

BWC Policy Alert

Proper Administration of Vocational Rehabilitation Fee Schedule Service Code Limits

Date: May 25, 2017
Policy Alert # 06-2017-01

Purpose

This BWC policy alert clarifies the proper administration of the service code limits for the BWC Vocational Rehabilitation [Fee Schedule](#). The current fee schedule became effective Feb. 1, 2015. Furthermore, this policy alert reiterates the responsibility of the managed care organization (MCO) to adhere to the BWC *Special Vocational Rehabilitation Plan Types* [policy VR-19-01](#). This ensures appropriate extension of service code limits for vocational rehabilitation plans.

Per the VR-19-01, the disability management coordinator (DMC) and MCO must jointly provide approval prior to the implementation or the extension of any vocational rehabilitation plan that exceeds service code limits specified as "up to" limits.

Issue

BWC has discovered inconsistencies in the approval and management of service code limits in the BWC Vocational Rehabilitation Fee Schedule. Some MCOs authorized plans that exceeded the service code limits as defined by the BWC Vocational Rehabilitation Fee Schedule. This occurred at the point of prior authorization and at the point of bill processing. Additionally, BWC identified instances where the MCO had not documented DMC authorization or had exceeded service code limits prior to DMC approval.

Discussion

The vocational rehabilitation case manager (VRCM) shall notify the MCO when a vocational rehabilitation plan includes services that will exceed service code limits or otherwise meets the criteria of VR-19-01, requiring DMC approval for an extension of service code limits. If the extension of service code limits appears justified, the MCO shall contact the DMC for review and approval of the extension of service code limits proposed by the VRCM.

The VRCM shall not provide services to the injured worker until the MCO and DMC provides email approval for the vocational rehabilitation plan extension of service code limits.

The DMC's approval shall not replace appropriate approval from the MCO, per VR-19-01. The MCO shall ensure adherence to additional approval requirements, as well as maintaining a comprehensive understanding of the reimbursable service code limits set forth by BWC (i.e., VR-19-01, BWC Vocational Rehabilitation Fee Schedule, Policy Alert).

Units of service

The BWC Vocational Rehabilitation Fee Schedule provides a definition for a unit of service for each code. BWC measures the units of service in increments such as minutes and miles.

Service code limits

For many codes, the BWC Vocational Rehabilitation Fee Schedule also provides service code limits. BWC measures service code limits in increments such as days, weeks or a specified number of units of service. The service code limits indicate the longest period, highest dollar amount, most units of service or miles BWC will reimburse.

Additionally, BWC defines service code limits either as having maximum limits or up to limits. Maximum and up to service code limits stipulate whether or not the service code limits may be exceeded under certain circumstances.

In the BWC Vocational Rehabilitation Fee Schedule, services listed as maximum are limited to the fee or units of service listed. The VRCM shall not exceed those limits. However, the VRCM may exceed the up to service code limits with prior approval from the MCO and DMC, upon presentation of appropriate justification. See Chapter 4 of the *MCO Policy Reference Guide* for further details.

The VRCM must understand the service code limits and contact the MCO when the vocational rehabilitation plan limits will exceed the up to service code limit and requires DMC prior approval. The DMC, VRCM and MCO shall staff vocational rehabilitation plans in advance of a service that will exceed the service code limit to facilitate appropriate approvals. The VRCM shall not provide services or bill for services provided that exceed the up to service code limits without having the appropriate approvals from the DMC and the MCO. The VRCM may be subject to payment recovery if MCO pays for services in error, based on all applicable BWC rules and policies.

The MCO is responsible for reviewing the vocational rehabilitation plan prior to the VRCM rendering services to ensure the vocational rehabilitation plan does not contain service code limits that exceed the maximum or up to limits as detailed in the BWC Vocational Rehabilitation Fee Schedule rule (Ohio Administrative Code (OAC) 4112-18-09). The MCO is also responsible for ensuring the approval and payment of service code limits as billed does not exceed the maximum and up to limits as detailed in the vocational rehabilitation fee schedule rule (OAC 4123-18-09). If the MCO determines there is justification to exceed the up to service code limit for the vocational rehabilitation plan, the MCO shall proactively contact the VRCM and DMC to staff the plan. The MCO will also seek DMC approval prior to delivery of services that may exceed the up to service code limits. The MCO shall only approve payment of a vocational rehabilitation plan that exceeds the up to service code limit if the MCO receives approval from the DMC prior to the VRCM exceeding the up to service code limit. When considering if a request will cause the VRCM to exceed the up to limits, the MCO shall consider services authorized and billed, as well as services authorized, but not billed.

The MCO has a responsibility beyond simply documenting in the plan authorization that the VRCM cannot exceed service code limits (i.e., cannot exceed 40 hours), when the VRCM may exceed the service code limits because of prior plan approvals. Although the DMC is responsible for providing additional authorization when the plan extension requested will exceed up to service code limits, the MCO is responsible for approval documentation and verification of service code limits. The MCO is also responsible for communication of the applicable DMC and MCO approvals to the VRCM.

In cases where the MCO determines the VRCM provided services exceeding service code limits without authorization, the MCO shall follow up with all action items (i.e. underpayments or overpayments), following current BWC policies and procedures for adjustments and/or recovery.

