

Reimbursement Policy:

Billing for Habilitative and Rehabilitative Services Policy

(Commercial)

POLICY NUMBER	EFFECTIVE DATE:	APPROVED BY
RPC20240052	1/1/2025	RPC (Reimbursement Policy Committee)

Reimbursement Guideline Disclaimer: We have policies in place that reflect billing or claims payment processes unique to our health plans. Current billing and claims payment policies apply to all our products, unless otherwise noted. We will inform you of new policies or changes in policies through postings to the applicable Reimbursement Policies webpages on emblemhealth.com and connecticare.com. Further, we may announce additions and changes in our provider manual and/or provider newsletters which are available online and emailed to those with a current and accurate email address on file. The information presented in this policy is accurate and current as of the date of this publication.

The information provided in our policies is intended to serve only as a general reference resource for services described and is not intended to address every aspect of a reimbursement situation. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to, legislative mandates, physician or other provider contracts, the member’s benefit coverage documents and/or other reimbursement, and medical or drug policies. Finally, this policy may not be implemented the same way on the different electronic claims processing systems in use due to programming or other constraints; however, we strive to minimize these variations.

We follow coding edits that are based on industry sources, including, but not limited to, CPT® guidelines from the American Medical Association, specialty organizations, and CMS including NCCI and MUE. In coding scenarios where there appears to be conflicts between sources, we will apply the edits we determine are appropriate. We use industry-standard claims editing software products when making decisions about appropriate claim editing practices. Upon request, we will provide an explanation of how we handle specific coding issues. If appropriate coding/billing guidelines or current reimbursement policies are not followed, we may deny the claim and/or recoup claim payment.

Overview:

This policy describes how claims for Habilitative and Rehabilitative should be reported.

Habilitative services help a person keep, learn, or improve skills and function for daily living *that have not developed*.

Rehabilitative services help a person keep, restore, or improve skills for daily living that have *been lost or impaired after an illness or injury*.

The same CPT/HCPCS codes may be utilized for both habilitative and rehabilitative services. Modifiers 96 and 97 were developed to help differentiate which service is being reported.

Policy Statement:

This policy advises on the billing of Habilitative and Rehabilitative Services by appending modifier 96 or 97 to the appropriate CPT/HCPCS code(s).

This reimbursement policy applies to services reported on a CMS-1500 and UB04 claim form, including their electronic equivalent. This policy applies to physicians and other qualified health care professionals, outpatient facility claims, ambulatory surgical centers (ASC), and outpatient surgical centers (OSC), regardless of network status.

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Reimbursement Guidelines:

Effective 1/1/2025, EmblemHealth/ConnectiCare requires claims for habilitative and rehabilitative services to be billed according to the following guidelines:

- When reporting **Habilitative Services**, claims should be billed with the appropriate CPT/HCPCS code(s) along with Modifier 96.
- When reporting **Rehabilitative Services**, claims should be billed with the appropriate CPT/HCPCS code (s) along with Modifier 97.

Requirement applies to services including, but not limited to:

- Audiology
- Cognitive therapy
- Occupational therapy
- Physical therapy
- Speech therapy

Billing Tips:

Use of modifiers 96 and/or 97 with a procedure code could lead to one of the following outcomes.

Claim line is:

- Allowed, according to plan benefits, when modifier 96 or 97 is billed appropriately.
- Denied if billed with both modifiers 96 and 97.
- Denied if modifiers 96 and 97 are billed inappropriately.
- Denied if modifier 96 or 97 is not billed on a habilitative or rehabilitative service.

Other modifiers should be billed along with 96 or 97, when appropriate.

- When a provided service is considered an “always therapy service”, providers should continue to use modifier 'GN' for speech therapy, 'GO' for occupational therapy, and/or 'GP' for physical therapy when applicable.

Examples: Modifiers 59, CO, CQ, GN, GO and GP are sometimes reported by therapy providers

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Definitions:

Term	Definition
Habilitative Services	Habilitative services help an individual learn skills and functioning for daily living that the individual has not yet developed, and then keep and/or improve those learned skills.
Rehabilitative Services	Rehabilitative services help an individual keep, get back, or improve skills and functioning for daily living that have been lost or impaired because the individual was sick, hurt, or disabled.
Modifier 96	CPT modifier for use with codes reported to identify services provided to teach patients new skills needed for functions of daily living. The types of services performed are considered habilitative in nature.
Modifier 97	CPT modifier for use with codes reported to identify services provided to reteach a patient skill needed for functions of daily living that have been lost or impaired due to disease or injury. The types of services performed are considered rehabilitative in nature.

Coding:

The following procedure codes must be reported with the applicable 96 or 97 modifiers when reported for habilitative or rehabilitative services:

Note: Inclusion of a code(s) in the table below, does not imply coverage or guarantee reimbursement. Please verify the member benefits for coverage and eligibility.

Applicable Codes											
90901	90912	90913	92506	92508	92521	92524	92596	92597	92605	92609	92618
92626	92629	92631	92632	92633	97001	97002	97003	97004	97010	97037	97039
97110	97126	97128	97150	97151	97158	97161	97162	97163	97164	97165	97166
97167	97168	97200	97530	97533	97535	97537	97541	97542	97545	97546	97547
97550	97551	97552	97555	97597	97598	97602	97605	97606	97750	97755	97760
97761	97763	97799	G0129	G0157	G0158	G0159	G0160	G0161	G0164	G0183	G0283
G2168	G2169	G9041	G9044	S8940	S8990	S9128	S9152	S9158			

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References:

- [CMS Manual System Pub 100-04 Medicare Claims Processing Transmittal 3940](#)

Revision History

Company(ies)	DATE	REVISION
EmblemHealth ConnectiCare	5/30/2024	• New Policy