Coverage and Recreation Therapy Services

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Session goals:

Upon completion of this session participants will be able to:

1. Identify various forms of coverage for recreation therapy in medically based facilities.

2. Briefly discuss the history of reimbursement for allied health professions within medically based facilities.

3. Discriminate between covered and non-covered therapeutic recreation services.

4. Identify the steps of coverage for recreation therapy and other allied health professions.

5. Describe the regulations and process of coverage for recreation therapy within skilled nursing, psychiatric treatment (inpatient & partial programs), and inpatient physical medicine and rehabilitation.
A covered service is a service that third party carriers, especially the Center for Medicare & Medicaid Services (CMS), recognize as providing treatment that is reasonable and medically necessary.

Those services that are ‘covered’ are identified in the various ‘standards of practice’ or ‘conditions of participation’ set forth by regulatory bodies/funding sources.
How are we covered?

• **Routine Charges**
  – Charged as part of the *per diem rate* (bed cost, day cost) – *activity services*
  – Medically necessary services under the *Prospective Payment System (PPS)* – prearranged amount for specific services - *treatment services*

• **Directly Reimbursed**
  – *Fee-for-Service*
  – Expenses individually *charged potentially above and beyond per diem*
  – Charged individually (outpt. services, private pay)
  – *Treatment services*
What are covered and non-covered services?

- Dependent upon the treatment setting.
- Those services typically **covered**; services that are functional in nature, intended to:
  - Restore
  - RemEDIATE
  - Rehabilitate
  - Reduce, or
  - Eliminate problems associated with a particular diagnosis.
- Those services **not covered**; services that provide:
  - Diversion
  - Recreation
  - Leisure skill acquisition
  - Palliative care, or are
  - Non-goal directed
Coverage requires that …

- Services must be reasonable and medically necessary,
- Services are individualized,
- Services follow the guidelines of Active Treatment, which includes:
  - Prescribed by the physician
  - Supervised by the physician
  - Physician acts a source of information and guidance to the treatment team
  - The service is part of the diagnostic treatment plan
  - The service is expected to improve the patients condition
  - The service is documented, and
  - Progress occurs
From a historical perspective …
Historically

• 1900’s – hospitals supported by philanthropic – no health insurance

• 1920’s – patients charged on a per-diem rate – special services charges for surgery, etc.

• 1940’s – health insurances became a component of employee fringe benefits

• 1965 – Medicare Medicaid emerged

• 1970’s – 3rd party payers were paying for 2/3’s of hospital care; costs were escalating ... operating on a fee-for-service basis

• 1980’s – DRG legislation emerged versus fee-for-service; Managed care and HMO’s, PPO’s, etc. became commonplace;

• 1990’s – PPS systems were adopted within IPF, IRF; and

• 2010 – Healthcare is paid by private insurance (40%), Medicare (26%), Medicaid (10%), private pay (14%)
What organizations currently cover health care services?

- **Governmentally Supported Health Insurance**
  - Medicare – federal
  - Medicaid - state
  - Worker’s Compensation

- **Commercial / Private Health Insurance**
  - Examples: AETNA, Prudential, Travelers, Dow Corning, etc.

- **Blue Cross/Blue Shield** – separate state plans

- **Self-Insured Groups**

- **Auto No-Fault**

- **Private Pay**
What is the process?

- Center for Medicare & Medicaid (CMS)
- Medicare Administrative Contractor (MAC) – or fiscal intermediaries (FI)
- Local Coverage Determinations (LCD)
  - Wisconsin Physicians Service Insurance Corporation, Madison WI.

- Facility Administration, Management, & Consultants
- Allied Health Professional

- Consumer
- Recovery Audit Contractors (RAC)

Guidelines for Coverage per setting...
Inpatient Psychiatric Facilities (IPF)

• *Recreation therapy is a covered service under the IPF PPS system.*

• *Recreation Therapy is considered under - Therapeutic Activities*

• IPF’s must provide a *therapeutic activities* program.