Service code limits examples

Examples of service codes that have one service limit				
	Local level code unit of service (UOS)	UOS service code limit	Service code limit not to exceed	UOS limitation of plan authorization
Example 1 – maximum service code limit	One unit of service for the code W0672 (job coach) is defined as 15 minutes.	Maximum service code limit	160 units of service, which calculated to 40 hours.	This is a maximum limit and, therefore, the VRCM may not exceed this cap.
Example 2- up to service code limit	One unit of service for the code W0644 (ergonomic study) is defined as 15 minutes.	Up to service code limit	28 units of service or seven hours	<p>The VRCM may exceed an up to limit with proper approval.</p> <ul style="list-style-type: none"> The MCO must calculate total hours previously approved to determine if the request will exceed the service code limit of 28 units of service or seven hours. It is not acceptable to only document the service code limit of 28 units of service. <p>The VRCM may exceed the up to service code limit of 28 units or seven hours with prior approval from the DMC.</p>

Examples of service codes that have two or more service limits

A number of codes on the fee schedule contain two or more service limits expressed as maximum up to limits, or a combination of both. In cases where two or more service limits exist for a code, the MCO must consider all limits when calculating the service limits.

	Local level code UOS	UOS service code limit	Service code limit not to exceed	UOS limitation of plan authorization
Example 3 – up to limit, two variables	One unit of service for the code W0659 (job development) is six minutes.	Up to service code limit — two variables	400 units of service (up to 40 hours) in up to 20 weeks	<p>Considering both limits, the cap is at 400 units of service (i.e., 40 hours) or 20 weeks, whichever is met first.</p> <p>For purposes of these examples, assume the VRCM has previously requested and received prior MCO approval for 35 hours of job development during 18 weeks.</p> <ul style="list-style-type: none"> • If the VRCM requests a plan extension of eight hours of services during two weeks, the plan would exceed the service code limit of 40 hours and the MCO and DMC approval is required. • If the VRCM requests five hours of services during four weeks, the plan would exceed the up to period of 20 weeks, and the MCO and DMC approval is required. • If the VRCM requests 10 additional hours of job development during five weeks, the request will exceed the hour up to limit and the week up to limit, and the MCO and DMC approval is required. <p>The plan shall not exceed the up to service code limits of either 40 hours or 20 weeks, whichever the VRCM first meets without DMC approval.</p>

Example 4 – up and maximum service code limit, two variables	For the code W0620 (work adjustment, employer based), the unit of service is 15 minutes.	Up to and maximum service code limits — two variables	Maximum of 140 units (35 hours) of service per week, up to four weeks	<p>There are two variables to this service code — a maximum limit and an up to limit. The service code limit is a maximum of 140 units of service per week (i.e. 35 hours) for up to four weeks.</p> <p>For purposes of these examples, assume the VRCM has previously requested and received prior MCO approval for 30 hours of work adjustment per week for two weeks.</p> <ul style="list-style-type: none"> • If the VRCM requests a plan extension of 40 hours of service per week for two additional weeks, the request exceeds the maximum service code limits and would not be authorized to exceed 35 hours per week. • If the VRCM requests a plan extension of 30 hours per week for three additional weeks, the request will exceed the up to limit of four weeks and would require the MCO and VRCM to staff with the DMC for MCO and DMC approval to exceed the up to limit of four weeks. <p>The units of service cannot exceed a maximum of 140 units of service (i.e. 35 hours) in any given week, regardless of the number of weeks.</p> <p>The VRCM may exceed the up to service code limit of four weeks with prior approval from the DMC.</p>
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As noted in the examples above, the MCO may not authorize implementation or payment of any vocational rehabilitation plan that exceeds maximum service code limits as defined in the BWC Vocational Rehabilitation Fee Schedule. In addition, the MCO may not authorize any vocational rehabilitation plan that exceeds up to services as defined in the BWC Vocational Rehabilitation Fee Schedule without prior DMC approval. When determining whether the VRCM will exceed up to service code limits, the MCO shall include in its calculations prior services approved and/or provided.

Conclusion

To ensure quality outcomes, it is critical that the VRCM performs and reports only the services authorized by the MCO. The VRCM shall not bill for services that exceed the MCO’s authorization. The VRCM may be subject to overpayment recovery according to BWC rules and policies. Additionally, the VRCM maintains a responsibility to notify the MCO that his or her requested service plan will exceed up to limits and will need DMC approval.

The MCO shall use this policy alert to ensure the vocational rehabilitation case manager is educated to the procedural and plan approval requirements. The MCO shall ensure the authorization of treatment and approval of reimbursement does not exceed the BWC Vocational Rehabilitation Fee Schedule by maintaining an accurate total of each prior authorized service limit variable. The MCO shall ensure it makes no payment when the VRCM has exceeded maximum service code limits, or where the VRCM exceeded up to codes without approval from the DMC and the MCO. In cases where the MCO determines justification exists to exceed the up to service code limits, the MCO shall ensure the DMC obtained approval and documented it prior to the authorization, rendering and reimbursement of services. In cases where the MCO determines services exceeding service code limits were provided without authorization, the MCO shall follow up with all action items (i.e. underpayments or overpayments), following current BWC policies and procedures for adjustments and/or recovery.

At all phases of managing the medical part of a claim, the MCO shall procedurally align the MCO’s staff and/or program the MCO’s systems to apply the vocational rehabilitation fee schedule service code limits accurately. The MCO must remain vigilant in evaluating every variable during the authorization and reimbursement process.

Location: <http://www.ohiobwc.com/provider/services/FeeSchedules.asp>

References

- Ohio Administrative Code 4123-6-08 Bureau Fee Schedule
- Ohio Administrative Code 4123-18-09 Vocational Rehabilitation Provider Fee Schedule
- BWC MCO Policy Reference Guide
- Ohio Administrative Code 4123-6-08 Bureau fee schedule
- Special Vocational Rehabilitation Plan Types* policy VR-19-01