Questions & Answers: Medicaid-covered IEP Speech Therapy Services
Updated 5-7-2010

The Indiana Department of Education has received questions and requests for additional information concerning the Medicaid speech therapy coverage policy clarification shared with Special Education Directors on March 17, 2010 (recopied in the blue box below). This clarification explains the Indiana Medicaid agency’s understanding of the unique environment in which IEP therapy services are typically delivered in a school setting and how the Medicaid agency applies its group speech therapy coverage limitation when determining, on an individual case by case basis, whether group therapy constitutes the “only” or “primary means” of treatment provided to a particular student.

"Indiana Medicaid's rule at 405 IAC 5-22-9 stipulates that group therapy is covered in conjunction with, not in addition to, regular individual treatment, and that Medicaid will not pay for group therapy “as the only or primary means of treatment.” Following up to requests from Medicaid-participating school corporations, the Indiana Department of Education asked the Medicaid agency to clarify how this policy applies to typical therapy service delivery in the school setting pursuant to a student’s IEP.

In a meeting with DOE staff, medical policy experts from the Indiana Office of Medicaid Policy and Planning (OMPP) said Medicaid recognizes that individual treatment in the school setting is often provided in the classroom as the therapist works with multiple individuals in a class. Medicaid’s determination on whether the service (therapy session) constitutes individual or group therapy relies solely on the specific service provided and not the setting where it is performed. Individual speech therapy need not occur in an isolated setting, for example:

Example 1 – Individual Therapy: The therapist is in the classroom working one-on-one with each of several students in succession. One-on-one time with each student on his/her individual goals is individual therapy regardless of whether the students are disbursed throughout the classroom, pulled aside or gathered in a group.

Example 2 – Group Therapy: The therapist is working with multiple individuals simultaneously on like or similar attainable goals.

Example 3 – Individual & Group Therapy: The therapist is seated with several students at a table and spends part of the time working one-on-one with each student in succession. The one-on-one time with each student on his/her individual goals is individual therapy and should be billed in conjunction with any group activity (group therapy) in which multiple individuals at the table work together on attainable goals to reinforce what each individual at the table is learning during his/her turn at one-on-one time with the therapist.

Please note: For Medicaid to cover group speech therapy, individual therapy must be provided to the same general extent as group therapy.”

QUESTION # 1: Does this [clarification] mean a student doesn’t have to have any individual [speech therapy] sessions for us to claim Medicaid reimbursement for group [speech therapy]?

ANSWER TO QUESTION # 1: No. The clarification reiterates that Medicaid only covers group speech therapy in conjunction with individual therapy; however, it further explains that Medicaid recognizes schools typically provide individual therapy services in a group setting. The examples of various settings in which individual and group therapy are typically delivered in the unique school environment.
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environment were included in this policy clarification to demonstrate that schools should not base their billing solely on the setting where treatment occurs, but rather on the actual service(s) provided to the student or students in that setting.

QUESTION # 2: Is this new? What prompted this clarification?

ANSWER TO QUESTION # 2: This is not a new policy. DOE asked Medicaid to respond to school corporations’ inquiries about the meaning of “only or primary means of treatment,” as used in Medicaid’s speech therapy coverage rule at 405 IAC 5-22-9: “(3) Group therapy is covered in conjunction with, not in addition to, regular individual treatment. Medicaid will not pay for group therapy as the only or primary means of treatment.” See Medicaid Billing Tool Kit, Appendix C, page C12. http://www.doe.in.gov/exceptional/speced/docs/ToolKit6thEd.pdf

Medicaid's policy discourages a "cookie cutter" or "therapy mill" approach by paying only for individualized care to meet the needs of the specific patient/student. Given that each student is an individual and is working on unique needs/goals described in his/her Individualized Education Program, Medicaid recognizes that school corporations are providing individual therapy, even if the IEP service occurs in a group setting and even though time constraints or circumstances may preclude a speech clinician from providing both individual and group therapy each time he or she sees the student.

QUESTION # 3: [Does the policy clarification mean that] an individual session does not NECESSARILY have to be performed alone, 1 to 1 with the student? [Is this saying the service is individual speech therapy] as long as within the group setting the SLP is working 1-1 with each student on the student’s individual’s needs?

ANSWER TO QUESTION # 3: Correct. An individual session does not necessarily have to be performed alone, 1 to 1 with the student. The examples, which accompanied the clarification, illustrate that Medicaid billing should be based on the actual service provided, not the setting. IEP services are often delivered in a group setting; but regardless of setting, the service is individual therapy if the SLP is working 1 to 1 with one student on that student’s IEP goals, even if the therapist and student are surrounded by a group of students in the classroom. The service is group therapy if the SLP is doing a group activity with all the students in the group. During the time the SLP is in the classroom or seated with a group, it is possible both individual and group speech therapy can occur and be documented as such.

