

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201627 MAY 24, 2016

IHCP revises coverage policies for therapy services

Effective July 1, 2016, the Indiana Health Coverage Programs (IHCP) is revising its coverage policy for various therapy services to align with recent updates made to *Indiana Administrative Code 405 IAC 5-22*. These policy changes will apply to services rendered on dates of service (DOS) on or after July 1, 2016.

Rehabilitative therapy services

Rehabilitative services refer to the federal definition outlined in *Code of Federal Regulations 42 CFR 440.130(d)* and include physical therapy (PT), occupational therapy (OT), respiratory therapy, speech-language pathology, and audiology services provided to members.

IHCP policy regarding the coverage of rehabilitative therapy services makes the following distinction based on the member's age:

- For members 21 years of age and older, rehabilitative therapy services are covered for no longer than two years from the initiation of the therapy unless there is a significant change in the member's medical condition requiring longer therapy.
- For members under 21 years of age, rehabilitative therapy services are covered when it is determined to be medically necessary.



This revised coverage policy applies to PT, OT, respiratory therapy, speech-language pathology, and audiology services when they are provided as rehabilitative services. Prior authorization (PA) continues to be required for all rehabilitative therapy services, with limited exceptions as outlined in the [Medical Policy Manual](#) and amended by this bulletin.

Maintenance therapy

The IHCP no longer recognizes maintenance therapy. The term *maintenance therapy* has been replaced with *habilitative therapy*. See coverage information for habilitative therapy services in the following section.

Habilitative therapy services

Habilitative therapy refers to therapy addressing chronic medical conditions where further progress is not expected. Habilitative therapy services include PT, OT, respiratory therapy, speech-language pathology, and audiology services provided to members for the purpose of maintaining their level of functionality, but not the improvement of functionality. Although the development of a habilitation therapy plan is considered part of rehabilitative services, the services furnished under a habilitation therapy plan are not skilled therapy.

IHCP policy regarding the coverage of rehabilitative therapy services makes the following distinction based on the member's age:

- Rehabilitative therapy services are not covered for members 21 years of age and older.
- Rehabilitative therapy services are covered for members under 21 years of age on a case-by-case basis subject to PA.

Educational services, including but not limited to the remediation of learning disabilities, are not considered rehabilitative therapy services and remain noncovered by the IHCP.

This revised coverage policy applies to PT, OT, respiratory therapy, speech-language pathology, and audiology services when they are provided as rehabilitative services. PA is required for all rehabilitative therapy services, with limited exceptions as outlined in the [Medical Policy Manual](#) and amended by this bulletin.

Physical therapy

The IHCP no longer allows a PA exemption for 12 hours or visits within 30 calendar days of PT services ordered in writing to treat an acute medical condition provided in an outpatient setting. All other policies and requirements regarding PA for PT services continue to apply.



Occupational therapy

The IHCP no longer allows a PA exemption for 12 hours or visits within 30 calendar days of OT services ordered in writing to treat an acute medical condition provided in an outpatient setting. All other policies and requirements regarding PA for OT services continue to apply.

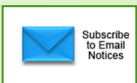
The IHCP OT policy is revised to explicitly state that occupational therapists performing OT services, including OT evaluation services, must be “licensed” rather than “registered.” Additionally, occupational therapy assistants operating under the supervision of a licensed occupational therapist, must be “licensed” rather than “certified.”

QUESTIONS?

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