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CHAPTER FORTY-SEVEN

REHABILITATIVE SERVICES

Chapter 47. Rehabilitative Services

Rule No. 560-X-47-.01 Authority and Purpose

(1) Rehabilitative services are specialized services of a medical or remedial nature delivered by uniquely qualified practitioners designed to treat or rehabilitate persons with mental illness or substance abuse diagnoses. These services will be provided to recipients on the basis of medical necessity.

(2) Direct services may be provided in the client's home, a supervised living situation, organized community settings, such as community centers, health clinics, nursing homes, etc. Direct services can be provided in any setting, except in licensed hospital beds, that is convenient for both the client and staff member, that affords an adequate therapeutic environment, and that protects the client's rights to privacy and confidentiality.

Authority: 42 CFR Section 440.130 (d); Social Security Act, Title XIX; Omnibus Budget Reconciliation Act of 1987, P.L. 100-203, Section 4105. State Plan for Medical Assistance, Attachment 3.1-A. Rule effective August 11, 1990; amended August 14, 1991. Emergency rule effective March 1, 1994. Effective date of this amendment June 14, 1994.

Rule No. 560-X-47-.02 Eligibility

(1) Financial eligibility is limited to individuals eligible for Medicaid under the Alabama State Plan.

(2) Treatment eligibility is limited to individuals with a diagnosis, assigned by a licensed physician, a licensed psychologist, a licensed physician's assistant, a certified registered nurse practitioner, a licensed professional counselor or associate licensed counselor of mental illness or substance abuse as listed in the most current International Classification of Diseases - Clinical Modification (ICD-CM). The Z codes are not covered for adult rehabilitative treatment services; however, the intake evaluation and diagnostic assessment will be covered even if the resulting diagnosis is a Z code. For treatment services provided to children under 21 or adults receiving DHR protective services, the only Z code covered for reimbursement is Z65.9, problem related to unspecified psychosocial circumstances.

(3) Providers of rehabilitative services shall meet the following eligibility requirements:

(a) Shall be in full compliance with applicable federal and state laws and regulations including compliance with the requirements expressed in the current version of the Medicaid Provider Manual, Rehabilitative Services, Chapter 105;

(b) Shall submit evidence to Medicaid of full compliance with 560-47-X-.03; and have such compliance approved in advance; and

(c) Shall execute the Medicaid non-institutional provider agreement with appropriate attachments.

Author: Karen M. Smith, Associate Director, Mental Health Programs
Statutory Authority: 42 CFR Section 440.130 (d); Social Security Act, Title XIX; Omnibus Budget Reconciliation Act of 1987, P.L. 100-203, Section 4105. State Plan for Medical Assistance, Attachment 3.1-A.
History: Rule effective August 11, 1990. Amended August 14, 1991, March 1, 1994, and June 14, 1994. **Amended:** Filed March 20, 2001; effective June 15, 2001. **Amended:** Filed March 21, 2005; effective June 16, 2005. **Amended:** Filed July 14, 2015; effective August 18, 2015. **Amended:** Filed January 11, 2019; effective February 25, 2019.

Rule No. 560-X-47-.03 Service Providers
To participate in the Alabama Medicaid Program, rehabilitative services providers must meet the following requirements. Service providers must demonstrate that they meet the criteria in either (1), (2), or (3), and both (4) AND (5) below.

(1) A provider must be certified as a 310-board community mental health center by
DMH and must have demonstrated the capacity to provide access to the following services through direct provision or referral arrangements:

(a) Inpatient services through referral to community hospitals and through the attending physician for community hospitalizations

(b) Substance abuse services including intensive outpatient services and residential services

(c) Must submit an application to and receive approval from DMH to provide mental health rehabilitative services under the Medicaid Rehabilitative Option program.

(2) For the provision of Substance Abuse Rehabilitative Services an entity:

(a) Must be an organization that is currently certified by the Alabama Department of Mental Health (DMH) to provide alcohol and other drug treatment services under the provisions of Chapter 580 of the Alabama Administrative Code; and

(b) Must submit an application to and receive approval by DMH to provide
Substance Abuse Rehabilitative Services under the Medicaid Rehabilitative Option program.

