. PROPOSED EFFECTIVE DATE
January 1, 2005HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES5. TYPE OF PLAN MATERIAL (*Check One*):☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENTCOMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)6. FEDERAL STATUTE/REGULATION CITATION:
Section 1934 (d)

7. FEDERAL BUDGET IMPACT:

a. FFY 2005 \$ -0-
b. FFY 2006 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):Attachment 3.1-A, Limitation Supplement, Pages 1b.1 thru 1b.6, 5a, 5b,
6b and 6c
Attachment 4.19-B, Pages 2a and 2a.1Attachment 3.1-A, Limitation Supplement, Pages 5a, 5b, 6b & 6c
Attachment 4.19-B, Page 2a

10. SUBJECT OF AMENDMENT:

Clarification of the Program & Reimbursement language applicable to the EPSDT services.

11. GOVERNOR'S REVIEW (*Check One*):

- ☐
- GOVERNOR'S OFFICE REPORTED NO COMMENT
-
- ☐
- COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
-
- ☐
- NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:
Mr. Kerr was designated by the Governor to
review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

See Attached Faxed Copy With Signature

13. TYPED NAME:

South Carolina Department of Health and Human Services
Post Office Box 8206

Robert M. Kerr

Columbia, SC 29202-8206

14. TITLE:

Director

15. DATE SUBMITTED:

April 28, 2005

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

March 31, 2005

18. DATE APPROVED:

July 7, 2006

PLAN APPROVED -- ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

January 1, 2005

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE: Associate Regional Administrator
Division of Medicaid & Children's Health

Renard L. Murray, D.M.

23. REMARKS:

FORM APPROVED
OMB NO. 0938-0193

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH CARE FINANCING ADMINISTRATION

TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER: 05-006	2. STATE South Carolina
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE January 1, 2005	

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT
(Complete blocks 6 thru 10 if this is an amendment (Separate Transmittal for each amendment))

6. FEDERAL STATUTE/REGULATION CITATION:

7. FEDERAL BUDGET IMPACT:

Section 1934 (d)

a. FFY 2005 \$ -0-
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OR ATTACHMENT (If Applicable):Attachment 3.1-A, Limitation Supplement, Pages 1b.1 thru 1b.6
5a, 5b, 6b and 6c
Attachment 4.19-B, Pages 2a and 2a.1Attachment 3.1-A, Limitation Supplement, Pages 5a, 5b,
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Attachment 4.19-B, Page 2a

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☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

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South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

14. TITLE:

Director

15. DATE SUBMITTED:

April 28, 2005

4.b EPSDT cont.

The State assures that this provision of EPSDT will not restrict an individual's free choice of providers in violation of 1902 (a) (23) of the Act.

1. Eligible recipients will have free choice of providers of EPSDT services. They will have the freedom of choice to switch providers if and when they desire.
2. Eligible recipients will have free choice of providers under other medical care under the State Plan. Providers will assure that freedom of choice of physicians and other medical care providers are maintained at all times.

Assurance 1905(a) Services: The state assures that EPSDT eligible clients have access to Section 1905(a) services not specifically listed in the state plan when they are medically necessary. Services provided as described in Section 1905(a) to correct or ameliorate defects and physical and mental illnesses and conditions not specified in the state plan will be provided if determined to be medically necessary by the appropriate agency staff.

Referrals for rehabilitative therapy services must be made by physician or other licensed practitioner of the healing arts and all Medicaid and state supervisory requirements must be adhered to. Referral means that the physician or other licensed practitioner of the healing arts has asked another qualified health provider to recommend, evaluate or perform therapies, treatment or other clinical activities to or on behalf of the beneficiary being referred. It includes any necessary supplies or equipment.

PHYSICAL THERAPY, OCCUPATIONAL THERAPY, AND SERVICES FOR INDIVIDUALS WITH SPEECH, HEARING AND LANGUAGE DISORDERS

Physical Therapy Services: In accordance with 42 CFR 440.110(a), physical therapy means services prescribed by a Physician or other Licensed Practitioner of the Healing Arts (LPHA) within the scope of his or her practice under state law and provided to a beneficiary by or under the direction of a qualified Physical Therapist. It includes any necessary supplies and equipment. Physical Therapy Services involve evaluation and treatment to prevent, alleviate, or compensate for movement dysfunction and related functional problems. Specific services rendered: PT Evaluation, Individual and Group Therapy (a group may consist of no more than six children).

