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Information for Medicare Fee-for-Service Health Care Professionals

News Flash - The publication titled *ICD-10-CM/PCS Myths & Facts* (June 2009), which presents correct information in response to some myths regarding the ICD-10-Clinical Modification/Procedure Coding System, is now available in both downloadable and print formats from the Centers for Medicare & Medicaid Services Medicare Learning Network . Visit *http://www.cms.hhs.gov/MLNProducts/* , to find this and several other ICD-10 products. Scroll down to "Related Links Inside CMS" and select "MLN Product Ordering Page" for print formats or click on "MLN Publications" for downloadable versions.

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Comprehensive Outpatient Rehabilitation Facility Manual

Provider Types Affected

Comprehensive Outpatient Rehabilitation Facilities who bill Medicare fiscal intermediaries (FI) and Medicare Administrative Contractors (A/B MAC) for providing CORF services to Medicare beneficiaries.

What You Need to Know

CR 6005, from which this article is taken, announces that, based on changes in the 2008 Medicare Physician Fee Schedule (MPFS) regulation (Published in the Federal Register on November 27, 2007), the *Medicare Benefit Policy Manual,* Chapter 12, (Comprehensive Outpatient Rehabilitation Facility (CORF) Coverage) has been amended to clarify general requirements, covered and non-covered services, provisions of services, and particular CORF services

Specifically (effective January 1, 2008), these changes are incorporated in the manual: 1) Define that all CORF services must be directly related to the physical therapy (PT), occupational therapy (OT), speech language pathology (SLP) or respiratory therapy (RT) rehabilitation therapy plan of treatment; and 2) Clarify that the physician must wholly

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develop the rehabilitation therapy plan of treatment, 3) only a respiratory therapist (not a respiratory technician) can provide respiratory therapy, 4) social and psychological services (not mental health services) are core CORF services (which must be reasonable and medically necessary and directly related to the PT, OPT, SLP, or RT rehabilitation therapy plan of treatment), and 5) that physician "incident-to" services cannot be provided in a CORF.

Make sure that your billing staffs are aware of these CORF manual changes.

Background

CR 6005 announces that (effective January 1, 2008) the *Medicare Benefit Policy Manual*, Chapter 12 (Comprehensive Outpatient Rehabilitation Facility (CORF) Coverage) is amended to reflect changes announced in the 2008 MPFS regulation and to clarify general requirements, covered and non-covered services, provisions of services, and specific CORF services.

Note: A CORF's purpose is to permit the beneficiary to receive multidisciplinary rehabilitation services at a single location in a coordinated fashion. Section 1861 (cc) of the Social Security Act specifies that no service may be covered as a CORF service if it would not be covered as an inpatient hospital service when provided to a hospital patient. (This does not mean that the beneficiary must require a hospital level of care or meet other requirements unique to hospital care), but rather only that the service would be covered if provided in a hospital. The requirement for CORF outpatient mental health limitation is deleted.

The policy changes that CR 6005 announces are synthesized below.

- CORF services are covered only if they are medically necessary and relate directly to the rehabilitation of injured, disabled, or sick patients.

Required Services

The CORF must provide these core services: a) CORF physicians' services, b) physical therapy services, and c) social and psychological services.

1. CORF physician services are those physician-performed professional services that are administrative in nature; such as consultation with, and medical supervision of, non-physician staff; patient case review conferences; utilization review; the review of the therapy/pathology plan of treatment, as appropriate; and other facility medical and administration activities necessary to provide skilled rehabilitation services (those that PTs, OTs, SLPs and RTs provide), and other services that directly relate to the rehabilitation plan of treatment.

   Please be aware that diagnostic or therapeutic services that a CORF (or other) physician provides to a CORF patient are not CORF physician services. These services are

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separately payable to the physician under the MPFS, at the non-facility payment amount billed as if provided in the physician's office.

Remember that to become a CORF patient, a beneficiary must be under the care of a physician who certifies that he/she needs skilled rehabilitation services. If the referring physician does not specify the rehabilitation goals for PT, OT, SLP, or RT services; the CORF physician must established them. Further, either the referring physician or the CORF physician must establish, and sign, a rehabilitation plan of treatment prior to the beginning treatment.

In addition, the CORF physician or the referring physician, must review the treatment plan for respiratory therapy services at least every 60 days; and for physical therapy, occupational therapy, speech-language pathology, and for all other services at least once every 90 days; certifying that the plan is being followed and that the patient is making progress in attaining the established rehabilitation goals.

Note: The CORF physician must be present in the facility enough to ensure that CORF services are provided in accordance with accepted principles of medical practice, medical direction, and medical supervision.

