

Health Care Service Corporation (HCSC) (BCBS of IL, OK, NM, and TX) to cover CPT Code 97535 (ADL training)

AOTA recently received word that HCSC policy (THE803.010) is being changed to “*consider 97535 medically necessary when treatment is expected to result in significant functional improvement and the services are intended to enable a patient to perform activities of daily living.*”

HCSC’s previous policy stated that “*OT or PT consisting of the following services **are considered not medically necessary:***

Training in self-care and/or home management skills (e.g., activities of daily living, compensatory training, meal preparation, safety procedures, use of adaptive equipment, etc.)

Training to facilitate reintegration into community and/or work environment (i.e., shopping, money management vocational activities, etc.)”

The new policy, as proposed by BCBS of TX, would state, “*In addition to the above criteria, OT services that **may be considered medically necessary** include treatments that are expected to result in significant functional improvement, and are for the purpose of enabling the patient to perform activities of daily living.*

*OT services that consist of non-essential, self-help, or recreational tasks **are considered not medically necessary**, including training to facilitate reintegration into community and/or work environment (i.e., shopping, money management, educational and vocational activities, gardening, driving, etc.)”*

AOTA first became aware of denials of CPT codes 97535 (ADL training) and 97537 (community reintegration training) from occupational therapist in Illinois, at which time a letter was sent requesting that HCSC include these codes as covered. (<http://www.aota.org/Practitioners/Reimb/News/Letters/BCBS.aspx?FT=.pdf>)

After receiving a negative response, AOTA called HCSC and was told that they would reconsider the request based on evidence of medical necessity.

In March 2010, AOTA sent a second letter with evidence supporting the medical necessity of these codes (<http://www.aota.org/Practitioners/Reimb/News/Letters/Follow-up-Codes.aspx?FT=.pdf>) and repeatedly followed up with the HCSC medical policy medical director. In May 2011, AOTA received a letter confirming that the policy would be changed to cover 97535 but not 97537.

The HCSC Medical Policy Medical Director (BCBS of TX) posted a proposed change to the policy (as quoted above) for public comments from June 1 to 15. The comment period is now closed. This proposed change has not been posted to the Web sites in Illinois, Oklahoma, and New Mexico.

Although, AOTA is pleased that HCSC has reversed its non-coverage of ADL training, we would like to see 97537 added in the future. Also, there are a number of additional concerns about the way the policy is written.

Issues:

- BCBS TX does not seem to provide a list of covered codes (some of the other plans do), and many providers will not understand the implications of this change on billing practices.
- The policy, as written, does not have a definition of occupational therapy and seems to imply that occupational therapy and physical therapy provide the same services. Use of the same codes does not equate to duplicate services. AOTA would like HCSC to provide a definition of occupational therapy and recently sent it the Model Practice Act Definition for reference.

We ask that AOTA members in Illinois, Oklahoma, and New Mexico let reimbursement staff at rrpd@aota.org know if this change is announced on BCBS plans in those states. AOTA will continue to follow up to determine the effective date coverage.