QUESTION # 4: Our speech paths mostly see students in a group [but work] with individual goals for each student within that group. One might be working on articulation /s/ and another might be working on /l/. As I read example 1 [in the clarification] my thoughts were that we should have been billing individual [therapy] unless the group was working on an activity together.

ANSWER TO QUESTION # 4: The thoughts expressed in QUESTION # 4 indicate an accurate understanding of Medicaid’s examples of what constitutes individual versus group therapy. Billing...
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The information provided herein responds to these specific questions. Different scenarios or differently worded questions may result in different answers. All answers assume that all other applicable Medicaid requirements are being followed. Medicaid requirements details are available online at http://www.indianamedicaid.com/ihcp/Manuals/Provider/cover.pdf and http://www.doe.in.gov/exceptional/speced/docs/ToolKit6thEd.pdf

should be based on the speech professional’s documentation of the service provided to the student, not on the setting in which the service was provided.

QUESTION # 5: Can we provide one individual speech therapy session per semester and bill Medicaid for group speech therapy during the rest of the semester?

ANSWER TO QUESTION # 5: QUESTION # 5 does not appear to pertain to an individual student. It is difficult to respond to this question without additional detail regarding the amount of group therapy to be provided in conjunction with one individual therapy session per semester. If this question is asking whether Medicaid will cover multiple group therapy sessions per semester for a student who receives only one individual session per semester, Medicaid’s answer is likely to be “no,” based on Medicaid’s policy stipulating that Medicaid does not cover group speech therapy as the “only” or “primary means” of treatment.

QUESTION # 6: What does "provided to the same general extent" mean? Does that mean there must be an equal number of [group and individual speech therapy] sessions [for Medicaid to cover the speech therapy]?

ANSWER TO QUESTION # 6: “The same general extent” means that for any given student, the number of group and individual speech therapy sessions should be about the same over the course of that student’s treatment. This doesn’t necessarily mean there must be a one for one match in every case or on every day the clinician sees the student. Medicaid recognizes that the unique circumstances and environment in which IEP services are delivered impacts the ability to work one-on-one with every student each time the SLP sees the student. However, for Medicaid to cover group speech therapy there must be evidence that group therapy is generally provided to the student in conjunction with individual therapy and that, over time, the student receives both group and individual therapy to about the same general extent. Please note that Medicaid does not cover group speech therapy if group therapy constitutes the only or primary means of addressing the student’s needs. Thus, in a case where the service documentation shows that the number of group sessions per semester (or grading period, or other time period) unreasonably exceeds the number of individual therapy sessions provided to a particular student, Medicaid will likely determine that some or all of the group therapy is not covered in that student’s case.

QUESTION # 7: Does [the policy clarification] mean group therapy has to occur in the same session as the individual therapy?

ANSWER TO QUESTION # 7: No. Please see the ANSWER TO QUESTION # 6.

QUESTION # 8: Our billing software limits the options for classifying speech therapy services, and, after reading the policy clarification, we are confused about how to record our services. If we are providing services as described in Example 3 on the policy clarification, which of the limited options should we ‘pick’ when entering the services into our billing system?
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ANSWER TO QUESTION # 8: Billing software systems differ. Data entry for each date of service must accurately reflect, on a case-by-case basis, the actual service provided to the individual student by the speech-language professional. Data entry and the resulting claims for payment must be supported by the notes in the service log/student record. Please contact the vendor to address questions about proper use of the company’s system or software as well as any concerns about such products’ capacity to meet speech professionals’ needs.

QUESTION # 9: The billing form we use has places to enter the type of service provided (group or individual therapy) and, if the service is group therapy, there’s a place to enter the number of students in the group. When I do individual therapy with 3 students in a group setting, should I enter “individual therapy” as the service and put “3” as the number of students in the group?

ANSWER TO QUESTION # 9: Individual therapy, by definition, involves only one student working one-on-one with the therapist; therefore, regardless how many people were present in the group setting at the time one-on-one individual therapy occurred, the number of students receiving the individual therapy session is one (1). It is only appropriate to enter a number higher than 1 when entering a group therapy service on the billing form. Please see the recommendation (in the ANSWER TO QUESTION # 8) about working with your local Medicaid billing administrator or billing agent to ensure that billing forms or software are clearly understood by all who use them and adequately suit their intended purpose.

