

**Final Rule**  
LSA Document #16-527(F)

DIGEST

Amends [405 IAC 5-22-6](#) to modify the prior authorization criteria for therapy services. Effective 30 days after filing with the Publisher.

[405 IAC 5-22-6](#)

SECTION 1. [405 IAC 5-22-6](#) IS AMENDED TO READ AS FOLLOWS:

**[405 IAC 5-22-6](#) Occupational, physical, and respiratory therapy and speech pathology; criteria for prior authorization**

**Authority:** [IC 12-15-1-10](#); [IC 12-15-1-15](#); [IC 12-15-21-2](#)

**Affected:** [IC 12-13-7-3](#); [IC 12-15](#)

Sec. 6. (a) Prior authorization is required for all therapy services with the following exceptions:

- (1) Initial evaluations.
- (2) Emergency respiratory therapy.
- (3) Any combination of therapy ordered in writing prior to a member's discharge from an inpatient hospital that may continue for a period not to exceed thirty (30) units in thirty (30) calendar days.
- (4) The deductible and copay for services covered by Medicare, Part B.
- (5) Oxygen equipment and supplies necessary for the delivery of oxygen with the exception of concentrators.
- (6) Therapy services provided by a nursing facility or large private or small intermediate care facility for individuals with intellectual disabilities (ICF/IID), which are included in the facility's per diem rate.
- (7) Respiratory therapy ordered in writing by a physician to treat an acute medical condition, except as required in section 10 of this rule.

(b) Unless specifically indicated otherwise, the following criteria for prior authorization of therapy services apply to occupational therapy, physical therapy, respiratory therapy, and speech pathology:

(1) Written evidence of physician involvement and personal patient evaluation will be required to document the acute medical needs. ~~Therapy must be ordered by a physician (doctor of medicine or doctor of osteopathy).~~ A current plan of treatment and progress notes, as to the necessity and effectiveness of therapy, must be attached to the prior authorization request and available for audit purposes. **Therapy must be ordered by one (1) of the following provider types:**

**(A) For physical therapy, the order must come from a physician (doctor of medicine or doctor of osteopathy), podiatrist, psychologist, chiropractor, dentist, nurse practitioner, or physician assistant holding an unlimited license to practice medicine, podiatric medicine, psychology, chiropractic, dentistry, nursing, or as a physician assistant.**

**(B) For occupational therapy, the order must come from a physician (doctor of medicine or doctor of osteopathy), podiatrist, advanced practice nurse, psychologist, chiropractor, optometrist, or physician assistant.**

**(C) For respiratory therapy and speech pathology, the order must come from a physician (doctor of medicine or doctor of osteopathy).**

(2) Therapy must be provided by a qualified therapist or qualified assistant under the direct supervision of the therapist as appropriate.

(3) Therapy must be of such a level of complexity and sophistication and the condition of the member must be such that the judgment, knowledge, and skills of a qualified therapist are required.

(4) Medicaid reimbursement is available only for medically necessary therapy.

(5) Therapy rendered for a diversional, recreational, vocational, or avocational purpose, or for the remediation of learning disabilities, or for developmental activities that can be conducted by nonmedical personnel, is not covered by Medicaid.

(6) This subdivision applies to services for ~~recipients~~ **members** twenty-one (21) years of age and older.

Therapy for rehabilitative services will be covered for a member twenty-one (21) years of age and older for no longer than two (2) years from the initiation of the therapy unless there is a significant change in the member's medical condition requiring longer therapy. Habilitative therapy is not a covered service for members twenty-one (21) years of age and older. Respiratory therapy services are covered for members twenty-one

(21) years of age and older but for no longer than two (2) years from the date of initiation of the therapy. Respiratory therapy may be covered for a longer period of time on a case-by-case basis subject to prior authorization.

(7) This subdivision applies to services for members under twenty-one (21) years of age. Therapy for rehabilitative services will be covered for a member under twenty-one (21) years of age when determined to be medically necessary. Habilitative therapy services for members under twenty-one (21) years of age will be covered on a case-by-case basis and are subject to prior authorization. Educational services, including, but not limited to, the remediation of learning disabilities, are not covered by Medicaid.

(8) When a member is enrolled in therapy, ongoing evaluations to assess progress and redefine therapy goals are part of the therapy program. Ongoing evaluations are not separately reimbursed by Medicaid.

(9) One (1) hour of billed therapy service must include a minimum of forty-five (45) minutes of direct patient care with the balance of the hour spent in related patient services.

(10) Reimbursement for therapy services is limited to one (1) hour per day per type of therapy. Additional therapy services must be medically necessary and requires prior authorization.

(11) A request for therapy services, which would duplicate other services provided to a member, will not be prior authorized. Therapy services will not be authorized when such services duplicate nursing services required under [410 IAC 16.2-3.1-17](#).

*(Office of the Secretary of Family and Social Services; [405 IAC 5-22-6](#); filed Jul 25, 1997, 4:00 p.m.: 20 IR 3339; filed Sep 27, 1999, 8:55 a.m.: 23 IR 318; readopted filed Jun 27, 2001, 9:40 a.m.: 24 IR 3822; readopted filed Sep 19, 2007, 12:16 p.m.: [20071010-IR-405070311RFA](#); readopted filed Oct 28, 2013, 3:18 p.m.: [20131127-IR-405130241RFA](#); filed Jan 7, 2016, 8:00 a.m.: [20160203-IR-405140337FRA](#); filed Aug 1, 2016, 3:44 p.m.: [20160831-IR-405150418FRA](#); filed Aug 9, 2017, 10:53 a.m.: [20170906-IR-405160527FRA](#))*

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