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NEBRASKA DEPARTMENT OF  
HEALTH AND HUMAN SERVICES

471 NAC 22

TITLE 471 NEBRASKA MEDICAL ASSISTANCE PROGRAM SERVICES

CHAPTER 22 RESPIRATORY THERAPY SERVICES

001. SCOPE AND AUTHORITY. The regulations govern the services provided under Nebraska's Medicaid program as defined by Nebraska Revised Statute (Neb. Rev. Stat.) §§ 68-901 et seq.

002. DEFINITIONS.

002.01 RESPIRATORY THERAPY. Services that are prescribed by a physician for the assessment, diagnostic evaluation, treatment, management, and monitoring of patients with deficiencies and abnormalities of cardiopulmonary function. Performed by respiratory therapists or technicians, physical therapists, nurses and other qualified personnel.

003. PROVIDER REQUIREMENTS.

003.01 GENERAL PROVIDER REQUIREMENTS. To participate in Nebraska Medicaid, providers of respiratory therapy services must comply with all applicable participation requirements codified in 471 Nebraska Administrative Code (NAC) 1, 2 and 3. In the event that provider participation requirements in 471 NAC 1, 2 or 3 conflict with requirements outlined in 471 NAC 23, the individual provider participation requirements in 471 NAC 22 will govern.

003.02 SERVICE SPECIFIC PROVIDER REQUIREMENTS. Respiratory therapy services must be provided by or under the direct supervision of a respiratory therapist licensed by the Nebraska Department of Health and Human Services, Division of Public Health, or, if provided out of state, similarly recognized by the respiratory therapy association or licensing entity of that state.

004. SERVICE REQUIREMENTS.

004.01 GENERAL SERVICE REQUIREMENTS.

004.01(A) MEDICAL NECESSITY. Nebraska Medicaid incorporates the definition of medical necessity from 471 NAC 1. Services and supplies that do not meet the 471 NAC 1 definition of medical necessity are not covered. In addition to meeting these requirements, respiratory therapy services are considered to be reasonable and necessary for the diagnosis or treatment of an individual's illness or injury only if they also satisfy additional conditions.

004.01(B) CONDITIONS IN ADDITION TO MEDICAL NECESSITY.

004.01(B)(i) CONSISTENT WITH THE NATURE AND SEVERITY OF THE INDIVIDUAL'S COMPLAINTS AND DIAGNOSIS. A patient's primary diagnosis alone must justify the need for respiratory therapy. If the primary diagnosis alone is insufficient, the need for respiratory therapy must be justified by medical evidence documenting the need based on:

- (1) The combination of secondary and primary diagnoses; or
- (2) The severity of the secondary diagnosis alone.

004.01(B)(ii) REASONABLE IN TERMS OF MODALITY AMOUNT FREQUENCY AND DURATION OF THE TREATMENTS. In addition to being considered reasonable and necessary based on the nature and severity of the patient's condition, respiratory therapy must also be reasonable and necessary with respect to modality, amount, frequency, and duration of treatments.

004.01(B)(ii)(1) DISCHARGE. It is expected that the level and intensity of the care is modified as discharge nears. If the amount and frequency of respiratory therapy provided throughout the hospital stay remains constant and the primary or secondary diagnosis indicates that, under normal circumstances, a decline in amount and frequency could be anticipated, the provider must submit an explanation to Nebraska Medicaid.

004.01(B)(iii) GENERALLY ACCEPTED BY THE PROFESSIONAL COMMUNITY AS BEING SAFE AND EFFECTIVE TREATMENT FOR THE PURPOSE USED. In the absence of evidence to the contrary, it may be presumed that respiratory therapy is an accepted treatment and may be covered.

004.01(C) PHYSICIAN CERTIFICATION. Respiratory therapy services must be provided only on written orders by a licensed Nebraska physician, or, if provided out of state, a licensed physician of that state. Services must be recertified by a physician every 30 days, or more frequently if the patient's condition necessitates.

004.01(D) ADDITIONAL GUIDELINES FOR COVERAGE CRITERIA. Medicaid covers respiratory therapy services only when there is a distinction, or decision, made with respect to the individual patient's condition and the need for the services.

004.02 COVERED SERVICES.

004.02(A) PLACE OF SERVICE. Nebraska Medicaid covers respiratory therapy in hospitals and long-term care facilities.

004.02(A)(i) HOSPITAL. When provided by a respiratory therapist or technician, the services are covered as ancillary services. When provided by a nurse, the services are covered as nursing services. If the services are reasonable and necessary, they

are covered regardless of where in the hospital they are provided, such as an emergency room or Intensive Care Unit (ICU).

004.02(A)(ii) LONG TERM CARE FACILITIES. See 471 NAC 12.

004.02(B) RESPIRATORY THERAPY SERVICES. Respiratory care services include:

- (i) The application of techniques for support of oxygenation and ventilation in the acutely ill patient;
- (ii) The therapeutic use and monitoring of medical gases (especially oxygen), bland and pharmacologically active mists and aerosols and equipment as resuscitators and ventilators;
- (iii) Bronchial hygiene therapy, including deep breathing and coughing exercises, intermittent positive pressure breathing (IPPB), postural drainage, chest percussion and vibration, and nasotracheal suctioning;
- (iv) Diagnostic tests for evaluation by a physician, such as pulmonary function tests, spirometry, and blood gas analyses;
- (v) Pulmonary rehabilitation techniques that include:
  - (1) Exercise conditioning;
  - (2) Breathing retraining; and
  - (3) Patient education regarding the management of the patient's respiratory problems; and
- (vi) Periodic assessment and monitoring of the acute and chronically ill patients for indications for, and the effectiveness of, respiratory therapy services.