(3) The Department of Human Resources (DHR), the Department of Youth Services
(DYS), Department of Mental Health (DMH) for ASD, and the Department of Children's Services (DCS) are eligible to be rehabilitative services providers for children under age 21 if they have demonstrated the capacity to provide an array of medically necessary services, either directly or through contract. Additionally, DHR may provide these services to adults in protective service status. At a minimum, this array includes the following:

(a) Individual, group, and family counseling
(b) Crisis intervention services
(c) Consultation and education services
(d) Case management services Assessment and evaluation

(4) A provider must demonstrate the capacity to provide services off-site in a manner
that assures the recipient's right to privacy and confidentiality and must demonstrate reasonable access to services as evidenced by service location(s), hours of operation, and coordination of services with other community resources.

(5) A provider must ensure that Medicaid recipients receive quality services in a
coordinated manner and have reasonable access to an adequate array of services delivered in a flexible manner to best meet their needs. Medicaid does not cover all services listed above, but the provider must have demonstrated the capacity to provide these services.

Author: Karen M. Watkins-Smith, Associate Director, Mental Health Programs
Statutory Authority: 42 CFR Section 440.130 (d); Social Security Act, Title XIX, Omnibus Budget Reconciliation Act of 1987, P.L. 100-203, Section 4105. State Plan for Medical Assistance, Attachment 3.1-A.
History: Rule effective August 11, 1990; Amended August 14, 1991; March 13, 1993; March 1, 1994; June 14, 1994; and December 12, 1996. **Amended:** Filed October 20, 2000; effective January 10, 2001. **Amended:** Filed March 20, 2001; effective June 15, 2001. **Amended**: Filed March 21, 2005; effective June 16, 2005. **Amended:** Filed June 20, 2006; effective September 15, 2006. **Amended:** Filed November 17, 2006; effective February 15, 2007. **Amended:** Filed August 27, 2015; effective October 1, 2015. **Amended:** Filed July 22, 2019. **Amended:** Filed September 11, 2019; effective November 14, 2019

Rule No. 560-X-47-.04 Minimum Qualifications for Mental Health, Substance Abuse, and Child & Adolescent Services/Adult Protective Services Professional Staff

(1) Mental Health MI Professional Staff qualifications are delineated within the specifications for each covered mental health rehabilitation service as described in the applicable Alabama Medicaid Agency Provider Manual, MI/SA Rehabilitative Services, Chapter 105.

(2) Substance Abuse Professional Staff qualifications are delineated within the specifications for each covered mental health rehabilitation service as described in the applicable Alabama Medicaid Agency Provider Manual, MI/SA Rehabilitative Services, Chapter 105.

(3) Alabama Department of Human Resources Child and Adolescent Services/Adult Protective Services Professional Staff qualifications are delineated within the specifications for each covered mental health rehabilitation service as described in the

applicable Alabama Medicaid Agency Provider Manual, MI/SA Rehabilitative Services, Chapter 105.

(4) Alabama Department of Youth Services Child and Adolescent Services Professional Staff qualifications are delineated within the specifications for each covered mental health rehabilitation services as described in the current version of the Alabama Medicaid Agency Provider Manual, Rehabilitative Services, MI/SA Chapter 105.

(5) Mental Health ASD Professional Staff qualifications are delineated within the specifications for each covered mental health rehabilitation service as described in the applicable Alabama Medicaid Agency Provider Manual, ASD Rehabilitative Services, Chapter 110.

Author: Karen M. Smith, Associate Director, Mental Health Programs
Statutory Authority: 42 CFR Section 440.130 (d); Social Security Act, Title XIX; Omnibus Budget Reconciliation Act of 1987, P.L. 100-203, Section 4105. State Plan for Medical Assistance, Attachment 3.1-A.
History: Rule effective August 11, 1990. Amended August 14, 1991; March 1, 1994; and June 14, 1994. **Amended:** Filed October 20, 2000; effective January 10, 2001. **Amended:** Filed March 20, 2001; effective June 15, 2001. **Amended:** Filed March 21, 2005; effective June 16, 2005. **Amended:** Filed July 13, 2015; effective August 17, 2015. **Amended:** Filed November 12, 2015; effective December 28, 2015. **Amended:** Filed January 11, 2019; effective February 25, 2019. **Amended:** Filed July 22, 2019. **Amended:** Filed September 11, 2019; effective November 14, 2019

Rule No. 560-X- 47-.05 Requirements for Client Intake, Treatment Planning, and Service Documentation

(1) Requirements for intake, treatment planning, and service documentation are detailed in the Medicaid Provider Manual, Rehabilitative Services, Chapter 105, Section 105.2.3. Manuals may be downloaded from the Medicaid website at www.medicaid.alabama.gov.