2. Physical therapy services should comprise a clear majority of the total CORF services . To supervise CORF physical therapy services, the physical therapist must be on the CORF premises (or must be available to the physical therapy assistant through direct telecommunications for consultation and assistance) during the CORF's operating hours.
3. Social and psychological services are covered only if the patient's physician (or CORF physician) establishes that the services directly relate to the patients rehabilitation plan of treatment and are needed to obtain the rehabilitation goals. Social and psychological services include only those services that address the patient's response and adjustment to the rehabilitation treatment plan; rate of improvement and progress towards the rehabilitation goals; or other services as they directly relate to the physical therapy, occupational therapy, speech-language pathology, or respiratory plan of treatment.

   Notes: 1) CORF social and psychological services are the same, whether provided by either a qualified social worker or psychologist. Qualifications for individuals providing CORF social and psychological services are a Bachelors of Science for social workers and a Masters-level degree for psychologist; 2) Social and psychological services do not include services for mental health diagnoses.

Optional Services

In addition to the above three required core services, the CORF may also furnish the following other covered and medically necessary items and services; as long as they directly relate to, and are consistent with, the rehabilitation treatment plan, and are necessary to achieve the rehabilitation goals.

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1. Occupational therapy services;
2. Speech - language pathology services;
3. Respiratory therapy services include only those services that a qualified respiratory therapist can appropriately provide to CORF patients under a physician-established respiratory therapy plan of treatment, in accordance with current medical and clinical standards.

   These services include the physiological monitoring necessary to furnish them, and rather than paid separately, the payment is bundled into the payment for respiratory therapy services. Diagnostic and other medical services provided in the CORF setting are not considered CORF services, and therefore may not be included in a respiratory therapy plan of treatment because these are covered under separate benefit categories.

   Please take note that services performed by respiratory therapy technicians are not covered because the current medical standards for skilled respiratory therapy services provided to patients in the CORF setting require the educational requirements of respiratory therapists.

   Examples of specific RT CORF services include the respiratory therapist assessing the patient to determine the appropriateness of pursed lip breathing activity and checking the patient's oxygen saturation level (via pulse oximetry). If appropriate, the respiratory therapist may then provide the initial training in order to ensure that the patient can accurately perform this activity; and again check the patient's oxygen saturation level, or perform peak respiratory flow, or other respiratory parameters.

   These types of services are considered "physiological monitoring" and are bundled into the payment for Healthcare Common Procedure Coding System (HCPCS) codes G0237 (Therapeutic procedures to increase strength or endurance of respiratory muscles, face to face, one on one, each 15 minutes (includes monitoring)), G0238 Therapeutic procedures to improve respiratory function, other than described by G0237, one on one, face to face, per 15 minutes (includes monitoring)), and G0239 (Therapeutic procedures to improve respiratory function or increase strength or endurance of respiratory muscles, two or more individuals (includes monitoring)).

   Another example of monitoring includes the provision of a 6-minute walk test that is typically conducted before the start of the patient's respiratory therapy activities, and the time to provide this walk "test" assessment can be included as part of the HCPCS code G0238.

Note: Instructing a patient in the use of equipment, breathing exercises, etc. may be considered reasonable and necessary to the treatment of the patient's condition and can usually be given to a patient during the course of treatment by any of the health personnel involved therein, e.g., physician, nurse, respiratory therapist.

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4. Prosthetic and orthotic devices are covered, including the testing, fitting, or training in their use;
5. Nursing services (which must be provided by an individual meeting the qualifications of a registered nurse (RN), rather than a licensed practical nurse (LPN)) are provided as an adjunct to the rehabilitation treatment plan of treatment, and must be reasonable and medically necessary. For example, a registered nurse may perform (including patient instruction): the proper procedure of "in and out" urethral catheterization, tracheostomy tube suctioning, or the cleaning for ileostomy or colostomy bags.

   Note: Nursing services may not be a substitute for or supplant the services of physical therapists, occupational therapists, speech-language pathologist and respiratory therapists, but instead must lend support to or further the rehabilitation services and goals.

6. CORFs can provide pneumococcal, influenza, and hepatitis B vaccines to its patients provided the facility is "primarily engaged in providing (by or under the supervision of a physician) restorative services to outpatients for the rehabilitation of injured, disabled, or sick persons."

   Note: Because no drugs and biologicals are currently identified as appropriate to a therapy rehabilitation treatment plan, CORFs may not submit claims for drugs and biologicals.

