



# Arkansas Department of Human Services

## Division of Medical Services

Donaghey Plaza South  
P.O. Box 1437  
Little Rock, Arkansas 72203-1437  
Internet Website: [www.medicaid.state.ar.us](http://www.medicaid.state.ar.us)

**TO:** Arkansas Medicaid Health Care Providers - Physician/Independent Lab/CRNA/Radiation Therapy Center

**DATE:** November 1, 2005

**SUBJECT:** Provider Manual Update Transmittal #97

### REMOVE

Section	Date
227.100 - 227.300	10-13-03

### INSERT

Section	Date
227.100 – 227.400	11-1-05

### Explanation of Updates

Sections 227.100 and 227.200 have been revised with minor wording changes for clarity and to reference new sections added to the manual.

Sections 227.210 and 227.220 are new sections added to the manual for informational purposes. This information includes a listing of tests recognized as acceptable tools for use in determining the need for occupational and physical therapy services.

Section 227.300 has been revised with minor wording changes and reorganization of text for clarity.

Sections 227.310 and 227.320 are new sections added to the manual for informational purposes. The information includes a listing of tests recognized as acceptable tools for use in determining the need for speech therapy services.

Section 227.400 is a new section added to explain the recoupment process if a claim is denied based on findings during retrospective reviews.

Paper versions of this update transmittal have updated pages attached to file in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes will be automatically incorporated.

If you need this material in an alternative format, such as large print, please contact our Americans with Disabilities Act Coordinator at (501) 682-6789 or 1-877-708-8191. Both telephone numbers are voice and TDD.

If you have questions regarding this transmittal, please contact the EDS Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

Arkansas Medicaid provider manuals (including update transmittals), official notices and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website: [www.medicaid.state.ar.us](http://www.medicaid.state.ar.us).

Thank you for your participation in the Arkansas Medicaid Program.

---

Roy Jeffus, Director

## SECTION II - PHYSICIAN/INDEPENDENT LAB/CRNA/RADIATION THERAPY CENTER

### CONTENTS

#### 200.000 PHYSICIAN/INDEPENDENT LAB/CRNA/RADIATION THERAPY CENTER GENERAL INFORMATION

- 201.000 Arkansas Medicaid Participation Requirements
- 201.100 Arkansas Medicaid Participation Requirements for Physicians
- 201.110 Group Providers of Physician Services
- 201.111 Arkansas Medicaid Participation Requirements for Rural Health Clinic or Federally Qualified Health Clinic Physician Groups
- 201.120 Physicians in Arkansas and Bordering States
- 201.130 Physicians in Non-Bordering States
- 201.200 Arkansas Medicaid Participation Requirements for Independent Laboratories
- 201.210 Independent Laboratories in Arkansas, Bordering and Non-Bordering States
- 201.300 Arkansas Medicaid Participation Requirements for Certified Registered Nurse Anesthetist (CRNA)
- 201.310 Group Providers of Certified Registered Nurse Anesthetist (CRNA) Services
- 201.320 CRNA Providers in Arkansas and Bordering States
- 201.330 Providers of CRNA Services in Non-Bordering States
- 201.400 Arkansas Medicaid Participation Requirements for Radiation Therapy Centers
- 202.000 Required Documentation
- 202.100 Documentation Required of All Medicaid Providers
- 202.200 Medical/Clinical Records Physicians are Required to Keep
- 202.300 Independent Lab Services Required Documentation
- 202.400 CRNA Services Required Documentation
- 202.500 Radiation Therapy Center Required Documentation
- 203.000 Physician's Role in the Medicaid Program
- 203.100 Introduction
- 203.110 Ambulance Services
- 203.120 Physician's Role in the Child Health Services (EPSDT) Program
- 203.130 Physician's Role in Developmental Day Treatment Clinic Services (DDTCS)
- 203.140 Physician's Role in Family Planning Services
- 203.150 Physician's Role in Home Health Services
- 203.160 Physician's Role in the Hospice Program
- 203.170 Physician's Role in Hospital Services
- 203.180 Physician's Role in the Hyperalimentation Program
- 203.190 Physician's Role in Intravenous Therapy in a Patient's Home (Home IV Therapy)
- 203.200 Physician's Role in Long Term Care Facility Placement
- 203.210 Physician's Role in the Occupational, Physical and Speech Therapy Program
- 203.220 Physician's Role in Personal Care Services
- 203.230 Physician's Role in the Pharmacy Program
- 203.240 Physician's Role in the Portable X-Ray Services Program
- 203.250 Physician's Role in the Private Duty Nursing Services Program
- 203.260 Physician's Role in the Prosthetics Program
- 203.270 Physician's Role in Mental Health Services
- 203.280 Physician's Role in the Rehabilitative Services for Persons with Mental Illness (RSPMI) Program
- 203.290 Physician's Role in the Ventilator Program
- 203.300 Physician's Role With Other State Programs
- 203.310 Physician's Role In Preventing Program Abuse
- 204.000 Role of Quality Improvement Organization (QIO)
- 205.000 Physician's "Direct Supervision"
- 205.100 Physician's "Direct Supervision" in the Provision of Psychotherapy Services
- 206.000 Early Intervention Reporting Requirements for Children Ages Birth to Three

