

# Medicaid Direct Service Claiming Program Overview



There are currently two Medicaid reimbursement programs in which Alabama school systems can participate: Medicaid Administrative Claiming (MAC) and Direct Service Billing. Not only are systems permitted to participate in both, but it is recommended by the Centers for Medicare and Medicaid Services (CMS), the Alabama State Medicaid agency, and the Alabama Association of School Boards (AASB) for systems to participate. MAC and Direct Service Billing are considered companion programs and a system's participation in both increases and optimizes the reimbursement your system can receive from both programs.

## What is the Medicaid Direct Service Program?

The Medicaid Direct Service Program reimburses for the "related services" identified in a child's IEP if the services are covered under the State's Medicaid plan and if the student is Medicaid eligible. Covered services are face-to-face health related services provided to a student, group of students, or parent/guardian on behalf of the student. Covered services are also listed in detail in the Alabama State Provider Manual <http://www.medicaid.alabama.gov/billing> and are medically necessary for the development of the IEP or fully documented in the IEP. An IEP must be completed in order for services to be billed.

## What Services are Reimbursable?

The following are the reimbursable services under the Alabama Direct Service Program. Further detail and definitions for each of these service types can be found on the following pages. Alabama covered services are:

- Intake/Evaluation
- Audiology Services
- Developmental Diagnostic Assessments
- Vision Screening
- Hearing Screening
- Occupational Therapy
- Physical Therapy
- Behavioral Health Services
- Health Aide Services
- Speech/Language Services

The following provides a detailed list of these services, grouped by type of service.

## Who May Be Eligible to Participate?

The following is a list of individuals or types of individuals who may be eligible to participate in the Direct Service Program. The following pages provide the specific credentialing/licensing requirements for each type of service. Each type of service provider can provide a specific list of services based upon their license and credentials:

- Speech Therapist
- Speech Therapy Assistant
- Vision Screening Provider
- Hearing Screen Provider
- Registered Nurse
- Nurse
- Nursing Assistant (Health Aide)
- Physical Therapist
- Physical Therapy Assistant
- Occupational Therapist
- Occupational Therapy Assistant
- Psychologist/School Psych
- Professional Counselor
- Certified Social Worker
- Marriage and Family Therapist
- Audiologist

## Which Specific Activities and Providers are Covered?

### Intake/Evaluation Services

- **Service Description:** The intake evaluation presents psychological, social functioning and medical needs for development of an initial treatment plan for subsequent treatment and/or evaluation. The intake evaluation considers: family history, educational history, medical background, and a description of the significant problems of the child. Services must be specified in the treatment plan (IEP).
- **Professional Qualifications:** Multidisciplinary team as identified by the needs of the child that may include the following professionals as licensed under Alabama law: psychologist, professional counselor, certified social worker, marriage and family therapist, or registered nurse.

### Audiology Services

- **Service Description:** Audiology services necessary for the development or the student's IEP or documented in the IEP included, but are not limited to evaluations, tests, tasks and interviews to identify hearing loss in a student whose auditory sensitivity and acuity are so deficient as to interfere with normal functioning.
- **Professional Qualifications:** Must meet the licensure and/or certification requirements of the State of Alabama, the Code of Federal Regulations, the Alabama Medicaid Agency Administrative Code, and the Alabama Medicaid Provider Manual.

### Developmental Diagnostic Assessments

- **Service Description:** Administration of a standardized objective and/or projective tests of an intellectual, personality or related nature in a face-to-face interaction between the client and the professional and interpretation of the test results to determine medical/mental needs.
- **Professional Qualifications:** Testing may be performed by the following professionals who are licensed under Alabama law: psychologist, professional counselor, certified social worker, or registered nurse with a master's degree in psychiatric nursing AND have documentation of training at the pre-service or in-service level on administering developmental assessments and meet any additional requirements of the specific test publishers.

### Vision Assessments

- **Service Description:** Vision assessments may be performed on students 3 through 20 years of age once a year unless additional screenings are medically necessary.
- **Professional Qualifications:** A person who has been trained on the device by observing a trained employee on a minimum of three patients, verbalization of understanding the procedure and successful completion of the procedure on at least three patients.

### Hearing Assessment

- **Service Description:** Hearing assessments may be performed beginning at 3 years of age. After the initial screening, all children may be assessed once a year unless additional screenings are medically necessary.
- **Professional Qualifications:** A person that has been trained on the device by observing a trained employee on a minimum of three patients, verbalization of understanding the procedure and successful completion of the procedure on at least three patients.