• (1) The program must be *appropriate to the needs and interests of patients and be directed toward restoring and maintaining optimal levels of physical and psychosocial functioning.*

• (2) The number of qualified therapists, support personnel, and consultants must be adequate to provide comprehensive *therapeutic activities consistent with each patient’s active treatment program.*

Partial Hospitalization - Behavioral Health

- Recreation therapy is covered as part of the PPS under:
- Activity therapies but only those that are individualized and essential for the treatment of the patient's condition. The treatment plan must clearly justify the need for each particular therapy utilized and explain how it fits into the patient's treatment.
- Individualized activity therapies that are not primarily recreational or diversionary. These activities must be individualized and essential for the treatment of the patient’s diagnosed condition and for progress toward treatment goals.

Recreation therapy is covered on a fee-for-service basis under Michigan’s auto no-fault legislation.

– States that ... “All reasonable charges incurred for reasonably necessary products, services, & accommodations for an injured persons care, recovery, & rehabilitation.”

– Unlimited cap

Recreation Therapy services are **not currently part of the 3 hour rule within requirement** as part of the PPS within IRF (per Medicare regulations).

- Prior to January 2010 recreation therapy was covered (if part of active treatment) under a statement allowing the physician to determine “other therapeutic modalities” that were medically necessary based on individual need and diagnosis.

- Thus the rationale for **HR 4755**

Source: Medicare Benefits Policy Manual (Ch. 1), www.cms.gov
Medicare’s response to the question .. Are medically necessary adjunctive therapies covered?

• Clarification on whether or not recreational therapy, music therapy, respiratory therapy, neuropsychology, or cognitive therapy can be used to satisfy the requirement for patients to receive intensive rehabilitation therapy in IRFs. If not, are recreational therapy services a covered service in IRFs when the medical necessity is well-documented by the rehabilitation physician and they are ordered by a rehabilitation physician as part of the patient’s overall plan of care?

• …. we do not believe that it is appropriate to mandate that all IRFs provide recreational therapy, music therapy, or respiratory therapy services to all IRF patients, as such services may be beneficial to some, but not all, patients as an adjunct to other, primary types of therapy services provided in an IRF (physical therapy, occupational therapy, speech-language pathology, and prosthetics/orthotics).
Medicare’s response cont.

- We do not believe that they should replace the provision of these core skilled therapy services. *Thus, we believe that it should be left to each individual IRF to determine whether offering recreational therapy, music therapy, or respiratory therapy is the best way to achieve the desired patient care outcomes.*

- While we are not adding these therapies to the list of required therapy services in IRFs, we do recognize that they are Medicare covered services in IRFs if the **medical necessity** is well documented by the rehabilitation physician in the medical record and is ordered by the rehabilitation physician as part of the overall plan of care for the patient. However, **consistent with our longstanding policies and standard practices, these therapy activities are not used to demonstrate that a patient has received intensive therapy services.**

Source: Follow-up information from the November 12 provider training call, CMS Centers for Medicare & Medicaid Services. (2010).
Skilled Nursing (SNF)

- Recreation Therapy is included, with other rehabilitation therapies (i.e., OT, PT, SLP, MT) under Section O of the MDS.
- Recreation Therapy is a rehabilitative option – even though not currently covered (reimbursed).

Rules associated with coverage …

- **For PR &R (IRF)**
  - Bill for services based on codes in units of 15 minutes
  - All services must be treatment based (ICD – CPT)
  - All services must be prescribed & supervised by physician
  - Pts must improve within 10 txs. or 14 calendar days
  - No group treatments = unskilled services
  - Billing codes must match services provided (aquatic therapy)
  - Individual CPT’s cannot exceed 4 units / day
Rules associated with coverage …

- For Behavioral Health (IPF)
  - All services must be treatment based
  - Activity Therapy events billed in 45 minute units or greater
  - All services prescribed & supervised by physician
  - Pts must be expected to improve given RT intervention or activities therapy
Rules associated with Coverage …

- **For all agencies**
  - Fees are the same for each individual based on treatment code
  - 2 people or more are considered a group
  - CMS does not allow for ‘rounding up’ (8 minute rule)
  - You cannot bill for one person in a group of others that are not billed
  - Treating therapists must be certified
  - Treating therapists must have a National Provider Number (NPI)
Billing Codes