#### 210.000 PROGRAM COVERAGE

211.000	Introduction
212.000	Scope
213.000	Exclusions
213.100	Inpatient Psychiatric Services
220.000	Benefit Limits
221.000	Family Planning Services
221.100	Additional Family Planning Benefit Information Regarding Aid Categories 69 and 61
222.000	Fetal Non-Stress Test and Ultrasound Benefit Limits
223.000	Injections
224.000	Inpatient Hospital Services
224.100	Inpatient Hospital Services Benefit Limit
224.200	Medicaid Utilization Management Program (MUMP)
224.210	MUMP Applicability
224.220	MUMP Exemptions
224.300	MUMP Procedures
224.310	Direct Admissions
224.320	Transfer Admissions
224.330	Retroactive Eligibility
224.340	Third Party and Medicare Primary Claims
224.350	Requests for Reconsideration
224.400	Post Payment Review
225.000	Outpatient Hospital Benefit Limit
225.100	Laboratory and X-Ray Services
226.000	Physician Services Benefit Limit
226.100	Consultations
226.200	Telemedicine (Interactive Electronic) Consultations
226.210	Telemedicine Visits
226.220	Telemedicine Echocardiography and Echography
227.000	Physical and Speech Therapy Services
227.100	Guidelines for Retrospective Review of Occupational, Physical and Speech Therapy Services
227.200	Occupational and Physical Therapy Guidelines for Retrospective Review
227.210	Accepted Tests for Occupational Therapy
227.220	Accepted Tests for Physical Therapy
227.300	Speech-Language Therapy Guidelines for Retrospective Review
227.310	List of Accepted Tests
227.320	Intelligence Quotient (IQ) Testing
227.400	Recoupment Process
228.000	Bilaminar Graft or Skin Substitutes
229.000	Procedures for Obtaining Extension of Benefits
229.100	Extension of Benefits for Laboratory and X-Ray, Physician Office and Outpatient Hospital Services
229.110	Completion of Request Form DMS-671, "Request For Extension of Benefits for Clinical, Outpatient, Laboratory and X-Ray Services"
229.120	Documentation Requirements
229.130	Reconsideration of Extensions of Benefits Denial
240.000	Coverage Restrictions
241.000	Ambulatory Infusion Device
242.000	Dermatology
243.000	Family Planning Services
243.100	Family Planning Services Demonstration Waiver
243.200	Family Planning Services for Women in Aid Category 61, PW-PL
243.300	Basic Family Planning Visit
243.400	Periodic Family Planning Visit
243.500	Contraception
244.000	Covered Drugs and Immunizations
244.100	New Pharmacy and Therapeutic Agents
244.200	Radiopharmaceutical Therapy

- 245.000 Laboratory and X-Ray Services Referral Requirements
- 246.000 Non-Core Rural Health Clinic (RHC) Services
- 247.000 Obstetrical Services
- 247.100 Pregnant Women in the PW-PL and PW-PE Aid Categories
- 247.200 Risk Management Services for Pregnancy
- 248.000 Psychotherapy and Psychological Testing
- 249.000 Inpatient Evaluation and Management Services
- 249.100 Professional Components of Diagnostic and Therapeutic Procedures
- 250.000 Outpatient Hospital Physician Services
- 250.100 Emergency Services
- 250.200 Physician Assessment in the Hospital Emergency Department
- 250.300 Non-Emergency Services
- 250.400 Therapy and Treatment
- 250.500 Observation Status
- 251.000 Surgery
- 251.100 Assistant Surgery
- 251.110 Surgical Residents
- 251.200 Surgical Procedures
- 251.210 Anesthesia
- 251.220 Elective Abortions
- 251.230 Cochlear Implant and External Sound Processor
- 251.240 Cosmetic Surgery
- 251.250 Diagnostic Endoscopy Procedures
- 251.260 Extracorporeal Shock Wave Lithotripsy (E.S.W.L.)
- 251.270 Gastric By-Pass or Gastric Stapling for Obesity
- 251.280 Hysterectomies
- 251.290 Sterilization
- 251.300 Organ Transplants
- 251.301 Corneal Transplants
- 251.302 Kidney (Renal) Transplants
- 251.303 Heart Transplants
- 251.304 Liver and Liver/Bowel Transplants
- 251.305 Bone Marrow Transplants
- 251.306 Lung Transplants
- 251.307 Skin Transplants
- 251.308 Pancreas/Kidney Transplants
- 252.000 Telemedicine (Interactive Electronic Medical Transactions)
- 252.100 Telemedicine (Interactive Electronic) Physician Visits and Consultations
- 252.200 Telemedicine (Interactive Electronic) Echography and Echocardiography
- 253.000 Bilaminar Graft or Skin Substitute

