



Medicare Part B Therapy Cap Exceptions Process

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Therapy Cap Exceptions

- **Facts** – referenced, known
- **Opinions** – personal statements of position
- **Strategies** – possible actions available



Therapy Cap

- \$1740 Medicare Allowable in 2006
- 80% Medicare paid
- 20% Beneficiary or co-insurance paid
- PT and Speech Combined Cap
- Separate OT Cap



Therapy Cap Exceptions Process

- March 13, 2006 effective date
- Retroactive to January 1, 2006
- Suppliers and Providers who already had claims denied may request the Medicare contractor to reopen the denied claims and review those claims to see if the beneficiary would have qualified for the exception

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Exceptions Process – 2 Types

- Automatic Exceptions
 - Clinician attestation of compliance justifies exception
- Manual Exceptions
 - Must be submitted to carrier/fiscal intermediary for approval for exception
- Anticipate the majority of beneficiaries who require services in excess of the cap will qualify for automatic exceptions



Definitions

- Condition
 - The primary reason a patient requires therapy
- Complexity
 - Co-morbidities or complicating circumstances that, alone, do not justify an exception from the cap.



Complexities

- Diagnostic Complexity
 - A co-morbidity, that in combination with a condition that is not on the list, directly and significantly impacts the rate of recovery for the condition being treated
- Clinical Complexity
 - Other medical situations that directly and significantly impact the rate of recovery for the condition being treated
- Situational Complexity
 - Situations that directly and significantly impact the rate of recovery for the condition being treated



Therapy Cap Exceptions

- Documentation *must* exist to support medical necessity of all therapy

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Automatic Exceptions

- Certain diagnoses, conditions, or complexities are allowed without a written request to the contractor
- 92506, 92597, 92607, 92608, 92610, 92611, 92612, 92614, 92616, 96105, 97001, 97002, 97003, and 97004 are automatic exceptions to the cap.
- Apply modifier KX after each CPT code if the cap is exceeded



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Automatic Exceptions - Examples

- Diagnoses
 - Hemiplegia, hemiparesis, and other neurological conditions
 - Multiple Sclerosis
 - Some osteoarthritis dependent on location
 - Abnormality of gait
 - Various fractures
 - Burns
 - Spinal cord and head injuries
- View the CMS Fact Sheet for the entire list of conditions and complexities that qualify for an automatic exception



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Automatic Exceptions - Examples

- Complex Conditions
 - Beneficiary **discharged from hospital** or SNF within past 30 days
 - Beneficiary has a **mental or cognitive disorder** in addition to the condition being treated
 - Beneficiary requires **PT and SLP** concurrently



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Automatic Exceptions - Examples

- Complex Conditions
 - Beneficiary had a **prior episode** of outpatient therapy this calendar year for a different condition
 - Beneficiary indicates he/she **does not have access** to outpatient hospital therapy services
 - Example of above would be a SNF resident prevented by consolidated billing from accessing hospital services
- View the CMS Fact Sheet for the entire list of conditions and complexities that qualify for an automatic exception



Therapy Cap Complexities

- Documented complexities can justify an automatic exception even if the condition (ICD-9-CM DX code) does not.
- Therapists documentation would include both the condition being treated and the complexity and **how** the complexity affects treatment (i.e. how will the complexity directly and significantly impact the rate of recovery for the condition being treated)

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Manual Exceptions

- Requires **written request** by the beneficiary or provider
- Requires review by the Medicare contractor
- Provider or beneficiary may fax the request to the Medicare contractor requesting up to 15 additional treatment days per discipline of service beyond the cap



Therapy Cap Manual Exceptions

- Request must include at minimum:
 - Evaluation
 - Certified plan of care (Initial and re-cert, if applicable)
 - Progress Reports
 - Treatment Encounter Notes
 - Justification for the request



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Manual Exceptions

- Medicare contractor has **10 business days** upon receipt of the request to make a determination on the number of additional treatment days they determine are medically necessary
- **If** the contractor does not make a decision within 10 business days, additional therapy beyond the cap amount is **deemed to be medically necessary**



Therapy Cap Manual Exceptions

- Suppliers or Providers may submit an additional request for exception to the cap after the first request has been denied only if the beneficiary has undergone a significant change in condition
- Suppliers and Providers must submit separate requests from the combined PT and SLP cap and OT cap



Therapy Cap Modifier KX

- Used when services qualify for either an automatic or manual exception
- Providers/suppliers must append modifier KX to each line on the claim that contains a service that exceeds the cap (i.e. 97110GPKX, 97140GPKX)
- This modifier represents the providers/suppliers **attestation that documentation exists to demonstrate medical necessity**



Therapy Cap CMS References

- CMS Therapy Cap Exceptions Process Fact Sheet

www.cms.hhs.gov/apps/media/press/release.asp?Counter=1782

- CMS Transmittal 47, Change Request 4364

www.cms.hhs.gov/transmittals/downloads/R47BP.pdf

- CMS Transmittal 855, Change Request 4364

www.cms.hhs.gov/transmittals/downloads/R855CP.pdf

- CMS Transmittal 140, Change Request 4364

www.cms.hhs.gov/transmittals/downloads/R140PI.pdf



Therapy Cap References

Wisconsin Physician Services

- Wisconsin Physician Services
<http://www.wpsic.com/medicare/>
- Click on Provider
- Click on “Therapy Caps Information Page” on the right hand side
- Click on the appropriate link you want information on



Therapy Cap References

United Government Services

- United Government Services
<http://www.ugsmedicare.com/>
- Information will be posted to this site when it becomes available
- Sign up for automatic e-mail notifications. Link is located on the far right hand side of this website link



Therapy Cap References Mutual of Omaha

- Mutual of Omaha
www.mutualmedicare.com
- Information will be posted to this site when it becomes available
- Sign up for automatic e-mail notifications. Link is located near the top in the center



Therapy Cap References

- American Physical Therapy Association
www.apta.org
- Click on Medicare Issues Cap Exceptions Process link
- Must be an APTA member to access this site
- Contains patient and PT FAQ's



Therapy Cap Exceptions Process

- Questions??????



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