Outpatient rehabilitation therapy caps Applies to:

Blue Cross Blue Shield of Michigan

A nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association

☐ Medicare Plus Blue℠ PPO ☒ Medicare Plus Blue℠ Group PPO ☐ Both

Outpatient rehabilitation

Outpatient rehabilitation services are the evaluation and treatment for injuries and diseases that affect your ability to function.

Original Medicare

Original Medicare covers the evaluation and treatment for injuries and diseases that affect the ability to function when the physician or other health care providers certify the need for it. The Medicare Part B outpatient therapy cap for occupational therapy combined with physical therapy and speech–language therapy is determined by the Centers for Medicare & Medicaid Services each calendar year. The therapy caps are subject to change on an annual basis.

Medicare Plus Blue℠ Group PPO enhanced benefit

Medicare Plus Blue is a Medicare Advantage plan that provides at least the same level of benefit coverage as Original Medicare (Part A and Part B) and may provide enhanced benefits beyond the scope of Original Medicare within a single health care plan. This flexibility allows Blue Cross to offer enriched plans by using Original Medicare as the base program and adding desired benefit options.

Under select Medicare Plus Blue Group PPO plans, the Medicare Part B outpatient therapy cap for occupational therapy combined with physical therapy and speech–language therapy doesn't apply.

Conditions for payment

The table below specifies payment conditions for Medicare Part B outpatient rehabilitation services associated with the Part B therapy cap.

Conditions for payment	
Eligible providers	Consistent with Original Medicare
Payable location	
Frequency	
CPT / HCPCS codes	
Diagnosis restrictions	
Age restrictions	

Reimbursement

The Medicare Plus Blue Group PPO maximum payment amount for the Medicare Part B outpatient rehabilitation services is consistent with Original Medicare. The provider will be paid the lesser of Medicare's allowed amount or the provider's charge, minus the member's cost share. This represents payment in full and providers aren't allowed to bill the member for the difference between the allowed amount and the charge.

Member cost sharing

- Medicare Plus Blue Group PPO providers should collect the applicable cost sharing from the member at the time of the service when possible. Cost sharing refers to a flat dollar copayment, a percentage coinsurance or a deductible. Providers can only collect the appropriate Medicare Plus Blue Group cost sharing amount from the member.
- Providers may not have members sign an ABN to accept financial responsibility for noncovered items or services. If there is any question about whether an item or service is covered, seek a coverage determination from Blue Cross before providing the item or service to the member. If a provider provides a noncovered item/service to a member without first obtaining a coverage determination, the member must be held harmless for all charges except for any applicable cost share.
- If the member receives a service that is not covered, he or she is responsible for the entire charge associated with that service.

To verify benefits and cost share, providers may utilize our provider portal in Availity or call 1-866-309-1719.

Billing instructions for providers

1. Bill services on either the CMS 1500 (02–12), UB-04 or 837 equivalent claim form.
2. Use the Medicare Advantage PPO unique billing requirements.
3. Report CPT/HCPCS codes and diagnosis codes to the highest level of specificity.
4. Report your National Provider Identifier number on all claims
5. Submit claims to your local Blue Cross plan.
6. Use electronic billing:
   a. Michigan providers:
      - Copies of the ANSI ASC X 12N 837 and 835 Institutional Health Care Claim and Health Care Claim Payment/Advice (Blue Cross Electronic Data Interchange (EDI) Institutional 837/835 Companion Documents) are available on the Blue Cross website under the reference library section at ***www.bcbsm.com/providers/help/edi/***.
   b. Providers outside of Michigan should contact their local Blue Cross plan.

Revision history

Policy number: MAPPO 1015

Reviewed: 11/14/2024, 8/3/2023, 11/20/2020, 10/09/2019, 07/23/2018

Revised dates: 04/12/2016, 06/2013

04/12/2016: Updated formatting, updated provider billing instructions, updated hyperlinks, removed reference to CAREN, added history revision section.