A Message to

Business Office Managers

8000 Midlantic Drive, Suite 333, Mt. Laurel N.J. 08054

Memorandum

TO: AmeriHealth Participating Hospitals in New Jersey

FROM: Kathleen Mariano
Manager, Provider Relations

DATE: February 14, 2002

SUBJECT: PPO BILLING REQUIREMENTS FOR OUTPATIENT THERAPY

The purpose of this bulletin is to reinforce the billing requirements for physical therapy (PT), occupational therapy (OT) and speech therapy (ST) rendered in your hospital's outpatient department to an AmeriHealth member with PPO (Personal Choice or Personal Choice 65) coverage.

As you know, each PT, OT and ST service for members with PPO coverage require precertification before the member begins treatment in order for the service to be eligible for payment. (Therapy evaluations do not require precertification). In order for approved therapy services to be processed and reimbursed correctly, it is essential that the services billed correspond to the appropriate precertification record for each category of service.

PLEASE NOTE: The revenue code and the HCPCS code billed for each therapy service must correspond in order for the claim to match the correct precertification record. Please see the examples on the following page.

If you have any questions regarding this bulletin, please contact your Hospital Service Coordinator or the Hospital Services Department at 856-778-6500.

CORRECT BILLING:

Revenue Code	HCPCS
420	97110
430	97535

This billing is correct because revenue code 420, (charges for therapeutic exercises and assistive devices and rehabilitation of patients who have neuromuscular, orthopedic and other disabilities), corresponds to PT HCPCS code 97110, "Therapeutic procedure, one or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility."

Revenue code 430, (therapeutic interventions to improve, sustain, or restore an individual's level of function in performance of activities of daily living and work), accurately corresponds to OT HCPCS code 97535, "Self care/home management training (eg, activities of daily living (ADL) and compensatory training, meal preparation, safety procedures, and instructions in use of adaptive equipment) direct one on one contact by provider, each 15 minutes."

INCORRECT BILLING:

Revenue Code	HCPCS
420	97535
430	97110

This billing is incorrect because a physical therapy revenue code is being used with an occupational therapy HCPCS code and an occupational revenue code is being used with a physical therapy HCPCS code.