QUESTION # 10: Is there a minimum number of minutes that must be spent working one-on-one with a student to count the service as an individual speech therapy session?

ANSWER TO QUESTION # 10: The published description of the standardized national procedure code for individual speech therapy (CPT © Code 92507) does not specify a length of time for the session. However, at a minimum, an individual therapy session must be of sufficient duration to adequately address the individual student’s goal(s) and meet his or her unique needs for individual treatment. Verbal clarification from medical policy staff at the state Medicaid agency indicated that this untimed procedure code is appropriate when, in the professional judgment of the speech pathologist, the time spent working one-on-one with the student was sufficient to address that student’s individual goal(s) for that session. Of course, Medicaid expects that speech professionals will be fair when considering whether or not the session length was adequate to address a student’s individual needs. For example, Medicaid would not agree that adequate one-on-one treatment can occur in 30 seconds; however, in a case where a particular student needs only to work on 1 sound, the therapist may reasonably determine that the student’s needs have been adequately addressed in 8 minutes of one-on-one work during a particular session. Again, there is no specified time associated with this code, and its appropriate use must rely on the professional judgment of the pathologist providing the service on a case-by-case basis.

QUESTION # 11: What amount of time constitutes “a unit?”

ANSWER TO QUESTION # 11: “A unit” of service is defined differently depending on what service is described using which standardized national procedure coding system. Current Procedural Terminology
or “CPT” codes published by the American Medical Association are typically used to bill for outpatient therapy services, including speech-language pathology. As discussed in the ANSWER TO QUESTION #10 above, the CPT Code typically used to bill an individual speech therapy session does not specify a length of time; that is, the unit of service associated with this procedure code is “a session,” rather than a 15-minute or 30-minute period (although some other procedure codes typically used for physical and occupational therapy are billed in 15-minute “units” of service).

QUESTION #12: I see 3-4 kids for 30 minutes typically. For those students do I bill for 30 min. of individual or for 8-10 minutes of individual time? Do I bill for group at all for this type of session?

ANSWER TO QUESTION #12: [NOTE: In QUESTION #12, use of the term “bill” is understood to refer to data entry by the service provider on a form, software or web-based system supplied by a vendor who prepares Medicaid claims/bills on behalf of the school corporation.] When recording the services provided to a student, the speech therapy service provider should be careful to record what actually occurred on that date of service. If, during 30-minutes with a group of students in a classroom, the therapist feels she or he adequately addressed each individual student’s therapy goals/needs for that day, then it is appropriate for the school corporation (or its billing agent) to bill Medicaid for an individual therapy session for each of the 3 students, presuming all three were Medicaid-eligible on the date of service. [Note: the amount of “one-on-one” time needed with each student will likely vary depending on each student’s unique needs; therefore, reviewers will expect to see the actual start/stop times or actual number of minutes spent per individual therapy session recorded in the service log or student record.]

If, in the therapist’s professional judgment, there was insufficient time to adequately address one (or two) of the students’ individual needs/goals that day, it may be the therapist will determine/record that only one or two of the students received individual therapy on that date of service. For example, one student’s goals were adequately addressed in 13 minutes of one-on-one time, and the therapist spent the remainder of the 30-minute classroom visit doing a group therapy activity involving all 3 speech therapy clients/students, then the Medicaid billing should reflect an individual therapy session for the one student who received that service and a group therapy session for each student who participated in the group therapy session (again, presuming all have Medicaid coverage effective on the date of service).

Recognizing that the speech therapy professional is translating his or her service log (or “patient”/client/case/student record) into a Medicaid billing form or system data entry, it is important for the service provider to retain student or case records that further document/support those data entries. At minimum, student-specific service documentation should accurately reflect the type of service performed (individual or group therapy), the length of time spent providing the service (either total minutes or start/stop times per service), and notes on treatment outcome/progress/response to the specific therapy goal/need addressed during that session. For additional details about Medicaid service documentation requirements for speech-language and hearing services, please see Chapter 3-Audiological Services, and Chapter 5-Speech-language Pathology Services, in the Medicaid Billing Tool Kit plus the examples of documentation checklists for self-audit/documentation review purposes included in Tool Kit Chapter 9.

