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Use of Students under Medicare Part B

The purpose of this document is to provide clarification on the circumstances under which physical therapy students may participate in the provision of outpatient therapy services to Medicare patients, and whether or not such services are billable under Medicare Part B. Specifically, this document addresses student participation in the provision of services in the following settings: private practice physical therapy offices, rehabilitation agencies, comprehensive outpatient rehabilitation facilities (CORFs), skilled nursing facilities (SNFs) (Part B), outpatient hospital departments, and home health agencies (Part B).

Background

CMS issued a program memorandum, (AB-01-56) on the provision of outpatient therapy services by therapy students on April 11, 2001. In this program memorandum (http://www.cms.hhs.gov/Transmittals/downloads/AB0156.pdf), CMS provided answers to frequently asked questions regarding payment for the services of therapy students under Part B of the Medicare program.

In response to inquiries from the American Speech Language Hearing Association (ASHA), CMS issued a follow-up letter dated November 9, 2001, to ASHA in which they further clarified the policy on payment of student services that they outlined in the Q and A program memorandum. On January 10, 2002 CMS also issued a similar letter to AOTA on the subject. The follow-up letters to ASHA and AOTA were not intended to signify a change in the policy issued in the program memorandum; they were merely intended to provide further clarification.

Specifically, in the program memorandum (AB-01-56), CMS stated, in part, that "services performed by a student are not reimbursed under Medicare Part B. Medicare pays for services of physicians and practitioners (e.g. licensed physical therapists) authorized by statute. Students do not meet the definition of practitioners listed in the statute." Regarding whether services provided by the student with the supervising therapist "in the room" can be reimbursed, CMS stated that "Only the services of the therapist can be billed to Medicare and be paid. However, the fact that the student is "in the room" would not make the service unbillable. Medicare would pay for the services of the therapist." In response to another question, CMS stated that "the therapist can bill for the direct services he/she provides to patients under Medicare Part B. Services performed by the therapy student are not payable under Medicare Part B."

In the letter to ASHA, CMS once again restated, in order to be paid, Medicare Part B services must be provided by practitioners who are acting within the scope of their state licensure. CMS further described circumstances, under which they consider the service as being essentially provided directly by the qualified practitioner, even though the student has some involvement. Such services would be billable. Specifically, CMS states:

"The qualified practitioner is recognized by the Medicare Part B beneficiary as the responsible professional within any session when services are delivered."

"The qualified practitioner is present and in the room for the entire session. The student participates in the delivery of services when the qualified practitioner is directing the service, making the skilled judgment, and is responsible for the assessment and treatment."

"The qualified practitioner is present in the room guiding the student in service delivery when the student is participating in the provision of services, and the practitioner is not engaged in treating another patient or doing other tasks at the same time."

"The qualified practitioner is responsible for the services and as such, signs all documentation (A student may, of course, also sign but it is not necessary since the Part B payment is for the clinician's services, not for the student's services)."

In response to a request from AOTA, CMS issued a summary of their understanding of the





typical scenario involving students for which occupational therapists seek payment. The information provided in this letter mirrors what was stated in the letter provided to ASHA.

Acceptable Billing Practices

Based on the information provided by CMS and MedPAC, it is possible for a physical therapist to bill for services only when the services are furnished jointly by the physical therapist and student. APTA recommends that physical therapists consider the following factors in determining whether or not a physical therapist may bill Medicare Part B for a service when the therapy student is participating in the provision of the service.

- · Physical therapists should use their professional judgment on whether or not a service is billable, keeping in mind the importance of integrity when billing for services.
- · Physical therapists should distinguish between the ability of a student to provide services to a patient/client from the ability to bill for student services provided to Medicare Part B patients. A student may provide services to any patient/client provided it is allowable by state law. This does not mean, however, that the services provided by the student are billable to Medicare, Medicaid, or other private insurance companies.
- As CMS states, only services provided by the licensed physical therapist can be billed to Medicare for payment. Physical therapists should consider whether the service is being essentially provided directly by the physical therapist, even though the student has some involvement in providing the care. In making this determination, the therapist should consider how closely involved he or she is involved in providing the patient's care when a student is participating. The therapist should be completely and actively engaged in providing the care of the patient. As CMS states in their letter, "the qualified practitioner is present in the room guiding the student in service delivery when the student is participating the provision of services, and the practitioner is not engaged in treating another patient or doing other tasks at the same time." The therapist should direct the service, make the skilled judgment, and be responsible for the assessment and treatment. There should be checks and balances provided by the physical therapist throughout the entire time the patient/client is being managed.
- . The physical therapist should ask him-or herself whether the billing would be the same whether or not there is a student involved. The therapist should not bill beyond what they would normally bill in the course of managing that patient's care. The individual therapist or the employer should not benefit financially from having the student involved in the clinical experience in the practice or facility.

Conclusion

It is crucial that physical therapists be aware of and comply with Medicare regulations governing the circumstances in which physical therapy students may participate in the provision of physical therapy services. CMS has clearly stated its policy that student services under Part B are not billable, and that only services provided to Medicare beneficiaries by the PT may be billed. APTA will continue to work to ensure that physical therapy students receiving the clinical training they need in order to provide valuable, high-quality physical therapy services to patients/clients.

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