Specific services provided include:

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

4.b EPSDT cont.

Individual and Group Physical Therapy: Individual or Group Physical Therapy is the development and implementation of specialized Physical Therapy programs that incorporate the use of appropriate modalities; performance of written and/or oral training of teachers and/or family regarding appropriate Physical Therapy activities/therapeutic positioning in the school or home environment; recommendations on equipment needs; and safety inspections and adjustments of adaptive positional equipment. Physical Therapy performed on behalf of one child should be documented and billed as Individual Physical Therapy. Physical Therapy performed on behalf of two or more children should be documented and billed as Group Physical Therapy. A group may consist of no more than six children.

Providers of Physical Therapy Services include:

- **Physical Therapist (PT).** In accordance with 42 CFR 440.110(2)(i)(ii), a qualified physical therapist is an individual who is currently licensed by the South Carolina Board of Physical Therapy Examiners, a graduate of a program of physical therapy approved by the Committee on Allied Health Education, Accreditation of the American Medical Association and the American Physical Therapy Association or its equivalent.
- **Physical Therapist Assistant (PTA)** is an individual who is currently licensed by the South Carolina Board of Physical Therapy Examiners. A physical therapist assistant provides services under the direction of a qualified physical therapist.

Occupational Therapy Services: In accordance with 42 CFR 440.110(b)(1), occupational therapy means services, including evaluation and treatment, are prescribed by a Physician or other Licensed Practitioner of the Healing Arts to develop, improve, or restore functional abilities related to Self-Help Skills, Adaptive Behavior, Fine/Gross Motor, Visual, Sensory Motor, Postural, and Emotional Development that have been limited by a physical injury, illness, or other dysfunctional condition. Occupational Therapy involves the use of purposeful activity interventions and adaptations to enhance functional performance. Specific services rendered: OT Evaluation, Individual and Group OT (a group may consist of no more than six children), Fabrication of Orthotic, Fabrication of Thumb and Finger Splints.

Specific services provided include:

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.

4.b EPSDT cont.

Individual and Group Occupational Therapy: Individual or Group Occupational Therapy is 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 to or on behalf of one child should be documented and billed as Individual Occupational Therapy. Occupational Therapy performed for two or more individuals should be documented and billed as Group Occupational Therapy. A group may consist of no more than six children.

Fabrication of Orthotics for upper and lower extremities and Thumb and Finger Splints: Fabrication of Orthotic is the fabrication of orthotics for lower and upper extremities, and the Fabrication of Thumb Splint and Finger Splint is the fabrication of orthotic for the thumb and likewise, the fabrication of Finger Splint is the fabrication of orthotic for the finger.

Providers of Occupational Therapy include:

- **Occupational Therapist (OT).** In accordance with 42 CFR 440.110(2)(i)(ii) an occupational therapist is an individual who is currently licensed as a Registered Occupational Therapist (OTR/L or OT) by the South Carolina Board of Occupational Therapy.
- **Occupational Therapy Assistant (OTA)** is an individual who is currently licensed as a Certified Occupational Therapy Assistant (COTA/L or OTA) by the South Carolina Board of Occupational Therapy.

Speech/Language Pathology Services: In accordance with 42 CFR 440.110(c), speech/language services means evaluative tests and measures utilized in the process of providing Speech-Language Pathology Services and must represent standard practice procedures. Only standard assessments (i.e., Curriculum-Based Assessments, Portfolio Assessments, Criterion Referenced Assessments, Developmental Scales, and Language Sampling Procedures) may be used. Tests or measures described as "teacher-made" or "informal" are not acceptable for purposes of Medicaid reimbursement. Individuals must be referred by a Physician or other Licensed Practitioner of the Healing Arts within the scope of his or her practice under state law to receive these services. Specific services rendered: Speech Evaluation, Individual Speech Therapy, and Group Speech Therapy (a group may consist of no more than six children).