QUESTION #13: Do I bill for all my students or just the ones with Medicaid numbers?
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ANSWER TO QUESTION # 13: [NOTE: In QUESTION #13, use of the term “bill” is understood to refer to data entry by the service provider on a form, software or web-based system supplied by a vendor who prepares Medicaid claims/bills on behalf of the school corporation.] The decision whether to data enter records for all students or only for those known to be on Medicaid depends on who sees the billing form/system data entry and how the data is used. Please bear in mind that current federal regulations published by the U.S. Department of Education, Office of Special Education Programs (“OSEP”) require signed parental consent to bill Medicaid. Therefore, signed consent must be on file before releasing a student’s records to Medicaid. Please consult with local school corporation administrators and legal counsel about your local practices and procedures and/or the terms of the LEA’s contract with a billing agent.

Please note: It is presumed that the service provider maintains his or her own student-specific records to document that student’s therapy care plan, therapy goals and outcomes/progress/response in accordance with applicable professional practice standards and as necessary for special education compliance and progress monitoring. If such service logs/student records are maintained in a consistent fashion, and parental consent to bill Medicaid is routinely obtained at IEP meetings regardless of a student’s current Medicaid eligibility status, then the school corporation will have the necessary documentation to support claiming if a student’s Medicaid enrollment status changes throughout the school year.

QUESTION # 14: What do I do for students I see more than once a day? For example, I see one student for 15 minutes individually in the morning, and in the afternoon I see him with one other student for 30 minutes. How do I bill that?

ANSWER TO QUESTION # 14: [NOTE: In QUESTION #14, use of the term “bill” is understood to refer to data entry by the service provider on a form, software or web-based system supplied by a vendor who prepares Medicaid claims/bills on behalf of the school corporation.] Keeping in mind that most speech therapy service procedure codes can be billed only once per day, the service provider who is entering information into a billing program/form should be careful to record what service(s) were actually provided to which student(s) during multiple visits throughout one day. Depending on what occurred during each 15-minute and 30-minute visit, it is conceivable that Medicaid claims are appropriate for an individual therapy session for each student seen that day as well as for a group therapy session for each student. This depends on whether, in the therapist’s professional judgment, the first student’s goals/needs were adequately addressed during one-on-one work during some portion(s) of the 45 minutes the student spent in therapy that day; and it depends on whether the therapist feels s/he spent sufficient one-on-one time to adequately address the second student’s individual therapy needs/goals during some portion of the 30 minutes the second student spent in therapy that day. Whether or not it is appropriate to bill group therapy for one or both students depends on whether the therapist judges that each spent sufficient time reinforcing their individual therapy goals/progress in a group therapy activity during some portion of the total time (30 minutes) that both students were seen together that day.

QUESTION # 15: This question isn’t about individual or group therapy but involves billing Medicaid for speech services. Can the school corporation bill Medicaid for services provided by a licensed SLP who does not have her CCC’s?

The information provided herein responds to these specific questions. Different scenarios or differently worded questions may result in different answers. All answers assume that all other applicable Medicaid requirements are being followed. Medicaid requirements details are available online at http://www.indianamedicaid.com/ihcp/Manuals/Provider/cover.pdf and http://www.doe.in.gov/exceptional/speced/docs/ToolKit6thEd.pdf
ANSWER TO QUESTION # 15: The answer to QUESTION #15 depends on two things:

First, whether or not the licensed SLP can demonstrate that s/he qualifies (i.e., has completed the equivalent educational requirements and work experience necessary) for the ASHA Certificate of Clinical Competence (“CCC’s”). If so, the school corporation can bill Medicaid for this individual’s speech-language pathology services; there is no requirement for professional supervision of this individual; and his/her services are reimbursable at the full Medicaid rate.

Second, if the licensed SLP cannot demonstrate that s/he qualifies for CCC’s, then the answer depends on whether s/he is working under the supervision of a licensed and ASHA certified SLP. In cases where (1) a licensed SLP cannot demonstrate that s/he qualifies for the certificate or (2) the individual is in the process of completing a clinical fellowship necessary for ASHA certification, Medicaid will only reimburse for the individual’s services if s/he is working within the scope of his/her licensure under the supervision of a licensed and ASHA certified SLP. Services provided by such individuals are reimbursed at a slightly lower Medicaid reimbursement rate (which, in Indiana, is commensurate with the rate paid for Indiana Medicaid-covered services provided by SLP Support Personnel, such as SLP aides or assistants, who perform services within the scope of their licensure under the supervision of a licensed and certified SLP).

Please note: According to the applicable federal regulation [42 CFR 440.110], a Medicaid-qualified provider of speech services must: (1) have the ASHA certification, OR (2) have completed the equivalent educational requirements and work experience necessary for the certificate, OR (3) have completed the academic program and be in the process of acquiring supervised work experience (i.e., the Clinical Fellowship Year/”CFY”) to qualify for the certificate.