**260.000 PRIOR AUTHORIZATION**

- 261.000 Obtaining Prior Authorization of Restricted Medical and Surgical Procedures
- 261.100 Obtaining Prior Authorization from Arkansas Foundation of Medical Care, Inc. (AFMC)
- 261.110 Post-Procedural Authorization Process for Recipients Under Age 21
- 261.120 Prior Authorization of Bilaminar Graft or Skin Substitute
- 261.200 Obtaining Prior Authorization from the Division of Medical Services Utilization Review Unit
- 261.210 Prior Authorization of Ambulatory Infusion Device
- 261.220 Prior Authorization of Cochlear Implant and External Sound Processor
- 261.230 Prior Approval of Transplant Procedures
- 261.231 Reconsideration for Denied Prior Approvals
- 261.232 Beneficiary Appeal Process for Denied Prior Approvals
- 261.240 Prior Authorization of Hylan G-F (Synvisc) Injection
- 261.250 Prior Authorization process for Laboratory Procedures for Highly Active Antiretroviral Therapy (HAART)
- 261.260 Prior Authorization of Elective Abortion of Pregnancy Resulting from Rape or Incest
- 262.000 Procedures That Require Prior Authorization

- 263.000 Prescription Drug Prior Authorization
- 264.000 Appeal Process for Medicaid Recipients

**270.000 REIMBURSEMENT**

- 271.000 Method of Reimbursement
- 272.000 Special Reimbursement Methods
- 272.100 Anesthesia
- 272.200 Assistant Surgery
- 272.300 Clinical Lab
- 272.400 Extracorporeal Shock Wave Lithotripsy (E.S.W.L.)
- 272.500 Lab Panel Fee Reimbursement
- 272.600 Magnetic Resonance Imaging (MRI)
- 272.700 Multiple Surgery
- 272.800 Organ Transplant Reimbursement
- 272.810 Bone Marrow Transplant
- 272.820 Corneal, Kidney, and Pancreas/Kidney Transplants
- 272.830 Other Covered Transplants
- 273.000 Rate Appeal Process

**280.000 HOSPITAL/PHYSICIAN REFERRAL PROGRAM**

- 281.000 Introduction
- 282.000 Hospital/Physician Responsibility
- 283.000 County Human Services Office Responsibility
- 284.130 Ordering Forms
- 285.000 Hospital/Physician Referral for Newborns
- 285.100 Ordering Forms

**290.000 BILLING PROCEDURES**

- 291.000 Introduction to Billing
- 292.000 CMS-1500 (formerly HCFA-1500) Billing Procedures
- 292.100 CPT and HCPCS Procedure Codes
- 292.110 Non-covered CPT Procedure Codes
- 292.200 Place of Service and Type of Service Codes
- 292.300 Billing Instructions - Paper Only
- 292.310 Completion of CMS-1500 (formerly HCFA-1500) Claim Form
- 292.400 Special Billing Procedures
- 292.410 Abortion Procedure Codes
- 292.420 Allergy and Clinical Immunology
- 292.430 Ambulatory Infusion Device
- 292.440 Anesthesia Services
- 292.441 Billing for Sterilization on the Same Date of Service as Delivery
- 292.442 Epidural Therapy
- 292.443 Medicaid Coverage of Conscious Sedation
- 292.444 Guidelines for Anesthesia Values
- 292.445 Anesthesiologist and CRNA Services
- 292.446 Time Units
- 292.447 Example of Proper Completion of Claim
- 292.450 Assistant Surgery
- 292.460 Bilateral Procedures
- 292.470 Cardiac Catheterization and Companion Radiologic Codes
- 292.480 Cataract Surgery
- 292.490 Clinical Brachytherapy
- 292.500 Clinic or Group Billing
- 292.510 Dialysis
- 292.520 Evaluations and Management
- 292.521 Consultations
- 292.522 Critical Care
- 292.523 Detention Time

292.524	Follow-Up Visits
292.525	Hospital Discharge Day Management
292.526	Initial Visits
292.527	Inpatient Hospital Visits
292.528	Nursing Home Visits
292.530	Extracorporeal Shock Wave Lithotripsy (E.S.W.L.)
292.540	Factor VIII, Factor IX and Cryoprecipitate
292.550	Family Planning Services Program Procedure Codes
292.551	Family Planning Laboratory Procedure Codes
292.560	Genetic Services
292.570	Hearing Aid Procedure Codes - Beneficiaries Under Age 21 in the Child Health Services (EPSDT) Program
292.580	Hysterectomy for Cancer or Severe Dysplasia
292.590	Injections
292.591	Injections and Oral Immunosuppressive Drugs
292.592	Other Covered Injections and Immunizations with Special Instructions
292.593	Epoetin Alpha and Darbepoetin Alpha Injections
292.594	Infliximab Injection
292.595	Billing Procedures for Rabies Immune Globulin and Rabies Vaccine
292.596	Immunizations for Beneficiaries Under Age 21
292.597	Vaccines for Children Program
292.598	New Pharmacy Therapeutics and Radiopharmaceutical Therapy
292.600	Laboratory and X-Ray Services Carried Out in the Physician's Office
292.601	Organ or Disease Oriented Panels
292.602	HCPCS Procedure Codes for Laboratory and X-Ray Services
292.610	Magnetic Resonance Imaging (MRI)
292.620	Medical Supplies - Recipients Under Age 21
292.630	Medicare
292.631	Services Prior to Medicare Entitlement
292.632	Services Not Medicare Approved
292.640	Multiple Surgery
292.650	NeuroCybernetic Prosthesis
292.660	Newborn Care
292.670	Obstetrical Care
292.671	Method 1 - "Global" or "All-Inclusive" Rate
292.672	Method 2 - "Itemized Billing"
292.673	Fetal Non-Stress Test and Ultrasound
292.674	External Fetal Monitoring
292.675	Obstetrical Care Without Delivery
292.676	Risk Management for High-Risk Pregnancy
292.680	Outpatient Hospital Services
292.681	Emergency Services
292.682	Non-Emergency Services
292.683	Therapy and Treatment
292.684	Outpatient Hospital Surgical Procedures
292.690	Pelvic Examinations, Prostatic Massages, Removal of Sutures, Etc.
292.700	Physical and Speech Therapy Services
292.710	Prior Authorization Control Number
292.720	Billing for Professional Component of Services Performed in a Hospital
292.730	Professional and Technical Components
292.740	Psychotherapy
292.741	Individual Medical Psychotherapy
292.742	Family/Group Psychotherapy
292.750	Radiation Therapy
292.760	Rural Health Clinic (RHC) Non-Core Procedure Codes
292.770	Sexual Abuse Examination for Beneficiaries Under Age 21
292.780	Substitute Physicians
292.790	Surgical Procedures with Certain Diagnosis Ranges

