

School-Based Medicaid Guidance for OT, PT, & SLP

October 23, 2019

The MassHealth School-Based Medicaid Program (SBMP) is a reimbursement mechanism to offset local education agency (LEA) costs for providing certain health care services and administrative activities in a school setting. Congress granted access to Medicaid reimbursement in 1988 due to shortages in IDEA funding. The SBMP allows participating LEAs to seek cost-based reimbursement for providing medically necessary Medicaid services (direct service) to eligible MassHealth-enrolled children who have parental consent. This includes administrative activities such as outreach and activities that support direct service delivery (<https://www.mass.gov/masshealth-school-based-medicaid-program>).

In Massachusetts, the SBMP has recently undergone an [expansion](#) to include additional billable healthcare services (e.g., nursing, ABA services, etc.) (https://www.mass.gov/files/documents/2018/05/23/sbm_31_1.pdf). As a result of this expansion, Medicaid provided a series of trainings over the 18/19 school year for various stakeholders including trainings for OT/PT and SLP in May of 2019. The information provided in these training sessions and in Medicaid resources have provided clarification as to how school therapists determine medical necessity and the required documentation for Medicaid reimbursement.

What has not changed?

The role of OT, PT, and SLP in the Schools:

- The role of the OT, PT, and SLP in the schools is driven by educational relevance and necessity. OTs, PTs, and SLPs must comply with federal and state special education laws & regulations, our state licensure/practice acts and professional codes of ethics and standards of care.
- Medicaid does not dictate therapy in schools. Decisions about student's service delivery should never be influenced in any way by Medicaid cost recovery/reimbursement. Medicaid should have no bearing on the IEP process. If a therapy service in a student's IEP happens also to be reimbursable by Medicaid, the therapist submits interim claiming.

What has changed or been clarified?

1. Medical Necessity: There is a great deal more attention being paid to medical necessity. What was presented in the May 2019 trainings for OT/PT and for SLP was more specific and more restrictive than what is outlined in the MassHealth Guidelines for Medical Necessity Determination documents for [OT, PT, & SLP](#). (Also see [DSC Program Guide](#) pp. 9 - 16).

IMPORTANT: The therapist determines whether a service is medically necessary and billable.

2. The OT, PT, or SLP must identify the most applicable ICD-10 Diagnosis Code(s) that describes the student's signs and symptoms. See, for example, <https://www.icd10data.com/>
3. The Service Authorization includes an ICD-10 code and is accompanied by an Intervention Plan. (See [DSC Program Guide](#) p. 14).
Note: The Intervention Plan is part of ethical professional practice and a requirement for licensed therapists for use whenever providing services (i.e., for all students). For students with Medicaid, the intervention plan provides the required information for Medicaid reimbursement that is not typically included in an IEP.
4. Service documentation must be kept and contain specific information for each intervention session. This is in addition to the logging of sessions done for interim claiming. (See [DSC Program Guide](#) p. 15).

5. Therapists must follow the regulations outlined by their MA State Practice Acts and Medicaid Guidelines for Medical Necessity Determination. Each discipline has a unique set of requirements. For example, Medicaid regulations state that OT must update their evaluation annually (this is not the same as an IEP re-evaluation with consent), and the [Massachusetts Board of Allied Health](#) requires PTs to update their Intervention Plans every 90 days.
6. Local Education Agencies (LEAs) must be compliant with the Family Educational Rights and Privacy Act (FERPA) and the Health Insurance Portability and Accountability Act (HIPAA) for all required documentation.
7. LEAs must make all required documentation available for at least 6 years and be able to produce this documentation in the event of an audit.

What comes next?

Therapist Action Steps:

1. Read these documents carefully:
 - MassHealth Guidelines for Medical Necessity Determination for Physical Therapy: https://www.mass.gov/files/documents/2018/04/30/mg-physicaltherapy_o.pdf
 - MassHealth Guidelines for Medical Necessity Determination for Speech and Language Therapy: <https://www.mass.gov/files/documents/2017/10/18/mg-speechtherapy.pdf>
 - MassHealth Guidelines for Medical Necessity Determination for Occupational Therapy: <https://www.mass.gov/files/documents/2018/04/18/mg-occupationaltherapy.pdf>
 - MassHealth School-Based Medicaid Program Direct Service Claiming (DSC) Program Guide, Effective Date: July 1, 2019, Updated August 2019 (be sure to get the most recent version of this document) <https://www.mass.gov/files/documents/2019/08/28/SBMP-ICG-0819.pdf>
 - School-Based Medicaid Program (SBMP) Frequently Asked Questions (FAQ) (2/19) (be sure to get the most recent version of this document) <https://www.mass.gov/files/documents/2019/02/12/sbmp-faq-0219-o.pdf>
2. Read and understand your state practice act/license requirements-
 - [Occupational Therapy](https://www.mass.gov/files/documents/2017/10/30/259cmr3.pdf) (<https://www.mass.gov/files/documents/2017/10/30/259cmr3.pdf>),
 - [Physical Therapy](https://www.mass.gov/files/documents/2017/10/30/259cmr5.pdf) (<https://www.mass.gov/files/documents/2017/10/30/259cmr5.pdf>)
 - [Speech-Language Pathology](https://www.mass.gov/files/documents/2019/08/28/SBMP-ICG-0819.pdf) (<https://www.mass.gov/files/documents/2019/08/28/SBMP-ICG-0819.pdf>)
3. Read and understand your professions' Code of Ethics and other practice requirements.
 - Occupational Therapy- AOTA.org
 - Physical Therapy- APTA.org
 - Speech-Language Pathology- ASHA.org
4. Discuss these changes/clarifications/requirements with other therapists within and outside of your LEA, e.g., consider situations when student services may or may not fit the guidelines for medical necessity.
5. Discuss these changes/clarifications/requirements with special education administration.

~Stay tuned for additional guidance as our understanding of these requirements deepens and evolves.~

The Massachusetts Tri-Alliance of School Therapists is working to support school-based OT, PT, and SLP providers in implementing the SBMP in light of the recent expansion and clarification of requirements.

This document, with embedded links, can be accessed at maot.org, aptaofma.org, and mshahearsay.org