



**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR MEDICAID SERVICES**

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Commissioner

March 15, 2016

To: Home & Community Based Waiver – Provider Letter # A-84  
Adult Day Care (43) – Provider Letter # A-46

RE: Therapy Transition

Dear HCB Waiver Therapy Provider:

Over the next couple of months, there will be important changes to physical therapy, occupational therapy, and speech-language pathology services for 1915(c) Home and Community Based Services (HCBS) waiver participants. The Centers for Medicare and Medicaid Services (CMS) is requiring that Kentucky make these changes. The Department for Medicaid Services (DMS) wants you to be aware of the changes, why they must occur, how they impact you, and what steps you must take to continue providing services to participants. Please be aware that DMS is committed to working with providers, within the applicable Federal requirements, to ensure continuity of care and a smooth transition for waiver participants.

In the past, Kentucky provided physical and occupational therapies, and speech language pathology services to children through the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) benefit and eligible waiver participants through the HCBS waivers. On January 1, 2014, Kentucky added physical therapy, occupational therapy, and speech-language pathology services to the State Plan, making them available to all Medicaid members based on medical necessity. This created a duplication of services between the State Plan and the HCBS waivers. CMS does not allow for this duplication of services and is requiring that Kentucky transition payment for these services from the HCBS waivers to the State Plan at the time of waiver renewal to come into compliance with CMS guidelines.

DMS filed revised regulations for the Home and Community Based (HCB) waiver, which do not include these therapies as covered services since 2015 was the renewal year for the HCB waiver. These regulations are expected to become effective in June.

At that time, the therapy services will no longer be reimbursed through the HCB waiver program, but will be paid through the State Plan. Therefore, if the waiver is approved and you are not already enrolled in Medicaid as a State Plan provider, you risk not being able to bill for therapy services. You should begin enrolling as a State Plan provider now in order to avoid this situation. It is crucial that providers enroll in Medicaid as State Plan providers now. Instructions for enrollment are included on the next page.

DMS worked extensively with CMS to implement a differential rate for waiver participants served through the State Plan, but this is not feasible. Therefore, the reimbursement rate for these services will be the designated State Plan rate indicated on the applicable fee schedules.

Should you have any questions, please do not hesitate to reach out to the Department.

Sincerely,

Leslie Hoffmann,  
Director

Attachment

## Enrollment Information

As you know, Medicaid is currently working on a transition plan to move the physical, occupational and speech therapies out of the 1915(c) waiver programs and be provided as a State Plan service. We know this is causing a great deal of angst and confusion for the therapy providers. The transition is not an easy one. There are numerous moving parts which include Waiver, regulation, information system, policy, and process changes. It will require a new Medicaid provider type for agencies providing different therapies utilizing multi-discipline providers (Multi-Therapy Agency, Provider Type 76).

Although our hopes are to move quickly on this transition, in the meantime, we have identified a work-around to enable waiver providers who are currently providing therapy to waiver members to continue to serve those members. Providers can enroll as a physical therapist group, occupational therapist group and/or speech language pathologist group, whichever is applicable based on the therapy services provided. Each individual therapist would enroll in their appropriate provider type and link to the appropriate group. Please note that Adult Day Health agencies are already licensed to provide these therapies and therefore do not require a separate licensure, but will need to properly enroll in another provider type. Also, unless an Adult Day Health agency seeks separate licensure, it can only provide services within the facility. Home Health Agencies are also already authorized to provide these services under their current license, and the Home Health Agency state plan provider type (PT-34)

For example, if an agency wants to provide physical and occupational therapy, the agency would enroll as a physical therapy group (PT-879) and have the individual licensed physical therapists enroll (PT-87) and link to it using a MAP-347, and the agency would also enroll as an occupational therapy group (PT-889) and have the individual licensed occupational therapists enroll (PT-88) and link to it using a MAP-347.

This means an agency could potentially have up to three separate group numbers depending on the different therapies provided. Keep in mind that if you start utilizing these provider numbers, you will be paid based on the fee-for-service fee schedule listed at <http://chfs.ky.gov/dms/fee.htm>. In addition, if an agency wants to provide services to non-waiver members, which it could start doing as a State Plan provider, you would need to contract with the managed care organizations and be subject to their rates.

Your choice at this time is either go ahead and enroll in the separate provider groups, or wait until we have the new provider type. DMS will not be able to enroll providers in the new provider type until the regulations have been approved, which would likely be in the summer of 2016. The HCB and SCL waiver regulations are currently on target for a June implementation date; in order to continue providing therapy services to HCB and SCL waiver members without interruption, waiver providers should enroll in the separate provider groups described above. If the waiver is approved and you are not already enrolled, you risk not being able to bill for therapy services.

If you decide to get enrolled now, you could still utilize your waiver provider numbers for the PT-OT-ST therapies until 1915(c) waivers and applicable regulations have been approved and DMS notifies you that those numbers can no longer be used.

Following are links to information on the various groups.

Physical Therapist Group

<http://www.chfs.ky.gov/NR/rdonlyres/84A287A4-A863-4A21-ADF9-4E1F799E940C/0/ProviderTypeSummariesPhysicalTherapistGROUPT879RevisedMay2015r1.pdf>

Speech Language Pathologist Group

<http://www.chfs.ky.gov/NR/rdonlyres/0B9726EA-43C5-4334-B302-23994FDCF990/0/ProviderTypeSummariesSpeechLanguagePathologistGROUPT799RevisedMay2015r1.pdf>

Occupational Therapist Group

<http://www.chfs.ky.gov/NR/rdonlyres/A7D62922-5248-4086-9E18-DFD5D3614994/0/ProviderTypeSummariesOccupationalTherapistGROUPT889RevisedMay2015r1.pdf>

For any questions, please contact the following:

Waiver: Leslie Hoffmann, 502-564-7540

Enrollment: Kate Hackett, 502-564-1013