

Habilitative Services Issue Summary

Current State Definition of Habilitative Services: “The rehabilitative services provisions of the base benchmark¹ when the services are medically necessary for the maintenance, learning or improving skills and function for daily living.”

Federal Definition of Habilitative Services: “Services and devices that help a person keep, learn, or improve skills and functioning for daily living. Examples include therapy for a child who is not walking or talking at the expected age. These services may include physical and occupational therapy, speech-language pathology and other services for people with disabilities in a variety of inpatient and/or outpatient settings.”

Proposed Definition of Habilitative Services: “Services and devices that help a person keep, learn, or improve skills and functioning for daily living. Examples include therapy for a child who is not walking or talking at the expected age. These services **may and devices mirror those provided for rehabilitation and** include physical and occupational therapy, speech-language pathology, **applied behavioral analysis for children with autism**, and other services **and devices** for people with disabilities **provided by a practitioner licensed to provide such services** in a variety of inpatient and/or outpatient settings.”

¹ **Outpatient rehabilitative services** provided by a licensed physical therapist, occupational therapist, speech language pathologist, physician, or other practitioner licensed to provide physical, occupational, or speech therapy. Services must be prescribed in writing by a licensed physician, dentist, podiatrist, nurse practitioner, or physician assistant. The prescription must include site, modality, duration, and frequency of treatment. Total covered expenses for outpatient rehabilitative services is limited to a combined maximum of 30 visits per calendar year subject to preauthorization and concurrent review by PacificSource for medical necessity. Only treatment of neurologic conditions (e.g. stroke, spinal cord injury, head injury, pediatric neurodevelopmental problems, and other problems associated with pervasive developmental disorders for which rehabilitative services would be appropriate for children under 18 years of age) may be considered for additional benefits, not to exceed 30 visits per condition, when criteria for supplemental services are met.

Services for speech therapy will only be allowed when needed to correct stuttering, hearing loss, peripheral speech mechanism problems, and deficits due to neurological disease or injury. Outpatient pulmonary rehabilitation programs are covered when prescribed by a physician for patients with severe chronic lung disease that interferes with normal daily activities despite optimal medication management.