

# PHYSICAL THERAPY, OCCUPATIONAL THERAPY AND CHIROPRACTIC DAILY DOLLAR BUNDLE

## FREQUENTLY ASKED QUESTIONS

**Q: Why has Highmark chosen to implement a Daily Dollar Bundle Reimbursement for Physical Therapy, Occupational Therapy and Chiropractic Services?**

**A:** In keeping our commitment to making health care accessible and affordable to our members, Highmark recognizes the need to promote cost transparency. To that end, Highmark will be introducing a bundled daily rate for physical therapy, occupational therapy, and chiropractic services.

The new reimbursement methodology will better enable you and your patients to know the cost of their treatment in advance. As such, we believe the new methodology will improve revenue predictability, facilitate the collection of member cost share at the time of service, and improve the patient's experience.

Finally, the change brings Highmark's reimbursement for Physical Therapy, Occupational Therapy and Chiropractic services into alignment with industry standards.

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**Q: When will the change in reimbursement take place?**

**A:** Highmark plans to implement the Therapy and Manipulation Daily Bundles effective for dates of service beginning September 1, 2022.

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**Q: Will this change the way in which I report services?**

**A:** The change will not impact the way in which claims are submitted. Providers should continue to submit the appropriate HCPCS for all services delivered.

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**Q: How will Highmark bundle the services?**

**A:** Highmark will continue to apply standard fee schedule allowances for each line of each discipline up to the daily bundled maximum for each discipline.

Payments will be up to, but not exceeding, the daily bundle maximum. One of two bundle maximums will be applied based on whether an evaluation or re-evaluation is reported (regardless of whether therapy is reported). For days on which an evaluation or re-evaluation is reported, a higher bundle maximum will be applied. For days on which only therapy is reported, a lower maximum will be applied.

\*Note, for Medicare Advantage, only one Daily Bundle will be applied. The Medicare Advantage Daily Bundle maximum is based on the three Current Procedural Terminology (CPT) codes that Doctors of Chiropractic are limited to bill under Medicare: 98940 (chiropractic manipulative treatment; spinal, one to two regions), 98941 (three to four regions), and 98942 (five regions).

**Q: What services are included in the bundle?**

**A:** A Daily Evaluation Bundle consists of evaluation or re-evaluation, along with all therapy, manipulations, modalities, and diagnostic X-ray services. Daily Evaluation Bundles are defined as follows:

- For Physical Therapy, the inclusion of HCPCS 97161-97164
- For Occupational Therapy, the inclusion of HCPCS 97165-97168
- For Chiropractic Services, the inclusion of HCPCS 99201-99215

A Daily Therapy Bundle will include only therapy, manipulations, modalities, and Diagnostic X-ray services.

Neither bundle will include Durable Medical Equipment items, such as splints or braces. Instead, these items will continue to be separately billable.

**Q: What will the new reimbursement be?**

**A:** Highmark will continue to apply standard fee schedule allowances for each line of each discipline up to the daily bundled maximum for each discipline.

A single bundle maximum will be applied, with payments up to but not exceeding that maximum, on days in which an evaluation or re-evaluation is reported (regardless of whether therapy is reported).

While the reimbursement amounts will vary based on discipline, only one bundle maximum will be applied per discipline per day.

	<b>Medicare Advantage</b>	<b>Commercial</b>
<b>Physical Therapy Evaluation Bundle</b>	\$120	\$120
<b>Occupational Therapy Evaluation Bundle</b>	\$130	\$120
<b>Chiropractic Evaluation Bundle</b>	\$38 *	\$120

A different bundle maximum amount will be applied on days on which only therapy is reported. Again, allowances will be based on standard fee schedule amounts for each line, up to but not exceeding the daily bundle maximum for each discipline.

	Medicare Advantage	Commercial
<b>Physical Therapy Treatment Bundle</b>	\$92	\$92
<b>Occupational Therapy Treatment Bundle</b>	\$92	\$72
<b>Chiropractic Treatment Bundle</b>	\$38 *	\$72

*\* Daily Bundle maximum based on the three Current Procedural Terminology (CPT) codes that Doctors of Chiropractic are limited to bill under Medicare: 98940 (chiropractic manipulative treatment; spinal, one to two regions), 98941 (three to four regions), and 98942 (five regions).*

**Q: What if multiple disciplines are performed on the same service date, i.e., Physical Therapy and Occupational Therapy?**

**A:** In scenarios where multiple disciplines are required (i.e., physical therapy AND occupational therapy), Highmark will apply bundle logic for each discipline separately. In other words, Highmark will continue to apply standard fee schedule allowances for each line of each discipline, up to the daily bundled maximum for each discipline. Once the maximum has been reached, subsequent lines of the same discipline will be zero-paid as part of the bundle.

**Q: What region does this apply to?**

**A:** The new bundled payment methodology is being implemented across Pennsylvania. A similar methodology is already used in Delaware.

**Q: What products does this apply to?**

**A:** The Physical Therapy, Occupational Therapy and Chiropractic Daily Bundle will apply to both Commercial and Medicare Advantage Products.

**Q: How will Highmark ensure that Bundle Maximum Rates remain competitive?**

**A:** On an annual basis, beginning January 1, 2023, Highmark will adjust rates in conjunction with the Consumer Price Index (CPI). To protect against drastic shifts in the CPI, Highmark will be instituting a “floor” and “ceiling,” such that increases will never be less than 2% and will never exceed 5%, annually.

**Q: What if I refuse to sign the Daily Bundle Agreement?**

**A:** While there is currently no requirement to sign the agreement for the new reimbursement methodology, Highmark will be standardizing reimbursement to maintain consistency with other industry payors. As such, the daily Physical Therapy, Occupational Therapy and Chiropractic bundles will become Highmark's standard reimbursement for these services.

While Highmark does not intend to make any immediate network changes, future assessments will consider participation in Highmark's reimbursement programs. As we evolve provider relationships to improve value and transparency for our customers, our expectation is that our provider network will move with us on this transformational journey.

It should also be noted that participation in future Value Based Reimbursement programs will be contingent on shifting to the new bundled methodology.

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**Q: Where can I submit questions?**

**A:** Please send your questions via email to

[AncillaryProviderContractAdministration@Highmark.com](mailto:AncillaryProviderContractAdministration@Highmark.com)