

**Therapy Services:**

Payment Methodologies for Therapy Services:

Therapy services are rendered by both governmental 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  
Speech/Language Pathology  
Audiological Services  
Psychological Evaluation and Testing
- B. Orientation & Mobility Services

A. Effective January 1, 2007, private and governmental providers (e.g. Local Education Agencies) of therapy services will be reimbursed at 100% of the 2006 South Carolina Medicare Physician Fee schedule. Effective for services on or after October 1, 2008, physical, occupational and speech therapy rates will be established at 95% of the 2008 Medicare Fee Schedule.

Calculation of Therapy Rates With No Corresponding Medicare Rate:

Effective January 1, 2007, reimbursement rates for therapy (PT, OT, and ST) and audiological services not priced under Medicare's resource based relative value scale (RBRVS), the State Health Plan, or by private insurers in the market were determined based upon Medicaid claims experience and the 2006 version of RBRVS for South Carolina. When updates are made to these rates in the future, the same methodology described below will be employed using more current claims and charge data as well as a more recent version of the Medicare RBRVS for South Carolina.

Physician and professional claims for service dates during state fiscal year 2006 (paid through September 30, 2006) were re-priced based upon the allowances dictated by the 2006 version of RBRVS for South Carolina. This analysis revealed that, on average, the DHHS fee schedule was reimbursing 43.24% of charges.

The first step in establishing the allowance for the target procedure codes was to calculate the average submitted charge for each procedure code. The average submitted charge for the procedure code was then multiplied times the average percent of charges reimbursed. **Example:** During SFY 2006, the average unit submitted charge for procedure code 92590 was \$61.84. This average was then multiplied times the aggregate discount rate for all professional services (.4324) to produce a 2007 allowance of \$26.74.

No cost reports are required nor any cost settlements made to the governmental providers of rehabilitative therapy services due to the move to fee schedule payment rates. State developed fee schedule rates are the same for both governmental and private providers and the fee schedule and any annual/periodic adjustments to the fee schedule are published in Medicaid Bulletins.

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- 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
T1024/0TS	Orientation and Mobility Reassessment
T1024/0TM	Orientation and Mobility Services

This rate has been established at sixty percent (60%) of the average of the 2005 Medicare rates for the following three CPT codes:

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

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