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**TITLE 8 SOCIAL SERVICES****CHAPTER 323 ENHANCED EPSDT - OUTPATIENT PROVIDERS****PART 5 EPSDT REHABILITATION SERVICES**

**8.323.5.1 ISSUING AGENCY:** New Mexico Human Services Department  
[1-1-95; 8.323.5.1 NMAC – Rn, 8 NMAC 4.MAD.000.1, 7-1-02]

**8.323.5.2 SCOPE:** The rule applies to the general public.  
[1-1-95; 8.323.5.2 NMAC – Rn, 8 NMAC 4.MAD.000.2, 7-1-02]

**8.323.5.3 STATUTORY AUTHORITY:** The New Mexico Medicaid program is administered pursuant to regulations promulgated by the federal Department of Health and Human Services under Title XIX of the Social Security Act, as amended and by the state Human Services Department pursuant to state statute. See NMSA 1978 27-2-12 et. seq. (Repl. Pamp. 1991).  
[1-1-95; 8.323.5.3 NMAC – Rn, 8 NMAC 4.MAD.000.3, 7-1-02]

**8.323.5.4 DURATION:** Permanent  
[1-1-95; 8.323.5.4 NMAC – Rn, 8 NMAC 4.MAD.000.4, 7-1-02]

**8.323.5.5 EFFECTIVE DATE:** January 1, 1995.  
[1-1-95; 8.323.5.5 NMAC – Rn, 8 NMAC 4.MAD.000.5, 7-1-02]

**8.323.5.6 OBJECTIVE:** The objective of these regulations is to provide policies for the service portion of the New Mexico Medicaid program. These policies describe eligible providers, covered services, noncovered services, utilization review, and provider reimbursement.  
[1-1-95; 8.323.5.6 NMAC – Rn, 8 NMAC 4.MAD.000.6, 7-1-02]

**8.323.5.7 DEFINITIONS:** [RESERVED]

**8.323.5.8 MISSION STATEMENT:** The mission of the New Mexico Medical Assistance Division (MAD) is to maximize the health status of Medicaid-eligible individuals by furnishing payment for quality health services at levels comparable to private health plans.  
[1-1-95; 8.323.5.8 NMAC – Rn, 8 NMAC 4.MAD.002, 7-1-02]

**8.323.5.9 EPSDT REHABILITATION SERVICE PROVIDERS:** The New Mexico Medicaid program (Medicaid) pays for medically necessary services furnished to eligible recipients, including outpatient services furnished to recipients under twenty-one (21) years of age by licensed physical therapists; occupational therapists; and master's level speech and language pathologists. This section describes eligible providers, covered services, service limitations, and general reimbursement methodology.  
[1-1-95; 8.323.5.9 NMAC – Rn, MAD Rule 746.4 & A, 7-1-02]

**8.323.5.10 ELIGIBLE PROVIDERS:**

A. Upon approval of New Mexico Medical Assistance Provider Participation Applications by the New Mexico Medical Assistance Division (MAD), licensed physical therapists, occupational therapists and master's level speech and language pathologists are eligible to be reimbursed for furnishing services to recipients under twenty-one (21) years of age. See 8.325.8 NMAC, REHABILITATION SERVICE PROVIDER, for information on service provisions for adult Medicaid recipients. See 8.320.6 NMAC, EPSDT SCHOOL-BASED SERVICES, for information on service provisions as part of school-based services. The following providers are eligible to be reimbursed for furnishing outpatient rehabilitation services to recipients:

- (1) Master's level speech and language pathologists licensed by the Board of Speech-Language Pathology and Audiology within the Regulation and Licensing Department;
- (2) Physical therapists licensed as physical therapists by the New Mexico Physical Therapy Board within the Regulation and Licensing Department;

- (3) Occupational therapists licensed as occupational therapists by the Board of Examiners for Occupational Therapy within the Regulation and Licensing Department;
- (4) Outpatient Rehabilitation centers with a primary emphasis on physical therapy, occupational therapy or speech therapy, licensed by the Department of Health;
- (5) Home Health agencies licensed and certified by the Department of Health; and
- (6) General hospitals eligible to provide outpatient rehabilitation services licensed and certified by the Department of Health.

B. Once enrolled, providers receive a packet of information, including Medicaid program policies, billing instructions, utilization review instructions, and other pertinent material from MAD. Providers are responsible for ensuring that they have received these materials and for updating them as new materials are received from MAD. [1-1-95; 8.323.5.10 NMAC – Rn, MAD Rule 746.41 & A, 7-1-02]

#### **8.323.5.11 PROVIDER RESPONSIBILITIES:**

- A. Providers who furnish services to Medicaid recipients must comply with all specified Medicaid participation requirements. See 8.302.1 NMAC, GENERAL PROVIDER POLICIES.
  - B. Providers must verify that individuals are eligible for Medicaid at the time services are furnished and determine if Medicaid recipients have other health insurance.
  - C. Providers must maintain records that are sufficient to fully disclose the extent and nature of the services furnished to recipients. See 8.302.1 NMAC, GENERAL PROVIDER POLICIES.
- [1-1-95; 8.323.5.11 NMAC – Rn, MAD Rule 746.42 & A, 7-1-02]

**8.323.5.12 COVERED SERVICES:** Medicaid covers speech therapy, physical therapy and occupational therapy services provided to Medicaid recipients under twenty-one (21) years of age. Medicaid covers evaluations, individual therapy and group therapy in an outpatient setting. Services must be medically necessary and provided for the purpose of diagnostic study or treatment. Services must be designed to improve, restore or maintain the recipient's condition including controlling symptoms and maintaining the functional level to avoid further deterioration.