- 292.801 Cochlear Implant and External Sound Processor
- 292.810 Telemedicine (Interactive Electronic Medical Transactions)
- 292.811 Telemedicine Physician Services
- 292.812 Telemedicine Evaluation and Management Procedure Codes
- 292.813 Telemedicine Echography and Echocardiography Procedure Codes
- 292.820 Organ Transplant Billing
- 292.821 Billing for Corneal Transplants
- 292.822 Billing for Renal (Kidney) Transplants
- 292.823 Billing for Pancreas/Kidney Transplants - Under Age 21
- 292.824 Billing for Bone Marrow Transplants
- 292.825 Billing for Heart Transplants
- 292.826 Billing for Liver Transplants
- 292.827 Billing for Liver/Bowel Transplants
- 292.828 Billing for Lung Transplants
- 292.829 Billing for Skin Transplants
- 292.830 General Information for Transplants
- 292.831 Billing for Tissue Typing
- 292.832 Claim Filing for Living Organ Donors
- 292.840 Vascular Injection Procedures
- 292.850 Blood or Blood Components for Transfusions
- 292.860 Hyperbaric Oxygen Therapy Procedures
- 292.870 Bilaminate Graft or Skin Substitute Procedures



**227.100 Guidelines for Retrospective Review of Occupational, Physical and Speech Therapy Services 11-1-05**

Arkansas Medicaid employed retrospective review of occupational, physical and speech therapy services for beneficiaries under age 21. The purpose of retrospective review is promotion of effective, efficient and economical delivery of health care services.

The Quality Improvement Organization (QIO), Arkansas Foundation for Medical Care, Inc. (AFMC), under contract to the Arkansas Medicaid Program, performs retrospective reviews by reviewing medical records to determine if services delivered and reimbursed by Medicaid meet medical necessity requirements.

Specific guidelines have been developed for occupational, physical and speech therapy retrospective reviews. These guidelines are included for information to physicians prescribing and/or providing therapy services. The guidelines may be found in sections 227.200 through 227.320.

**227.200 Occupational and Physical Therapy Guidelines for Retrospective Review 11-1-05**

- A. Occupational and physical therapy services are medically prescribed services for the diagnosis and treatment of movement dysfunction, which results in functional disabilities.

Occupational and physical therapy services must be medically necessary to the treatment of the individual's illness or injury. To be considered medically necessary, the following conditions must be met:

1. The services must be considered under accepted standards of practice to be a specific and effective treatment for the patient's condition.
2. The services must be of such a level of complexity, or the patient's condition must be such that the services required can be safely and effectively performed only by or under the supervision of a qualified physical or occupational therapist.
3. There must be reasonable expectation that therapy will result in a meaningful improvement or a reasonable expectation that therapy will prevent a worsening of the condition (See *medical necessity* definition in the Glossary of this manual.)

A diagnosis alone is not sufficient documentation to support the medical necessity of therapy. Assessment for physical and/or occupational therapy includes a comprehensive evaluation of the patient's physical deficits and functional limitations, treatment planned and goals to address each identified problem.

- B. Evaluations:

In order to determine that therapy services are medically necessary, an annual evaluation must contain the following:

1. Date of evaluation.
2. Child's name and date of birth.
3. Diagnosis applicable to specific therapy.
4. Background information including pertinent medical history and gestational age.
5. Standardized test results, including all subtest scores, if applicable. Test results, if applicable, should be adjusted for prematurity if the child is one year old or less. The test results should be noted in the evaluation.
6. Objective information describing the child's gross/fine motor abilities/deficits, e.g., range of motion measurements, manual muscle testing, muscle tone or a narrative description of the child's functional mobility skills.