(2) Documentation in the client's record for each session, service, or activity for which Medicaid reimbursement is requested shall comply with any applicable certification or licensure standards and shall include, at a minimum:

(a) the identification of the specific services rendered;
(b) the date and the amount of time that the services were rendered;
(c) the signature of the staff person who rendered the services;
(d) the identification of the setting in which the services were rendered;
(e) a written assessment of the client's progress, or lack thereof, related to each of the identified clinical issues discussed.

(3) The author of each entry must be identified and must authenticate his or her entry. Authentication must be consistent with signature requirements found in Chapter 1 of this Administrative Code.

(4) When clinical records are audited, the list of required documentation found at 560-X-47-.05(2) will be applied to justify payment by Medicaid. Documentation failing to meet the minimum standards noted above will result in recoupment of payments.

Author: Karen M. Smith, Associate Director, Mental Health Programs
Statutory Authority: 42 CFR Section 440.130(d), 482.24; Social Security Act, Title XIX; Omnibus Budget Reconciliation Act of 1987; P.L. 100-203, Section 4105; State Plan for Medical Assistance, Attachment 3.1-A.
History: Rule effective August 11, 1990. Amended March 1, 1994; and June 14, 1994. **Amended:** Filed June 19, 2000; effective September 11, 2000. **Amended**: Filed March 21, 2005; effective June 16, 2005. **Amended:** Filed January 11, 2019; effective February 25, 2019.

Rule No. 560-X-47-.06 Covered Services

(1) Only the rehabilitative services delineated in in the applicable Alabama Medicaid Agency Provider Manual, Rehabilitative Services, Chapter 105 shall qualify for reimbursement under this program.

(2) A complete description of each covered service along with benefit limitations is contained in the Medicaid Provider Manual, Rehabilitative Services, Chapter 105. Quarterly manual updates may be downloaded from the Medicaid website: www.medicaid.alabama.gov.

(3) Services shall be provided in a manner that meets the supervisory requirements of the respective certifying or licensing authority or as authorized by state law.

Author: Karen M. Smith, Associate Director, Mental Health Programs
Statutory Authority: 42 CFR Section 440.130(d); Social Security Act, Title XIX; Omnibus Budget Reconciliation Act of 1987; P.L. 100-203, Section 4105; State Plan for Medical Assistance, Attachment 3.1-A.
History: Rule effective August 11, 1990. Amended August 14, 1991; March 13, 1993; March 1, 1994; and June 14, 1994. **Amended:** Filed June 19, 2000; effective September 11, 2000. **Amended:** Filed October 20, 2000; effective January 11, 2001. **Amended:** Filed March 21, 2005; effective June 16, 2005. **Amended:** Filed January 11, 2019; effective February 25, 2019.

Rule No. 560-X-47-.07 Payment Methodology

(1) A statewide maximum payment will be calculated for each service designated by a procedure code recognized by the Alabama Medicaid Agency as a covered service.

(2) The Medicaid reimbursement for each service provided by a rehabilitative services provider shall be based on the following criteria in accordance with the methodology described below:

(a) For procedure codes with an assigned Medicare rate (i.e. CPT codes), the proposed rate will be the current published Medicare Physician Fee Schedule Rate for Alabama.

(b) For procedure codes without an assigned Medicare Rate on the Physician Fee Schedule (i.e. HCPCS) codes, the reimbursement will be 'By Report'. 'By Report' means paying a percentage of billed charges. The percentage is derived by dividing the previous state fiscal year's total Medicaid reimbursement (total allowed charge) for services included in the Physician Fee Schedule by the previous state fiscal years total Medicaid billings.

1. Percentage = Total 'Allowed Amount' / Total 'Billed Amount'
2. Average Billed Amount = Total 'Billed Amount' / Total 'Allowed Quantity'
3. Proposed Rate = Percentage times Average Billed Amount

(c) For procedure codes with no utilization one of the three methods below will be used.

1. Current rate that the Rehabilitative Services State Agencies utilizes.
2. Current rate from another state for same service.
3. For those services that need rate different from current Alabama or other state rate a financial cost model will be used to calculate rate.

(3) Except as otherwise noted in the plan, payment for these services is based on state-developed fee schedule rates, which are the same for both governmental and private providers of Rehabilitative Services. The Agency's fee schedule rates were set as of October 1, 2018 and are effective for services provided on or after that date.

