

Physical Therapy, Occupational Therapy, and Chiropractic Daily Dollar Maximum

Frequently Asked Questions

November 1, 2022

Q1: Why has Highmark chosen to introduce new Daily Dollar Maximums for Physical Therapy, Occupational Therapy, and Chiropractic Services?

A1: Based on feedback we received from the market, Highmark has decided to increase the Daily Dollar Maximum for Physical Therapists, Occupational Therapists and Chiropractors.

These new daily dollar maximums will be effective immediately and will retroactively replace the maximums set forth in the August 2022 communications. The new Daily Dollar Maximums will be effective through December 31, 2023.

Q2: When will the new Daily Dollar Maximums be effective?

A2: The new Daily Dollar Maximums are effective immediately, retroactive to September 1, 2022.

Q3: What if I have already signed the new contract for Daily Dollar Maximum Reimbursement for Physical Therapy, Occupational Therapy and Chiropractic Services?

A3: While Highmark will be increasing the Daily Dollar Maximums effective immediately, we will also be reviewing previously submitted claims for those providers who executed contracts to adopt the new methodology. Adjustments will be performed to make additional payment, where applicable. The new Daily Dollar Maximums will be effective through December 31, 2023. Providers will NOT need to take any additional action.

Q4: How will this change impact patients/members?

A4: In keeping our commitment to making health care accessible and affordable to our members, Highmark recognizes the need to promote cost transparency

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.

Q5: Will this change the way in which I report services?

A5: The change will not impact the way in which claims are submitted. Providers should continue to submit the appropriate Healthcare Common Procedure Coding System (HCPCS) for all services delivered.

Q6: How will Highmark apply the Daily Dollar Maximum?

A6: Highmark will continue to apply standard fee schedule allowances for each line of each discipline up to the Daily Dollar Maximum for each discipline.

This information is issued on behalf of Highmark Blue Shield and its affiliated Blue companies, which are independent licensees of the Blue Cross Blue Shield Association. Highmark Inc. d/b/a Highmark Blue Shield and certain of its affiliated Blue companies serve Blue Shield members in 21 counties in central Pennsylvania and 13 counties in northeastern New York. As a partner in joint operating agreements, Highmark Blue Shield also provides services in conjunction with a separate health plan in southeastern Pennsylvania. Highmark Inc. or certain of its affiliated Blue companies also serve Blue Cross Blue Shield members in 29 counties in western Pennsylvania, 13 counties in northeastern Pennsylvania, the state of West Virginia plus Washington County, Ohio, the state of Delaware, and 8 counties in western New York. All references to Highmark in this document are references to Highmark Inc. d/b/a Highmark Blue Shield and/or to one or more of its affiliated Blue companies.

Payments will be up to, but not exceeding, the Daily Dollar Maximum. One of two Daily Dollar 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 Daily Dollar Maximum will be applied.

For days on which only therapy is reported, a lower daily dollar maximum will be applied.

*Note, for Medicare Advantage, only one Daily Dollar Maximum will be applied. The Medicare Advantage Daily Dollar 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).

Q7: What services are included in the Daily Dollar Maximum?

A7: An Evaluation Daily Dollar Maximum consists of evaluation or re-evaluation, along with all therapy, manipulations, modalities, and diagnostic X-ray services. Evaluation Daily Dollar Maximums 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 **Therapy Daily Dollar Maximum** will include only therapy, manipulations, modalities, and diagnostic X-ray services.

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

Q8: What will the new reimbursement be?

A8: Highmark will continue to apply standard fee schedule allowances for each line of each discipline up to the Daily Dollar Maximum for each discipline.

A single Daily Dollar 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 Daily Dollar Maximum will be applied per discipline per day.

	Medicare Advantage	Commercial
Physical Therapy Evaluation DDM	\$145	\$145
Occupational Therapy Evaluation DDM	\$145	\$145
Chiropractic Evaluation DDM	\$38*	\$130

A different Daily Dollar 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 Dollar Maximum for each discipline.

	Medicare Advantage	Commercial
Physical Therapy Treatment DDM	\$115	\$115
Occupational Therapy Treatment DDM	\$115	\$115
Chiropractic Treatment DDM	\$38*	\$80

**Daily Dollar 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).*

Q9: What if multiple disciplines are performed on the same service date, i.e., Physical Therapy and Occupational Therapy?

A9: In scenarios that require multiple disciplines (i.e., services performed by a physical therapist AND occupational therapist), Highmark will apply Daily Dollar Maximum logic for each discipline separately. In other words, Highmark will continue to apply standard fee schedule allowances for each line, up to the Daily Dollar Maximum for the discipline of the rendering clinician. Once the Daily Dollar Maximum has been reached, subsequent lines of the same discipline will be zero-paid as part of the bundle.

Q10: What region does this apply to?

A10: The new Daily Dollar Maximum methodology is being implemented across Pennsylvania. A similar methodology is already used in Delaware.

Q11: What products does this apply to?

A11: The Physical Therapy, Occupational Therapy, and Chiropractic Daily Dollar Maximum will apply to both Commercial and Medicare Advantage Products.

Q12: How will Highmark ensure that Daily Dollar Maximum Rates remain competitive?

A12: 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.

Q13: Why should I sign the Daily Dollar Maximum Agreement?

A13: 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 Daily Dollar Maximums 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 Daily Dollar Maximum methodology

Q14: Where can I submit questions?

A14: Please send your questions via email to: AncillaryProviderContractAdministration@Highmark.com.