7. Assessment of the results of the evaluation, including recommendations for frequency and intensity of treatment.
  8. Signature and credentials of the therapist performing the evaluation.
- C. Standardized Testing:
1. **Tests** used must be norm-referenced, standardized **tests** specific to the therapy provided.
  2. **Tests** must be age appropriate for the child being tested.
  3. Test results must be reported as standard scores, Z scores, T scores or percentiles. Age equivalent scores and percentage of delay cannot be used to qualify for services.
  4. A score of **-1.5** standard deviations or more from the mean in at least one subtest area or composite score is required to qualify for services.
  5. If the child cannot be tested with a norm-referenced standardized test, criterion-based testing or a functional description of the child's gross/fine motor deficits may be used. Documentation of the reason why a standardized test could not be used must be included in the evaluation.
  6. **The Mental Measurement Yearbook (MMY) is the standard reference to determine reliability and validity. Refer to sections 227.210 and 227.220 for a list of standardized tests recognized by the Arkansas Foundation for Medical Care, Inc. (AFMC) for retrospective reviews.**
- D. Other Objective **Tests** and Measures:
1. Range of Motion: A limitation of greater than ten degrees and/or documentation of how deficit limits function.
  2. Muscle Tone: Modified Ashworth Scale.
  3. Manual Muscle Test: A deficit is a muscle strength grade of fair (3/5) or below that impedes functional skills. With increased muscle tone, as in cerebral palsy, testing is unreliable.
  4. Transfer Skills: Documented as amount of assistance required to perform transfer, e.g., maximum, moderate, **or** minimal assistance. A deficit is defined as the inability to perform a transfer safely and independently.
- E. Frequency, Intensity and Duration of Physical and/or Occupational Therapy Services:
- Frequency, intensity and duration of therapy services should always be medically necessary and realistic for the age of the child and the severity of the deficit or disorder. Therapy is indicated if improvement will occur as a direct result of these services and if there is a potential for improvement in the form of functional gain.
1. Monitoring: May be used to ensure that the child is maintaining a desired skill level or to assess the effectiveness and fit of equipment such as orthotics and other durable medical equipment. Monitoring frequency should be based on a time interval that is reasonable for the complexity of the problem being addressed.
  2. Maintenance Therapy: Services that are performed primarily to maintain range of motion or to provide positioning services for the patient do not qualify for physical or occupational therapy services. These services can be provided to the child as part of a home program that can be implemented by the child's caregivers and do not necessarily require the skilled services of a physical or occupational therapist to **be performed** safely and effectively.
  3. Duration of Services: Therapy services should be provided as long as reasonable progress is made toward established goals. If reasonable functional progress cannot

be expected with continued therapy, then services should be discontinued and monitoring or establishment of a home program should be implemented.

F. Progress Notes:

1. Child's name.
2. Date of service.
3. Time in and time out of each therapy session.
4. Objectives addressed (should coincide with the plan of care).
5. A description of specific therapy services provided daily and the activities rendered during each therapy session, along with a form measurement.
6. Progress notes must be legible.
7. Therapists must sign each date of entry with a full signature and credentials.
8. Graduate students must have the supervising physical therapist or occupational therapist co-sign progress notes.

**227.210****Accepted Tests for Occupational Therapy****11-1-05**

Tests used must be norm referenced, standardized, age appropriate and specific to the therapy provided. The following list of tests is not all-inclusive. When using a test not listed here, the provider must include additional documentation to support the reliability and validity of the test. This additional information will be used as reference information if the chart is ever selected by Medicaid for review. An explanation of why a test from the approved list could not be used to evaluate the child must also be included. The *MMY* is the standard reference to determine the reliability and validity of the test(s) administered in an evaluation. Providers should refer to the *MMY* for additional information regarding specific tests.

**DEFINITIONS:**

**STANDARD:** Evaluations that are used to determine deficits.

**SUPPLEMENTAL:** Evaluations that are used to justify deficits and support other results. These should not "stand alone."

**CLINICAL OBSERVATIONS:** All clinical observations are supplemental but should be included with every evaluation, especially if standard scores do not qualify the child for therapy. It will be considered when reviewing for medical necessity.

**A. Fine Motor Skills – Standard**

1. Peabody Developmental Motor Scales (PDMS, PDMS2)
2. Toddler and Infant Motor Evaluation (TIME)
3. Bruininks-Oseretsky Test of Motor Proficiency (BOMP)

**B. Fine Motor Skills – Supplemental**

1. Early Learning Accomplishment Profile (ELAP)
2. Learning Accomplishment Profile (LAP)
3. Mullen Scales of Early Learning, Infant/Preschool (MSEL)
4. Miller Assessment for Preschoolers (MAP)
5. Functional Profile
6. Hawaii Early Learning Profile (HELP)
7. Battelle Developmental Inventory (BDI)

8. Developmental Assessment of Young Children (DAYC)
9. Brigance Developmental Inventory (BDI)

C. Visual Motor – Standard

1. Developmental Test of Visual Motor Integration (VMI)
2. Test of Visual Motor Integration (TVMI)
3. Test of Visual Motor Skills
4. Test of Visual Motor Skills – R (TVMS)

D. Visual Perception – Standard

1. Motor Free Visual Perceptual Test
2. Motor Free Visual Perceptual Test – R (MVPT)
3. Developmental Test of Visual Perceptual 2/A (DTVP)
4. Test of Visual Perceptual Skills
5. Test of Visual Perceptual Skills (upper level) (TVPS)

E. Handwriting – Standard

1. Evaluation Test of Children's Handwriting (ETCH)
2. Test of Handwriting Skills (THS)
3. Children's Handwriting Evaluation Scale

F. Sensory Processing – Standard

1. Sensory Profile for Infants/Toddlers
2. Sensory Profile for Preschoolers
3. Sensory Profile for Adolescents/Adults
4. Sensory Integration and Praxis Test (SIPT)
5. Sensory Integration Inventory Revised (SII-R)

G. Sensory Processing – Supplemental

1. Sensory Motor Performance Analysis
2. Analysis of Sensory Behavior
3. Sensory Integration Inventory
4. DeGangi-Berk Test of Sensory Integration

H. Activities of Daily Living/Vocational/Other – Standard

1. Pediatric Evaluation of Disability Inventory (PEDI)

**NOTE:** The PEDI can also be used for older children whose functional abilities fall below that expected of a 7½ year old with no disabilities. If this is the case, the scaled score is the most appropriate score to consider.