004.02(C) INTENSIVE CARE AND RECOVERY ROOM PATIENTS. Intensive care and recovery room patients that require respiratory monitoring, support, and therapy qualify for coverage if the treatment is reasonable and necessary.

004.02(D) PREOPERATIVE BRONCHIAL HYGIENE THERAPY. Preoperative bronchial hygiene therapy may be reasonable and necessary when the patient has a presumptive condition that by itself requires respiratory therapy. In the absence of a presumptive condition, preoperative respiratory therapy is reasonable and necessary if the prescribing physician adequately documents the medical necessity for it.

004.02(E) POSTOPERATIVE BRONCHIAL HYGIENE THERAPY. Respiratory therapy services aiding bronchial hygiene are reasonable and necessary in the postoperative patient with identifiable pulmonary complications or in patients with underlying pulmonary diseases. The provider must document the medical necessity for the therapy when billing Nebraska Medicaid. Routine procedures when provided on a routine basis to most postoperative patients are not considered necessary and are not covered under Nebraska Medicaid.

004.02(F) SETTING UP EQUIPMENT AND INSTRUCTING PATIENTS IN ITS USE. Setting up respiratory equipment and instructing patients in the use of equipment, or on postural drainage and breathing exercises, is considered reasonable and necessary.

Once patients have been instructed, services of a respiratory therapist or nurse are not reasonable and necessary, and are not covered by Nebraska Medicaid. Any monitoring of the equipment or of the effects of the treatment is expected to be carried out by a staff nurse as part of the regular nursing activities. Use of a respiratory therapist for these activities is considered a duplication of services and is not covered. Payment may be made for use of the equipment and covered gases or drugs used in connection with the equipment.

004.02(G) OXYGEN THERAPY. Oxygen therapy is covered if the need and the effectiveness is documented. Use of continuous oxygen without periodic assessment of arterial PO<sub>2</sub> or oxygen saturation must be medically necessary, and supported by sufficient documentation. The physician's order must state the oxygen device and the specific flow rate or concentration of oxygen desired. A prescription for "oxygen as needed" does not meet these requirements. An intermittent or pro re nata (PRN) oxygen therapy order must include time limits and specific indications for initiating and terminating therapy.

004.02(H) STRUCTURED PATIENT EDUCATION PROGRAM. Instructing a patient on the use of equipment or breathing exercises is considered reasonable and necessary to the treatment of the patient's condition and can be given to a patient during the course of their treatment by the health personnel involved, unless these activities are of a complexity that warrants a structured patient education program. A structured program generally is not considered reasonable and necessary and is not covered by Nebraska Medicaid.

## 005. BILLING AND PAYMENT FOR RESPIRATORY THERAPY SERVICES.

### 005.01 BILLING.

005.01(A) GENERAL BILLING REQUIREMENTS. Providers must comply with all applicable billing requirements codified in 471 NAC 3. In the event that individual billing requirements in 471 NAC 3 conflict with billing requirements outlined in this 471 NAC 22, the individual billing requirements in 471 NAC 22 will govern.

### 005.01(B) SPECIFIC BILLING REQUIREMENTS.

005.01(B)(i) PROCEDURE CODES. The provider must use the appropriate American Medical Association's Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) procedure codes when billing Nebraska Medicaid.

005.01(B)(ii) REQUIRED CLAIMS. Depending on the place of service, the provider must bill as follows:

- (1) If the service is provided in a hospital, the hospital makes payment to the respiratory therapist. The hospital submits claims to Nebraska Medicaid for respiratory therapy services provided in the hospital to inpatients and outpatients using the appropriate claim form or electronic format; or

- (2) If the service is provided in a long term care facility, the facility must contract for services not readily available in the facility. Depending on the type of provider, reimbursement is claimed as follows:
  - (a) If services are provided by another licensed hospital or rehabilitation agency, the long term care facility makes payment to the provider. The long term care facility is reimbursed for the payment as an allowable cost under the long term care reimbursement plan; or
  - (b) If services are provided by a facility staff member or by an individual under contract to the facility, the long term care facility makes payment to the individual. The facility is reimbursed under the long term care reimbursement plan.

005.01(B)(iii) DOCUMENTATION. Respiratory therapy services are subject to pre-or post payment utilization reviews. To help determine medical necessity for the treatments provided by the therapist, the following documentation must accompany each outpatient hospital claim:

- (1) A copy of the respiratory therapist's progress notes and anticipated goals; and
- (2) Information on the claim or as an attachment that includes:
  - (a) The location where the services were provided;
  - (b) The date of onset of the patient's condition; and
  - (c) The patient's diagnosis.

#### 005.02 PAYMENT.

005.02(A) GENERAL PAYMENT REQUIREMENTS. The Department will reimburse the provider for services rendered in accordance with the applicable payment regulations codified in 471 NAC 3. In the event that individual payment regulations in 471 NAC 3 conflict with payment regulations outlined in this 471 NAC 22, the individual payment regulations in 471 NAC 22 will govern.

005.02(B) SPECIFIC PAYMENT REQUIREMENTS. Nebraska Medicaid does not reimburse the respiratory therapist directly; payment is made to the hospital or nursing home. Nebraska Medicaid may make exceptions to this policy. Prior authorization by Nebraska Medicaid is required in order to make direct payment to the respiratory therapist.

005.02(B)(i) PAYMENT FOR HOSPITAL SERVICES. See 471 NAC 10.

005.02(B)(ii) PAYMENT FOR NURSING HOME SERVICES. See 471 NAC 12.