7. Supplies and Durable Medical Equipment (DME) – CORFs may not bill for the supplies they furnish except for those cast and splint supplies that are used in conjunction with the corresponding Current Procedural Terminology code in the 29XXX series;
8. Physical therapy, occupational therapy, and speech-language pathology services may be furnished in the patient's home, as CORF services, when payment for these therapy services is not otherwise made under the Medicare home health benefit; and
9. A single home PT, OT, or SLP environment evaluation visit, which includes evaluating the potential impact of the home environment on the rehabilitation goals, is limited to the services that one professional (who must be either a PT, OT, or SLP, as appropriate) provides, when the corresponding treatment plan identifies the home environment evaluation as necessary. The patient must be present during the home environment evaluation visit.

   Note: When, in addition to the required physical therapy, a CORF provides OT, SLP and/or RT services; the physical therapy services must represent the predominate rehabilitation service.

   Note: Hyperbaric oxygen services, infusion therapy services, cardiac rehabilitation services, or diagnostic sleep studies are <u>not</u> considered CORF services because they do not meet the definition, nor do they relate to the

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rehabilitation treatment plan. These, and other services not specifically listed as CORF services, may be covered under other Medicare benefits categories, such as physician services and diagnostic services.

Payment Rules

The payment basis for CORF services is 80% of the lesser of: 1) the actual charge for the services; or 2) the MPFS amount for the service, when the MPFS establishes a payment amount for such service. Payment for CORF services under the PFS is made for all CORF services (PT, OT, SLP, RT, and the related nursing and social and psychological services); which are part of, or relate directly to, the rehabilitation treatment plan.

If there is no fee schedule amount for a covered CORF item or service, payment is based on the lesser of 80% of actual charges for the services provided or the amount determined by the local Medicare contractor.

Payment for covered DME, orthotic and prosthetic devices and supplies that a CORF provides is based on the lesser of 80% of actual charges; or the payment amount established under the DMEPOS fee schedule, or the single payment amount established under the DMEPOS competitive bidding program (provided that payment for such an item is not included in the payment amount for other CORF services).

Payment for CORF social and psychological services is made under the MPFS only for HCPCS Code G0409, as appropriate, only when billed using revenue codes 0560, 0569, 0910, 0911, 0914 and 0919.

Payment for CORF respiratory therapy services is made under the MPFS when provided by a respiratory therapist as defined at 42 CFR 485.70(j), only to the extent that these services support or are an adjunct to the rehabilitation plan of treatment, and only when billed using revenue codes 0410, 0412 and 0419. When provided as part of a CORF respiratory therapy rehabilitation treatment plan, separate payment is not made for diagnostic tests or for services related to physiologic monitoring services; which are bundled into other therapy services appropriately performed by respiratory therapist, such as HCPCS G-codes G0237, G0238, and G0239. These three HCPCS codes are specific to services provided under the respiratory therapy plan of treatment and, as such, are not designated as subject to the therapy caps.

CORF nursing services are paid under the MPFS for nursing services, but only when provided by a registered nurse, and only to the extent that these services support or are an adjunct to the rehabilitation services that PTs, OTs, SLPs, and RTs provide, and are consistent with the rehabilitation treatment plan. In addition, payment for CORF nursing services is made only when provided by a registered nurse, and coded with HCPCS code G0128 (Direct (face-to-face with patient) skilled nursing services of a registered nurse provided in a comprehensive outpatient rehabilitation facility, each per 10 minutes beyond the first 5 minutes) is used to bill for these services, and only with revenue codes revenue 0550 and 0559.

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Note: Services provided under the "incident to" benefit may not be recognized as CORF services. Services furnished by CORF personnel, including registered nurses, physical therapists, occupational therapists, speech-language pathologist and respiratory therapists are not considered furnished incident-to physician services.

Payment for covered pneumococcal, influenza, and hepatitis B vaccines provided in the CORF setting is based on 95% of the average wholesale price. The registered nurse provides administration of the vaccines using CPT code 90471.

- Finally, CR 6005 announces that the requirement for CORF outpatient mental health treatment limitation is deleted.

Additional Information

This article only summarizes the CORF manual revision made by CR 6005 and you can find the complete details by reviewing CR 6005, located at *http://www.cms.hhs.gov/Transmittals/downloads/R111BP.pdf* on the CMS website. You will find the updated *Medicare Benefit Policy Manual,* Chapter 12, (Comprehensive Outpatient Rehabilitation Facility (CORF) Coverage), as an attachment to CR 6005.

In addition, for specific payment requirements for CORF, items and services, see the *Medicare Claims Processing Manual,* Chapter 5 (Part B Outpatient Rehabilitation and CORF/OPT Services), which you can find at *http://www.cms.hhs.gov/manuals/downloads/clm104c05.pdf* on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at *http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip* on the CMS website.

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