## Occupational Therapy

- **Service Description:** Occupational Therapy services, necessary for the development of the students IEP or documented in the IEP include, but are not limited to:
  - Evaluation of problems which interfere with the student's functional performance
  - Implementation of a therapy program or purposeful activities which are rehabilitative, active or restorative as prescribed by a licensed physician,
  - These activities are designed to: improve, develop or restore functions impaired or lost through illness, injury or deprivation, improve ability to perform tasks for independent functioning when functioning is impaired or lost, prevent, through early intervention, initial or further impairment or loss of function, correct or compensate for a medical problem interfering with age appropriate functional performance.
- **Professional Qualifications:** Must be licensed by the Alabama State Board of Occupational Therapy. Occupational therapy assistants may assist in the practice of occupational therapy only under the supervision of an OT. Occupational therapy assistants must have an Associate of Arts degree and must be licensed by the Alabama State Board of Occupational Therapy. Supervision of certified OT assistants must include one-to-one on-site supervision at least eight hours per month. All services must be performed within the scope of services as defined by the licensing board.
- **Other:** Medicaid **does not** cover group occupational therapy. Covered occupational therapy services do not include recreational and leisure activities such as movies, bowling, or skating. Occupational therapy services may not be span billed.

## Physical Therapy

- **Service Description:** Physical Therapy services, necessary for the development of the student's IEP or documented in the IEP include, but are not limited to:
  - Evaluations and diagnostic services
  - Therapy services which are rehabilitative, active, restorative. These services are designed to correct or compensate for a medical problem and are directed toward the prevention or minimization of a disability, and may include: developing, improving or restoring motor function, controlling postural deviations, providing gait training and using assistive devices for physical mobility and dexterity, maintaining maximal performance within a student's capabilities through the use of therapeutic exercises and procedures.
- **Professional Qualifications:** Must be licensed by the Alabama Board of Physical Therapy. Physical therapy assistants may provide services only under the supervision of a qualified physical therapist. PT assistants must be licensed by the Alabama Board of Physical Therapy and must be an employee of the supervising PT. Supervision of licensed PT assistants must include one-to-one on-site supervision at least eight hours per month. Each supervisory visit must be documented and signed by the PT. All services must be performed within the scope of services as defined by the licensing board.
- **Other:** Physical therapy is not covered for groups.

## Behavioral Health Counseling

- **Service Description:** Behavioral health services based on a treatment plan focused intervention and specific goals designed to maximize strengths and reduce behavioral problems or functional deficits. These services may be provided in an individual, group or family setting. The number of participants in the group should be limited to assure effective delivery of service.
- **Professional Qualifications:** A psychologist licensed under Alabama law OR a professional counselor licensed under Alabama law OR a certified social worker licensed under Alabama law OR a registered nurse who has completed a master's degree in psychiatric nursing OR school psychologist certified by the Alabama State Department of Education.

### **Health Aide Services**

- **Service Description:** Services provided to an individual to enable a student to independently function within the school setting with emphasis on training and assistance. Examples of these services include: transferring and ambulating, and assistance with food, nutrition and diet activities.
- **Professional Qualifications:** School Health Aide services are provided by staff that have been trained and remain under the direction of skilled professional medical personnel. Aides shall possess a high school diploma or equivalent, completed a course and obtained certification as a nursing assistant and shall possess a current card in first aid and CPR.

### **Speech/Language Services**

- **Service Description:** Speech/language therapy services necessary for the development of the student's IEP or documented in the student's IEP include, but are not limited to:
  - Diagnostic services
  - Screening and assessment
  - Preventive services
  - Corrective services

Speech therapy services may be provided in an individual, group or family setting. The number of participants in the group should be limited to assure effective delivery of service.

- **Professional Qualifications:** Must have a Certification of Clinical Competence in Speech Language Pathology or be eligible for certification and licensed by the Alabama Board of Examiners for Speech, Language Pathology, and Audiology. Speech Therapy Assistants must be employed by a speech therapist, have a bachelor's degree in Speech Pathology, and be registered by the Alabama Board of Speech, Language Pathology, and Audiology. The licensed speech pathologist must document direct observation of at least 10% of all clinical services provided by the assistant. Speech therapists may supervise no more than the equivalent of two full-time assistants concurrently. All services must be performed within the scope of services as defined by the licensing board.

**If you have any questions or need additional information, please contact the  
Fairbanks Call Center at 1-888-321-1225.**