Healthcare Common Procedure Coding System (HCPCS)
<table>
<thead>
<tr>
<th>Code</th>
<th>Intervention and Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>97110</td>
<td>Therapeutic Procedure (1 on 1 tx) Therapeutic exercises to develop strength and endurance, ROM, and flexibility</td>
</tr>
<tr>
<td>97112</td>
<td>Neuromuscular re-education (1 on 1 tx) of movement, balance, coordination, kinesthetic sense, posture, and proprioception</td>
</tr>
<tr>
<td>97113</td>
<td>Aquatic therapy (1 on 1 tx) with therapeutic exercise</td>
</tr>
<tr>
<td>97150</td>
<td>Therapeutic procedure/s (same as 97110 with group = 2 or more)</td>
</tr>
<tr>
<td>97530</td>
<td>Therapeutic activities (1 on 1 tx) dynamic activities used to improve functional performance</td>
</tr>
<tr>
<td>97533</td>
<td>Sensory Integrated Techniques (1 on 1 tx) enhance sensory processing and promote responses to environmental demands</td>
</tr>
<tr>
<td>97537</td>
<td>Community/work reintegration (1 on 1 tx) shopping, transportation, money management, avocational activities and/or work environment/modification analysis, work task analysis</td>
</tr>
<tr>
<td>97542</td>
<td>Wheelchair management/propulsion training (1 on 1 tx)</td>
</tr>
<tr>
<td>97532</td>
<td>Cognitive skills (1 on 1 tx) skills addressed to improved attention, memory, problem solving, includes compensatory strategy training</td>
</tr>
<tr>
<td>97535</td>
<td>Self care/home management training (1 on 1 tx)ADL’s, meal preparation, safety procedures, and instruction in use of adaptive equipment</td>
</tr>
</tbody>
</table>

Source: AMA, CPT Manual 2013
<table>
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<tr>
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<th>Intervention and Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>G codes</strong></td>
<td>Used for a health care procedure not covered in the CPT’s</td>
</tr>
<tr>
<td>G0176</td>
<td><strong>Activity therapy</strong>, such as music, dance, art or play therapies not for recreation, related to the care and treatment of patient's disabling mental health problems, per session (45 minutes or more)</td>
</tr>
<tr>
<td><strong>H codes</strong></td>
<td>State Medicaid mandated codes for Mental Health Services</td>
</tr>
<tr>
<td>H2032</td>
<td><strong>Activity therapy / 15 minutes</strong></td>
</tr>
<tr>
<td>H0015</td>
<td><strong>Interventions &amp; Activity Therapies education</strong> (under section Alcohol &amp; Drugs tx.)</td>
</tr>
</tbody>
</table>

## Michigan - HCPCS Codes

<table>
<thead>
<tr>
<th>Michigan Codes Dept of Com. Health</th>
<th>Based on qualified status as a Qualified Intellectual Disability Professional (QIDP) or Qualified Mental Health Professional (QMHP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H0032</td>
<td>Mental health services plan development, by non-physician</td>
</tr>
<tr>
<td>G0176</td>
<td><strong>Activity therapy</strong>; same as federal definition</td>
</tr>
<tr>
<td>H0031</td>
<td>Assessment by non-physician (QMHP or QIDP) within their scope of practice</td>
</tr>
<tr>
<td>H2030</td>
<td>Clubhouse Psychosocial Rehabilitation Program (CTRS with experience qualifies to manage)</td>
</tr>
</tbody>
</table>
| T2036 T2037                       | Therapeutic Camping Overnight  
                                  Therapeutic Camping Day  
                                  Subsection of ‘Community Living Supports’ and child waiver program for children with serious emotional disturbances (SEDW) |

What do we need to do to assure coverage for RT services?

- Active treatment.
- Medical necessity.
- Individualized or individual services.
- D/C pt. when performance plateau’s or d/c to assistant
- ICD ↔ CPT or appropriate HCPCS II
- Evidence-based practices
Any questions??
National Provider Identifier (NPI) System

- **Required for every service provider (Individual #)**
- **To establish ...**
  - Visit [https://nppes.cms.hhs.gov/NPPES/Welcome.do](https://nppes.cms.hhs.gov/NPPES/Welcome.do)
  - Follow the steps 😊 selecting ‘individual provider’
  - Need SS#, phone #
  - Follow directions ... to ‘add taxonomy’
  - Select #22 which is titled ... Respirator, rehabilitation & restorative service providers’
  - Recreation therapy is box #225800000X
  - There is a box for License # - ignore unless you practice within licensed states