2. Adaptive Behavior Scale – School (ABS)
3. Jacobs Pre-vocational Assessment
4. Kohlman Evaluation of Daily Living Skills
5. Milwaukee Evaluation of Daily Living Skills
6. Cognitive Performance Test

7. Purdue Pegboard
8. Functional Independence Measure (FIM)
9. Functional Independence Measure – young version (WeeFIM)
- I. Activities of Daily Living/Vocational/Other – Standard
  1. School Function Assessment (SFA)
  2. Bay Area Functional Performance Evaluation
  3. Manual Muscle Test
  4. Grip and Pinch Strength
  5. Jordan Left-Right Reversal Test
  6. Erhardy Developmental Prehension
  7. Knox Play Scale
  8. Social Skills Rating System
  9. Goodenough Harris Draw a Person Scale

**227.220 Accepted Tests for Physical Therapy**

11-1-05

Tests used must be norm referenced, standardized, age appropriate and specific to the therapy provided. The following list of tests is not all-inclusive. When using a test not listed here, the provider must include additional documentation to support the reliability and validity of the test. This additional information will be used as reference information if the chart is ever selected by Medicaid for review. An explanation of why a test from the approved list could not be used to evaluate the child must also be included. The *MMY* is the standard reference to determine the reliability and validity of the test(s) administered in an evaluation. Providers should refer to the *MMY* for additional information regarding specific tests.

**A. Norm Reference**

1. Adaptive Areas Assessment
2. Test of Gross Motor Development (TGMD-2)
3. Peabody Developmental Motor Scales, Second Ed. (PDMS-2)
4. Bruininks-Oseretsky Test of Motor Proficiency (BOMP)
5. Pediatric Evaluation of Disability Inventory (PEDI)
6. Test of Gross Motor Development – 2 (TGMD-2)
7. Peabody Developmental Motor Scales (PDMS)
8. Alberta Infant Motor Scales (AIM)
9. Toddler and Infant Motor Evaluation (TIME)
10. Functional Independence Measure for Children (WeeFIM)
11. Gross Motor Function Measure (GMFM)
12. Adaptive Behavior Scale – School, Second Ed. (AAMR-2)
13. Movement Assessment Battery for Children (Movement ABC)

**B. Physical Therapy – Supplemental**

1. Bayley Scales of Infant Development, Second Ed. (BSID-2)
2. Neonatal Behavioral Assessment Scale (NBAS)

**C. Physical Therapy Criterion**

1. Developmental assessment for students with severe disabilities, Second Ed. (DASH-2)
2. Milani-Comparetti Developmental Examination

**D. Physical Therapy – Traumatic Brain Injury (TBI) – Standardized**

1. Comprehensive Trail-Making Test
2. Adaptive Behavior Inventory

**E. Physical Therapy – Piloted****Assessment of Persons Profoundly or Severely Impaired****227.300****Speech-Language Therapy Guidelines for Retrospective Review****11-1-05**

- A. Speech-language therapy services must be medically necessary to the treatment of the individual's illness or injury. To be considered medically necessary, the following conditions must be met:
1. The services must be considered under accepted standards of practice to be a specific and effective treatment for the patient's condition.
  2. The services must be of such a level of complexity, or the patient's condition must be such that the services required can be safely and effectively performed only by or under the supervision of a qualified speech and language pathologist.
  3. There must be reasonable expectation that therapy will result in meaningful improvement or a reasonable expectation that therapy will prevent a worsening of the condition. (See *medical necessity* definition in the Glossary of the Arkansas Medicaid manual.)

A diagnosis alone is not sufficient documentation to support the medical necessity of therapy. Assessment for speech-language therapy includes a comprehensive evaluation of the patient's speech language deficits and functional limitations, treatment planned and goals to address each identified problem.

**B. Evaluations:**

In order to determine that speech-language therapy services are medically necessary, an evaluation must contain the following information:

1. Date of evaluation.
2. Child's name and date of birth.
3. Diagnosis specific to therapy.
4. Background information including pertinent medical history and gestational age.
5. Standardized test results, including all subtest scores, if applicable. Test results should be adjusted for prematurity if the child is one year old or less, and this should be noted in the evaluation.
6. An assessment of the results of the evaluation, including recommendations for frequency and intensity of treatment.
7. The child should be tested in their native language; if not, an explanation must be provided in the evaluation.
8. Signature and credentials of the therapist performing the evaluation.