Specific services provided include:

Speech Evaluation: Upon receipt of the physician or other LPHA referral a Speech Evaluation is conducted. This is a face-to-face interaction between the Speech-Language Pathologist/Therapist and the child for the purpose of evaluating the child's dysfunction and determining the existence of a speech disorder. Evaluation should include review of available medical history records and must include diagnostic testing and assessment, and a written report with recommendations.

TN No.: 05-006
EFFECTIVE DATE: 01/01/05
RO APPROVAL: 07/07/06
SUPERSEDES TN No.: New

4.b EPSDT cont.

Individual Speech Therapy: Individual Speech Therapy is the delivery of remedial services for identified speech and/or language handicaps to a child whose speech and/or language patterns deviate from standard based on evaluation and testing, including training of teacher or parent. Individual Speech Therapy services may be provided in a regular education classroom.

Group Speech Therapy: Group Speech Therapy is the delivery of remedial services for identified speech and/or language handicaps in a group setting to children whose speech and/or language patterns deviate from standard based on evaluation and testing, including training of teacher or parent. A group may consist of no more than six children. Group Speech Therapy services may be provided in a regular education classroom.

Providers of Speech/Language Pathology services include:

- **Speech-Language Pathologist** in accordance with 42 CFR 440.110(2)(1)(11) is an individual who meets one of the following requirements: has a Certificate of Clinical Competence from the American Speech and Hearing Association, has completed the equivalent educational requirements and work experience necessary for the certificate, has completed the academic program and is acquiring supervised work experience to qualify for the certificate. Existing Speech-Language Therapists who do not meet the credentials outlined in the CFR must render services under the direction of a Speech-Language Pathologist pursuant to federal regulations above.

- **Speech-Language Pathology Assistant** is an individual who is currently licensed by the South Carolina Board of Examiners in Speech-Language Pathology. The Speech-Language Pathology Assistant must be supervised by a licensed Speech-Language Pathologist as required by LLR. Speech-Language Pathology Intern is an individual who is currently licensed by the South Carolina Board of Speech-Language Pathology and is seeking the academic and work experience requirements established by the American Speech and Hearing Association (ASHA) for the Certification of Clinical Competence in Speech-Language Pathology. The Speech-Language Pathology Intern must be supervised by a licensed Speech-Language Pathologist as required by LLR.

4.b EPSDT cont.

Orientation and Mobility Services: Are provided to assist individuals who are blind and visually impaired to achieve independent movement within the home, school, and community settings. O&M Services utilize concepts, skills, and techniques necessary for a person with visual impairment to travel safely, efficiently, and independently through any environment and under all conditions and situations. The goal of these services is to allow the individual to enhance existing skills and develop new skills necessary to restore, maximize, and maintain physiological independence.

Orientation and Mobility (O&M) Service Qualifications:

- The service must be recommended by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under state law.
- The service must be provided for a defined period of time, for the maximum reduction of physical or mental disability and restoration of the individual to his or her best possible functional level.
- The service must be furnished by individuals working under a recognized scope of practice established by the state or profession.

Specific services provided include:

Assessment: An Orientation & Mobility Assessment is a comprehensive evaluation of the child's level of adjustment to visual impairment and current degree of independence with or without assistive/adaptive devices, including functional use of senses, use of remaining vision, tactile/Braille skills, and ability to move safely, purposefully, and efficiently through familiar and unfamiliar environments. Assessment must include a review of available medical history records, diagnostic testing and assessment, and written report with recommendations.

Reassessment: An Orientation & Mobility Reassessment is an evaluation of the child's progress toward treatment goals and determination of the need for continued services. Reassessment may consist of a review of available medical history records and diagnostic testing and assessment, but must include a written report with recommendations. Reassessment must be completed at least annually but more often when appropriate.

Services: Orientation & Mobility Services is the use of systematic techniques designed to maximize development of a visually impaired child's remaining sensory systems to enhance the child's ability to function safely, efficiently, and purposefully in a variety of environments. O&M Services enable the child to improve the use of technology designed to enhance personal communication and functional skills such as the long cane, pre-mobility and adapted mobility devices, and low vision and electronic travel aids. O&M Services may include training in environmental awareness, sensory awareness, information processing, organization, route planning and reversals, and

4.b EPSDT cont.

training in balance, posture, gait, and efficiency of movement. O&M Services may also involve the child in group-settings to increase their capacity for social participation, or provide adaptive techniques and materials to improve functional activities such as eating, food preparation, grooming, dressing, and other living skills.

