Medicare Therapy Benefits: Limitations & Exceptions

There are items and services for which Medicare will not pay. Medicare only pays for covered benefits. Some items and services are not Medicare benefits and, therefore, Medicare will not pay for them. When you receive an item or service that is not a Medicare benefit, you are responsible to pay for it, personally or through any other insurance that you may have. The purpose of this notice is to help you make an informed choice about whether or not you want to receive these items or services, knowing that you will have to pay for them yourself. Before you make a decision, you should ask for an explanation from your therapist and you should also ask for an estimate of the cost of service or item.

Therapy limits: Effective January 1, 2018, new legislation permanently repealed the annual financial limit (Therapy Cap) on combined physical and speech therapy. The new policy requires that the –KX modifier indicating services are medically necessary must be included once therapy spending reaches the $2010 level, corresponding to 15-20 treatment sessions.

Medical Manual Review: At the $3000 threshold (or ~30 visits), there is the potential of a targeted medical manual review. At that point, we must be able to prove that your services are absolutely medically necessary and require the skills of a therapist to facilitate your rehabilitation. Medicare does not have to agree to approve the exception or our justification for medical necessity. Please be assured that we will make every attempt to get an exception authorized if we can justify it medically. However, if you elect to proceed with physical therapy services beyond the $3000 threshold, you will be asked to sign an Advanced Beneficiary Notice (ABN), indicating that you are aware that Medicare may not pay for services beyond $3000 and you will be held financially responsible.

Detailed Explanation of the Limits: Medicare will pay up to 80% once you meet your Part B deductible ($183). You are also responsible for your co-insurance which is 20% of the allowable fees. Please note that physical therapists do not set Medicare fees; we are paid according to an ‘allowable’ Medicare Fee Schedule and are legally bound to abide by its billing guidelines.

Thank you so very much for trusting us with your care. We will continue to strive to provide the best and most cost effective physical therapy services in the community.

Patient Signature/Date_____________________________________
(Signature only indicates that this notice has been received per Medicare guidelines)