**C.** Feeding/Swallowing/Oral Motor:

1. Can be formally or informally assessed.
2. Must have **an** in-depth functional profile on oral motor structures and function. An in-depth functional profile of oral motor structure and function is a description of a child's oral motor structure that specifically notes how such structure is impaired in its function and justifies the medical necessity of feeding/swallowing/oral motor therapy services. Standardized forms are available for the completion of an in-depth functional profile of oral motor structure and function, but a standardized form is not required.
3. If swallowing problems and/or signs of aspiration are noted, a formal medical swallow study must be submitted.

**D.** Voice:

A medical evaluation is a prerequisite to voice therapy.

**E.** Progress Notes:

1. Child's name.
2. Date of service.
3. Time in and time out of each therapy session.
4. Objectives addressed (should coincide with the plan of care).
5. A description of specific therapy services provided daily and the activities rendered during each therapy session, along with a form of measurement.
6. Progress notes must be legible.
7. Therapists must sign each date of entry with a full signature and credentials.
8. Graduate students must have the supervising speech-language pathologist co-sign progress notes.

**227.310 List of Accepted Tests****11-1-05**

Tests used must be norm referenced, standardized, age appropriate and specific to the therapy provided. The following list of tests is not all-inclusive. When using a test not listed here, the provider must include additional documentation to support the reliability and validity of the test. This additional information will be used as reference information if the chart is ever selected by Medicaid for review. An explanation of why a test from the approved list could not be used to evaluate the child must also be included. The *MMY* is the standard reference to determine the reliability and validity of the test(s) administered in an evaluation. Providers should refer to the *MMY* for additional information regarding specific tests.

**A.** Speech-Language Tests – Standardized

1. Preschool Language Scale, Third Ed. (PLS-3)
2. Preschool Language Scale, Fourth Ed. (PLS-4)
3. Test of Early Language Development, Third Ed. (TELD-3)
4. Peabody Picture Vocabulary Test, Third Ed. (PPVT-3)
5. Clinical Evaluation of Language Fundamentals – Preschool (CELF-P)
6. Clinical Evaluation of Language Fundamentals, Third Ed. (CELF-3)
7. Clinical Evaluation of Language Fundamentals, Fourth Ed. (CELF-4)
8. Communication Abilities Diagnostic Test (CADeT)

9. Test of Auditory Comprehension of Language, Third Ed. (TACL-3)
10. Comprehensive Assessment of Spoken Language (CASL)
11. Oral and Written Language Scales (OWLS)
12. Test of Language Development – Primary, Third Ed. (TOLD-P:3)
13. Test of Word Finding, Second Ed. (TWF-2)
14. Test of Auditory Perceptual Skills, Revised (TAPS-R)
15. Language Processing Test, Revised (LPT-R)
16. Test of Pragmatic Language (TOPL)
17. Test of Language Competence, Expanded Ed. (TLC-E)
18. Test of Language Development – Intermediate, Third Ed. (TOLD-I:3)
19. Fullerton Language Test for Adolescents, Second Ed. (FLTA)
20. Test of Adolescent and Adult Language, Third Ed. (TOAL-3)
21. Receptive One-Word Picture Vocabulary Test, Second Ed. (ROWPVT-2)
22. Expressive One-Word Picture Vocabulary Test, 2000 Ed. (EOWPVT)
23. Comprehensive Receptive and Expressive Vocabulary Test, Second Ed. (CREVT-2)
24. Kaufman Assessment Battery for Children (KABC)

**B. Speech Language Tests – Supplemental**

1. Receptive/Expressive Emergent Language Test, Second Ed. (REEL-2)
2. Nonspeech Test for Receptive/Expressive Language
3. Rossetti Infant-Toddler Language Scale (RITLS)
4. Mullen Scales of Early Learning (MSEL)
5. Reynell Developmental Language Scales
6. Illinois Test of Psycholinguistic Abilities, Third Ed. (ITPA-3)
7. Social Skills Rating System – Preschool & Elementary Level (SSRS-1)
8. Social Skills Rating System – Secondary Level (SSRS-2)

**C. Birth to Age 3:**

1. -(minus)1.5 SD (standard score of 77) below the mean in two areas (expressive, receptive) or a -(minus) 2.0 SD (standard score of 70) below the mean in one area to qualify for language therapy.
2. Two language tests must be reported with at least one of these being a global norm-referenced standardized test with good reliability/validity. The second test may be criterion referenced.
3. All subtests, components, and scores must be reported for all tests.
4. All sound errors must be reported for articulation, including positions and types of errors.
5. If phonological testing is submitted, a traditional articulation test must also be submitted with a standardized score.
6. Information regarding the child's functional hearing ability must be included as a part of the therapy evaluation report.
7. Non-school-aged children must be evaluated annually.



8. If the provider indicates the child cannot complete a norm-referenced test, the provider must submit an in-depth functional profile of the child's functional communication abilities. An in-depth functional profile is a description of a child's communication behaviors that specifically notes where such communication behaviors are impaired and justifies the medical necessity of therapy. Standardized forms are available for the completion of an in-depth functional profile, but a standardized form is not required.
9. Children must be evaluated at least annually. Child Health Management Services (CHMS) children (birth – 2) must be evaluated every 6 months.