Providers of Orientation and Mobility services include:

- **Orientation and Mobility (O&M) Specialist** is an individual who holds a current and valid certification in Orientation and Mobility from the Academy for Certification of Vision Rehabilitation and Education Professionals (ACVREP) or an individual who holds a current and valid certification in Orientation and Mobility from the National Blindness Professional Certification Board (NBPCB).

TN No.: 05-006
EFFECTIVE DATE: 01/01/05
RO APPROVAL: 07/07/06
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Medicaid coverage is limited to services provided by licensed ESRD clinics meeting the Medicare requirements outlined in 42 CFR Part 250 and participating in Medicare as evidenced by a Medicare agreement.

a. MENTAL HEALTH CLINICS: Medicaid coverage is limited to outpatient Mental Health Clinics meeting the standards as determined by the South Carolina Department of Mental Health and services as outlined in the South Carolina Mental Health and Quality Assurance Manuals.

b. COUNTY HEALTH DEPARTMENT: Medicaid coverage includes all primary, preventive, therapeutic and rehabilitative services that are medically justified and rendered under the supervision of a physician, and a written physician protocol as described in the Physician and Clinical Services Manual and through contract with the Single State Agency.

These services include all primary diagnostic and treatment services, maternal and child health care, and family planning services as described in the Physician and Clinical Services Manual and elsewhere in the State Plan.

Coverage is limited to health clinics licensed by, or contracted with, or under the auspices of the South Carolina Department of Health and Environmental Control.

10 DENTAL SERVICES

For recipients of any age, emergency dental services are those which are necessary to repair traumatic injury, to relieve acute severe pain, to control an acute infectious process, operative procedures required to prevent pulpal death and associated imminent loss of teeth and emergency services necessary due to a catastrophic medical condition. Allowable emergency services are limited to those listed in the Dentistry Medicaid Manual.

11.a PHYSICAL AND OCCUPATIONAL THERAPY

Other physical and occupational therapy services not related to EPSDT are limited to providers employed by certified and enrolled Medicaid providers with restriction as prescribed in the hospital, physician, clinic and home health sections of the Plan.

12.a PHARMACY SERVICES. Under the vendor drug program is included the dispensing of certain legend drugs and certain non-legend drugs to eligible recipients. Drugs for which Medical Assistance reimbursement is available are limited to the following:

Covered outpatient drugs of any manufacturer which has entered into and complies with an agreement under Section 1927(a) of the Act which are prescribed for a medically accepted indication.

Only pharmaceuticals which meet Food and Drug Administration requirements and are approved for marketing may be supplied. The patient must have a valid prescription from his physician, dentist, or podiatrist.

Recipients aged 21 and older, are limited to four (4) prescriptions/refills per month. Prescription/refill quantities for all Medicaid eligibles, regardless of age, are limited to a maximum thirty-four (34) day supply. (Certain medications may be exempted from the four (4) prescription limit.) Recipients aged birth through the month of their 21st birthday receive unlimited prescriptions/refills per month.

Long term care facility recipients whose medications are supplied by provider under the Alternate Reimbursement Methodology and specified in the provider ARM contract, will receive all drugs as necessary under sections 1919 (b)(4)(A)(iii). Federal financial participation will only be provided for Medicaid drugs provided to long term care facility residents, from manufacturers participating in the Medicaid Drug Rebate Program.

Based on the requirements of section 4401 of the Omnibus Budget Reconciliation Act of 1990 (OBRA '90), state plan amendment is revised to add the following issues concerning the Drug Rebate Agreements:

- Effective January 1, 1991 Medicaid will cover only drugs of participating manufacturers except 1-A drugs, where state process for approval must be described. (Because of extenuating circumstance waiver, states may cover non-participating manufacturers' drugs for claims with date of service through March 31, 1991.)
- A formulary or other restrictions must permit coverage of participating manufacturers' drugs.
- The state will comply with the reporting requirements for state utilization information and on restrictions to coverage.
- If state has "existing" agreements, these will operate in conformance with law, and for new agreements, require HCFA approval. State must also agree to report rebates from separate agreements.
- A state must allow manufacturers to audit utilization data.
- The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verifications.