- A. Physical, occupational, and speech therapy services must be specifically related to active written treatment plans developed by qualified physical, occupational, or speech therapists with authorization from the physician or primary care provider.
  - B. Services must be performed within the scope and practice of the speech and language pathology, physical therapy and occupational therapy professions, as defined by New Mexico state law.
  - C. All services provided by speech and language pathologists, physical therapists and occupational therapists must be prescribed or ordered by the individual's physician or other primary care provider (PCP). The PCP must be a physician or doctor of osteopathy, certified nurse practitioner, or physician assistant licensed to practice in New Mexico.
- [1-1-95; 8.323.5.12 NMAC – Rn, MAD Rule 746.43 & A, 7-1-02]

#### **8.323.5.13 NONCOVERED SERVICES:**

- A. Services furnished by speech and language pathologists, physical therapists and occupational therapists are subject to the limitations and coverage restrictions that exist for other Medicaid services. See 8.301.3 NMAC, GENERAL NONCOVERED SERVICES.
  - B. Medicaid does not cover these specific services:
    - (1) Services furnished to individuals who are not eligible for EPSDT services;
    - (2) Services for which prior approval has not been received;
    - (3) Services that are not within the scope of practice of the speech and language pathologist physical therapist or occupational therapist;
    - (4) Services furnished without the order or prescription of a physician or PCP;
    - (5) Services that are primarily educational or vocational in nature; and
    - (6) Services related to activities for the general good and welfare of recipients, such as general exercises to promote overall fitness and flexibility and activities to provide general motivation, are not considered physical or occupational therapy for Medicaid reimbursement purposes.
- [1-1-95; 8.323.5.13 NMAC – Rn, MAD Rule 746.44 & A, 7-1-02]

**8.323.5.14 PRIOR APPROVAL AND UTILIZATION REVIEW:** All Medicaid services are subject to utilization review for medical necessity and program compliance. Reviews may be performed before services are furnished, after services are furnished and before payment is made, or after payment is made. See 8.302.5 NMAC, PRIOR APPROVAL AND UTILIZATION REVIEW. Once enrolled, providers receive instructions and documentation forms necessary for prior approval and claims processing.

A. All therapy services with the exception of the initial evaluation require prior authorization from MAD or its designee. Even if a child is receiving or can receive physical, speech or occupational therapies at a school, it is possible that the child may need additional medically necessary therapies. Services for which prior approval were obtained remain subject to utilization review at any point in the payment process.

B. Prior approval of services does not guarantee that individuals are eligible for Medicaid. Providers must verify that individuals are eligible for Medicaid at the time services are furnished and determine if Medicaid recipients have other health insurance.

C. Providers who disagree with denials or other review decisions can request a re-review and reconsideration. See 8.350.2, RECONSIDERATION OF UTILIZATION REVIEW DECISIONS.

[1-1-95; 8.323.5.14 NMAC – Rn, MAD Rule 746.45 & A, 7-1-02]

**8.323.5.15 REIMBURSEMENT:**

A. Providers of speech and language pathology, physical therapy and occupational therapy services must submit claims for reimbursement on the HCFA-1500 claim form or its successor. See 8.302.2, BILLING FOR MEDICAID SERVICES. Once enrolled, providers receive instructions and documentation, billing, and claims processing.

B. Reimbursement to licensed master's level speech and language pathologists, licensed physical therapists and licensed occupational therapists is made at the lesser of the following:

(1) The provider's billed charge;

(a) The provider's billed charge must be their usual and customary charge for service.

(b) "Usual and customary" refers to the amount an individual practitioner charges the general public in the majority of cases for a specific procedure or service.

(2) The MAD fee schedule for the specific services. Medicaid does not pay a professional component amount to a physical, occupational or speech pathologist if therapy is performed in a hospital setting. Medicaid reimburses the institutional provider for all components of the service.

[1-1-95; 8.323.5.15 NMAC – Rn, MAD Rule 746.46 & A, 7-1-02]

**HISTORY OF 8.323.5 NMAC**

Pre-NMAC History: The material in this part was derived from that previously filed with the Commission of Public Records - State Records Center and Archives:

MAD Rule 746.4 Licensed Speech And Language Pathologists, 12/16/94.

**History of Repealed Material:** [Reserved]