(4) All rates are published and maintained on the Agency's website at www.medicaid.alabama.gov. For the most recent Rehabilitative Service Fee Schedule click on the Providers tab, select Fee Schedules, check "I Accept" on the User Agreement, then click the Providers tab, Fee Schedules, and Rehabilitative Option Fee Schedule.

(5) Actual reimbursement will be based on the rate in effect on the date of service. Only those services that qualify for reimbursement will be provided under this program.

Author: Karen M. Smith, Associate Director, Mental Health Programs
Statutory Authority: 42 CFR Section 447.304 and 447.325; Social Security Act, Title XIX, State Plan for Medical Assistance, Attachment 4.19-B.
History: Rule effective August 11, 1990; amended August 14, 1991. Emergency rule effective March 1, 1994. Effective date of this amendment June 14, 1994. **Amended:**

Filed February 20, 2009; effective May 15, 2009. **Amended:** Filed January 11, 2019; effective February 25, 2019.

Rule No. 560-X-47-.08 Third Party Liability

(1) The rehabilitative services provider shall make all reasonable efforts to determine if there is a liable third party source, including Medicare, and in the case of liable third party source, utilize that source for payments and benefits prior to applying for Medicaid payments.

(2) Third party payments received after billing Medicaid for service for a Medicaid recipient shall be returned to the Alabama Medicaid Agency.

Authority: 42 CFR Section 433.135; Social Security Act, Title XIX, State Plan for Medical Assistance, Attachment 4.19-B. Rule effective August 11, 1990; amended August 14, 1991.

Rule No. 560-X-47-.09 Payment Acceptance

(1) Payment made by Medicaid to a rehabilitative services provider shall be considered to be payment in full for covered services rendered.

(2) No Medicaid recipient shall be billed for covered Medicaid services in part or in full for those services rendered, billed, and paid to the provider by the Medicaid fiscal agent. These services are exempt from copays.

(3) No person or entity, except a liable third party source, shall be billed for covered Medicaid services in part or in full.

Author: Lynn Sharp, Associate Director, Institutional Services
Statutory Authority: 42 CFR Section 447.15; Social Security Act, Title XIX, State Plan for Medical Assistance, Attachment 3.1-A.
History: Rule effective August 11, 1990; amended August 14, 1991. **Amended:** Filed March 21, 2005; effective June 16, 2005.

Rule No. 560-X-47-.10 Confidentiality

(1) A rehabilitative services provider shall not use or disclose, except to duly authorized representatives of federal or state agencies, any information concerning a recipient, except upon the written consent of the recipient, his attorney, his guardian, or upon subpoena from a court of appropriate jurisdiction.

Authority: 42 CFR Section 431.306; Social Security Act, Title XIX; State Plan for Medical Assistance, Attachment 3.1-A. Rule effective August 11, 1990; amended August 14, 1991.

Rule No. 560-X-47-.11 Records

(1) The rehabilitative services provider shall make available to the Alabama Medicaid Agency at no charge all information regarding claims submitted and paid for services provided eligible recipients and shall permit access to all records and facilities for the purpose of claims audit, program monitoring, and utilization review by duly authorized representatives of federal and state agencies. Complete and accurate rehabilitative and fiscal records which fully disclose the extent of the service shall be maintained by the provider. Said records shall be retained for a period of three years plus the current year and/or until completion of any audit.

(2) Documentation of Medicaid clients' signatures may be entered on a sign-in log, service receipt or any other record that can be used to indicate the recipient's signature and the date of service. Treatment Plan Review, ACT, PACT, Behavioral Health Placement Assessment, crisis intervention, psychoeducational services, Mental Health Care Coordination, and any non-face to face services that can be provided by telephone do not require recipient signatures.

(3) Documentation failing to meet the minimum standards noted in the Medicaid Provider Manual, Rehabilitative Services, Chapter 105, will result in recoupment of payments.

Author: Karen M. Smith, Associate Director, Mental Health Programs
Statutory Authority: 42 CFR Section 431.17, Social Security Act, Title XIX, State Plan for Medical Assistance, Attachment 3.1-A.
History: Rule effective August 11, 1990; August 22, 1990; August 14, 1991; March 1, 1994; and June 14, 1994. **Amended:** Filed October 20, 2000; effective January 11, 2001. **Amended:** Filed March 21, 2005; effective June 16, 2005. **Amended:** Filed January 11, 2019; effective February 25, 2019.