TN No.: 05-006
EFFECTIVE DATE: 01/01/05
RO APPROVAL: 07/07/06
SUPERSEDES TN No.: 01-006

13d. REHABILITATIVE SERVICES. The following services are considered rehabilitative services:

Outpatient mental health rehabilitative services meeting standards as determined by the South Carolina Department of Health and Human Services.

Alcohol and Drug Abuse Services are those services that are provided in order to achieve a maximum reduction of physical or mental disability and restoration of a recipient to his best possible function level. Services are available to all Medicaid recipients in South Carolina. Services are recommended by a licensed physician or other licensed practitioners of the healing arts, and are rendered by, or under the direct supervision of a licensed professional in the health or human services field or credentialed professional in the alcohol and drug abuse field. Services are available through the local alcohol and other drug treatment commissions. All facilities are accredited by the Rehabilitation Accreditation Commission as rehabilitation centers. Most facilities provide outpatient services and inpatient residential care at 16 beds or less, and no room and board is charged to Medicaid. Services are rendered based on the American Society for Addiction Medicine (ASAM) Levels of Care. Eligible provider programs must be licensed by the South Carolina Department of Health and Environmental Control for chemically dependent or addicted persons, and meet the standards established by the Department of Health and Human Services and the South Carolina Department of Alcohol and Other Drug Abuse Services.

EPSTD Children's Rehabilitative Services:

Children's Rehabilitative Services are those services provided by licensed/credentialed providers for the purpose of ameliorating, as much as possible, developmental disabilities and/or delays, improving the child's ability to function independently, and restoring maximum function through the use of diagnostic, therapeutic, and restorative services. Children's rehabilitation services shall be provided to special needs children with physical or emotional handicaps in accordance with the child's Individualized Family Service Plan (IFSP), Individualized Treatment Plan (ITP), or Individualized Education Plan (IEP). The following services are included as Children's Rehabilitative Services:

Psychological Evaluation and Testing Services: evaluation of intellectual, emotional and behavioral status and any resulting distress and/or dysfunction. Service components include screening, diagnostic interview, testing and/or assessment.

Mental Health Counseling Services: therapeutic mental health services rendered in various environments by professional staff for the purpose of rehabilitation and restoration to an optimal level of functioning through the application of psychological principals, methods and procedures.

TN No.: 05-006
EFFECTIVE DATE: 01/01/05
RO APPROVAL: 07/07/06
SUPERSEDES TN No.: 01-005

Early Intervention Services: therapeutic, training and support services provided in order to facilitate the developmental progress of children between the ages of birth through five years whose developmental patterns are atypical due to the influence of certain biological or environmental factors. These services include completion of developmental assessments, development of a treatment plan and regular home visits for the purpose of training parents/caregivers in the use of appropriate technologies to enhance the development of the child and support the family in their care of the child.

Intensive In-home Services: concentrated therapeutic mental health services rendered in-home by professional staff for the purpose of rehabilitation and restoration to an optimal level of functioning.

Children's Rehabilitative Services are provided by licensed/credentialed practitioners. These practitioners are limited to licensed physical and occupational therapists who are employed by recognized providers; doctoral level psychologists licensed according to state law in the specialty of Clinical, Counseling or School Psychology; Qualified Mental Retardation Professionals (QMRP), as defined in 42 CFR 483.430, employed by recognized providers; Local Education Agencies (LEA's) accredited by the State Department of Education; bachelor and master level professionals certified to provide early intervention services, and other counselors licensed/credentialed by the appropriate state entity and employed by an approved provider.

Coverage restrictions for services rendered by private practice physical therapists, occupational therapists and Ph.D. level psychologists are identified in other sections of the plan.

REHABILITATIVE SERVICE FOR PRIMARY CARE ENHANCEMENT

A. Definition of Service - Rehabilitative Services for Primary Care Enhancement by the State, within the scope of their practice under State law, w(RSPCE) are services recommended by a physician or other licensed practitioner of the healing arts which are furnished by (or under the supervision of) physicians or other practitioners of the healing arts licensed by the State, within the scope of their practice under State law, which are furnished in order to:

- reduce physical or mental disability, and
- restore an individual to their best possible functional level.