**D. Ages 3 – 21:**

1. -(minus)1.5 SD (standard score of 77) below the mean in two areas (expressive, receptive, articulation) or a -(minus) 2.0 SD (standard score of 70) below the mean in one area (expressive, receptive, articulation).
2. Two language tests must be reported with at least one of these being a global norm-referenced standardized test with good reliability/validity. Criterion-referenced tests will not be accepted for this age group.
3. All subtests, components and scores must be reported for all tests.
4. All sound errors must be reported for articulation, including positions and types of errors.
5. If phonological testing is submitted, a traditional articulation test must also be submitted with a standardized score.
6. Information regarding child's functional hearing ability must be included as a part of the therapy evaluation report.
7. Non-school-age children must be evaluated annually.
8. School-age children must have a full evaluation every three years (a yearly update is required) if therapy is school related; outside of school, annual evaluations are required. "School related" means the child is of school age, attends public school and receives therapy provided by the school.
9. If the provider indicates the child cannot complete a norm-referenced test, the provider must submit an in-depth functional profile of the child's functional communication abilities. An in-depth functional profile is a description of a child's communication behaviors that specifically notes where such communication behaviors are impaired and justifies the medical necessity of therapy. Standardized forms are available for the completion of an in-depth functional profile, but a standardized form is not required.
10. IQ scores are required on all children who are school age and receiving language therapy. **Exception: IQ scores will not be required for children under ten (10) years of age.**

**227.320**

**Intelligence Quotient (IQ) Testing**

**11-1-05**

Children receiving language intervention therapy must have cognitive testing once they **reach ten (10) years of age**. This also applies to home-schooled children. If the IQ score is higher than the qualifying language scores, the child qualifies for language therapy; if the IQ score is lower than the qualifying language test scores, the child would appear to be functioning at or above **the** expected level. In this case, the child may be denied for language therapy. If a provider determines that therapy is warranted, an in-depth functional profile must be **documented**. However, **IQ scores will not be required for children under ten (10) years of age.**

**A. IQ Tests – Traditional**

1. **Stanford-Binet (S-B)**

2. The Wechsler Preschool & Primary Scales of Intelligence, Revised (WPPSI-R)
  3. Slosson
  4. Wechsler Intelligence Scale for Children, Third Ed. (WISC-III)
  5. Kauffman Adolescent & Adult Intelligence Test (KAIT)
  6. Wechsler Adult Intelligence Scale, Third Ed. (WAIS-III)
  7. Differential Ability Scales (DAS)
- B. Severe & Profound IQ Test/Non-Traditional – Supplemental – Norm Reference
1. Comprehensive Test of Nonverbal Intelligence (CTONI)
  2. Test of Nonverbal Intelligence (TONI-3) – 1997
  3. Functional Linguistic Communication Inventory (FLCI)
- C. Articulation/Phonological Assessments – Norm Reference
1. Arizona Articulation Proficiency Scale, Third Ed. (Arizona-3)
  2. Goldman-Fristoe Test of Articulation, Second Ed. (FGTA-2)
  3. Khan-Lewis Phonological Analysis (KLPA)
  4. Slosson Articulation Language Test with Phonology (SALT-P)
  5. Bankston-Bernthal Test of Phonology (BBTOP)
  6. Smit-Hand Articulation and Phonology Evaluation (SHAPE)
  7. Comprehensive Test of Phonological Processing (CTOPP)
  8. Assessment of Intelligibility of Dysarthric Speech (AIDS)
  9. Weiss Comprehensive Articulation Test (WCAT)
  10. Assessment of Phonological Processes – R (APPS-R)
  11. Photo Articulation Test, Third Ed. (PAT-3)
- D. Articulation/Phonological – Supplemental – Norm Reference
- Test of Phonological Awareness (TOPA)
- E. Voice/Fluency Assessments – Norm Reference
- Stuttering Severity Instrument for Children and Adults (SSI-3)
- F. Auditory Processing Assessments – Norm Reference
- Goldman-Fristoe-Woodcock Test of Auditory Discrimination (G-F-WTAD)
- G. Oral Motor – Supplemental – Norm Reference
- Screening Test for Developmental Apraxia of Speech, Second Ed. (STDAS-2)
- H. Traumatic Brain Injury (TBI) Assessments – Norm Reference
1. Ross Information Processing Assessment – Primary
  2. Test of Adolescent/Adult Word Finding (TAWF)
  3. Brief Test of Head Injury (BTHI)
  4. Assessment of Language-Related Functional Activities (ALFA)
  5. Ross Information Processing Assessment, Second Ed. (RIPA-2)

6. Scales of Cognitive Ability for Traumatic Brain Injury (SCATBI)
7. Communication Activities of Daily Living, Second Ed. (CADL-2)

**227.400****Recoupment Process**

11-1-05

The Division of Medical Services (DMS), Utilization Review (UR) is required to initiate the recoupment process for all claims that Arkansas Foundation for Medical Care, Inc. (AFMC), Arkansas' only Quality Improvement Organization (QIO) has denied for not meeting the medical necessity requirement. Based on QIO findings during respective reviews, UR will initiate recoupments as appropriate.

Medicaid will send the provider an Explanation of Recoupment Notice that will include the claim date of service, Medicaid beneficiary name and ID number, service provided, amount paid by Medicaid, amount to be recouped, and the reason the claim has been denied.