Covered RSPCE must either be: (1) required for the development and implementation of a comprehensive medical plan of care by a physician and other appropriate practitioners, or (2) medically necessary rehabilitative medical services identified in the comprehensive RSPCE medical plan which are not otherwise covered under the State Plan.

Therapy Services:

Payment Methodologies for Therapy Services:

Therapy services are rendered by both state and private providers and are reimbursed on a fee for service basis. Reimbursable EPSDT Children's Rehabilitative therapy services include but are not limited to:

A. Physical Therapy

Occupational Therapy
Psychological Evaluation and Testing
Speech/Language Pathology

B. Orientation & Mobility Services

A. For private providers, the Medicaid agency utilized the applicable Medicare fee schedule in effect at the time these services were added to the array of Children's Rehabilitative Services. Rates are established at percentages of up to 100% of the comparable Medicare service. For state owned providers of therapy services (i.e. Local Education Agencies), the Medicaid agency reimburses 100% of the Medicare fee schedule.

B. Orientation and Mobility Services are evaluation and treatment services provided to assist blind and visually impaired individuals achieve maximum independence. The fixed 15 minute rate, applied to both evaluation and treatment services as follows:

T1024/000	Orientation and Mobility Assessment
T1024/OTS	Orientation and Mobility Reassessment
T1024/OTM	Orientation and Mobility Services

This rate has been established at sixty percent (60%) of the average of the sum of the Medicare rates for the following three CPT codes:

97533	Sensory Integration
97535	Self Care Management Training
97537	Community/Work Reintegration

These CPT codes were chosen and averaged as the activities performed as a part of Orientation and Mobility Services most closely identify with various components defined in the three CPT codes listed above. The Medicaid rate has been reduced from 100% of the Medicare average rate to acknowledge the differences in the credentials required for providers of Orientation and Mobility Services from those of the Medicare covered CPT codes.

TN No.: 05-006
EFFECTIVE DATE: 01/01/05
RO APPROVAL: 07/07/06
SUPERSEDES TN No.: 05-004

Nursing Services for Children Under 21:

Initial reimbursement to providers of nursing services for children under the age of 21 is made on the basis of an established fee schedule not to exceed the prevailing charges in the locality for comparable services under comparable circumstances. Reimbursement will be provided on a unit of a quarter of an hour basis for skilled nursing services and a per encounter basis for medication administration and other similar procedures. The current reimbursement rates are based on rates or fees reimbursed for similar services.

State and local government providers must submit annual actual cost and service delivery data. The State shall utilize Medicare reasonable cost principles as well as OMB Circular A-87 and other OMB circulars as may be appropriate during its review of actual allowable costs. Future reimbursement rates to state and local government providers shall be the lesser of actual allowable documented cost or the established fee.

4.c Family Planning Services and Supplies:

Family Planning Services are reimbursed at an established fee schedule based on cost or by the methodologies set forth in other sections of the Plan.

5. Physician Services:

Effective January 1, 2004, there is a standard co-payment of \$2.00 per office visit provided (42 CFR 447.55) when co-payment is applicable (42 CFR 447.53). State developed fee schedule rates are the same for both public and private pediatric sub-specialist providers and the fee schedule and any annual/periodic adjustments to the fee schedule are published. All physician services will be reimbursed based on a Fee Schedule not to exceed 100 percent of Medicare. For those procedures that are non-covered by Medicare, reimbursement is based on data collected within the Medicaid Management Information System or by a review conducted by medical personnel to establish the relative value. Nurse practitioners will continue to receive reimbursement at 80 percent of the physician's rate.

Effective July 1, 2005, pediatric sub-specialist providers will receive an enhanced Medicaid rate for evaluation & management, medical & surgical procedure codes. These enhanced rates are established at 120 percent of the Medicare fee schedule for certain evaluation and management codes as determined by the state agency. All other CPT codes will be reimbursed at 100 percent of the Medicare fee schedule. Pediatric sub-specialist providers are those medical personnel that meet the following criteria: a) have at least 85% of their patients who are children 18 years or younger; b) practice in the field of Adolescent Medicine, Cardiology,

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SUPERSEDES TN NO.: New