MEDICAID SERVICES MANUAL
TRANSMITTAL LETTER

June 28, 2017

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: LYNNE FOSTER, CHIEF OF DIVISION COMPLIANCE

SUBJECT: MEDICAID SERVICES MANUAL CHANGES
CHAPTER 2000, AUDIOLOGY SERVICES

BACKGROUND AND EXPLANATION

Revisions to Medicaid Services Manual (MSM) Chapter 2000 – Audiology Services are being proposed to clarify the coverage and limitations for hearing aid batteries for persons age 21 and older. No changes are being proposed, just clarifying services already covered for recipients.

Throughout the chapter, grammar, punctuation and capitalization changes were made, duplications removed, acronyms used and standardized and language reworded for clarity. Renumbering and re-arranging of sections was necessary.

Entities Financially Affected: Hospital, Outpatient (Provider Type (PT) 12), Special Clinics (PT 17), Physician, M.D., Osteopath, D.O. (PT 20), Hearing Aid Dispenser (PT 23), Advanced Registered Nurses (PT 24), Durable Medical Equipment (PT 33), Audiologist (PT 76) and Physician's Assistant (PT 77).

Financial Impact on Local Government: Financial Impact on Local Government: There will be no financial impact on local government.

These changes are effective June 29, 2017.

MATERIAL TRANSMITTED	**MATERIAL SUPERSEDED**
CL 30996 Audiology Services	MTL 12/09, 12/12 Audiology Services

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
2003.3A(3)	**Coverage and Limitations**	Revised Language clarifying hearing aid battery limitations.
2003.3C(2)(3)(4)	**Recipient Responsibility**	Revised language clarifying additional batteries criteria.

2. A physician must examine the hearing aid beneficiary for pathology or disease no more than six months prior to the fitting of the aid(s) and submit a statement certifying the medical necessity of the evaluation to the audiologist.

3. One audiogram testing per 12 rolling months does not require prior authorization. The audiogram should be no more than six months old.

4. To qualify for coverage by Medicaid the report must show levels of hearing loss as follows:

   a. Adults: at least 30 decibels for the frequency range of 500-3000 Hz.

   b. Children: at least 20 decibels for the frequency range of 500-3000 Hz.

2003.2B PRIOR AUTHORIZATION

1. A prior authorization request is needed for any hearing aid(s) exceeding the allowed amount of $350.00 per aid. The audiologist's testing reports must be attached and show the following:

   a. hearing levels and discrimination scores including the type of hearing loss conductive or neuron-sensory); and

   b. a copy of the audiogram which should be no older than six months; and

   c. patient's capabilities for use of the hearing aid(s), physical dexterity, mental capabilities and motivation; and

   d. type of hearing aid(s) recommended including the cost.

2. Additional hearing evaluations outside the normal program guidelines must be prior authorized. The audiologist must keep a copy of the referral and test results in the recipient's medical record.

2003.3 HEARING AIDS

2003.3A COVERAGE AND LIMITATIONS

Medicaid will reimburse only licensed physicians, licensed audiologists and certified hearing aid dispensers for hearing aid fitting and dispensing.

1. Hearing aids and related supplies are covered by Nevada Medicaid for eligible recipients. Coverage is limited to once every 24 rolling months. This may be exceeded through

Healthy Kids (EPSDT) if it is determined to be medically necessary by the Quality Improvement Organization (QIO)-like vendor. Refer to Chapter 1500 of the Medicaid Services Manual (MSM) for more information.

2. The manufacturer must be willing to accept the payment for the hearing aid(s) from the Medicaid hearing aid dispensers. Such payment constitutes payment in full. Shipping and handling for the hearing aid(s) is not a covered benefit. Recipients are not to be billed for any additional charges.

3. Hearing Aid Batteries: Hearing aid batteries are limited to one package of four per hearing aid per month~~rolling 30 days~~. Requests for ~~B~~batteries more frequently for recipients age 21 and older require~~must be dispensed per rolling 30 days and do not need~~ prior authorization. Children under age 21 may exceed the limitation, when medically necessary.

4. Ear Molds: Ear molds are to be provided with each new behind-the-ear hearing aid. Replacement for children is covered without prior authorization through Healthy Kids (EPSDT). Replacement for adults and children on Nevada Check Up is covered when medically necessary without prior authorization up to two in 24 months.

5. Hearing Aid Fitting and Dispensing: Hearing aid fitting and dispensing includes selecting, ordering, fitting, evaluating of appropriate amplification and dispensing the hearing aid(s). It also includes an initial supply of batteries. Medicaid reimburses for ear impressions and ear molds as a separate procedure.

   Non-audiology providers of hearing aids (Durable Medical Equipment (DME) providers) may provide hearing aids and hearing aid related services and items but no professional audiology services for which an audiologist's academic credentials and licensing are required.

   Non-audiology providers of hearing aids are covered to provide hearing aid counseling, hearing aid fitting and sale of the hearing aid(s) itself. Coverage also includes revision of hearing aid accessories, replacement of parts and repairs.

   The provider must allow the recipient to have a 30-day trial period with a money back guarantee if the aid(s) does not benefit the patient. A recheck of the patient with the aid(s) must be offered two weeks or sooner following dispensing to determine if there are improved hearing levels and discrimination scores. The visit(s) should also include counseling on the use and care of the hearing aid(s) and ensure proper fit of the ear molds.

6. Warranty: Hearing aids must include a minimum 12-month warranty from the manufacturer that covers repair, damage and loss of the hearing aid(s). The provider must

2. Prior authorization with medical necessity is required for any additional aid(s) needed during the 24-rolling month period.

3. Additional evaluations, fitting and dispensing, ear molds, testing/repair, replacement of broken or lost hearing aid(s), supplies or insurance outside the normal program guidelines will require prior authorization from the QIO-like vendor. Each request must have the appropriate documentation attached.

2003.3C RECIPIENT RESPONSIBILITY

Along with previously mentioned responsibilities, the recipient is also responsible for:

1. routine maintenance~~;.~~

2. purchase of additional batteries beyond the ~~coverage restrictions~~ limitation of one package of four per hearing aid per ~~rolling 30 days~~month when a prior authorization has been denied; however, children under age 21 may exceed the limitation, when medically necessary;~~.~~

3. repairs and replacement of the hearing aid(s) if the recipient loses Medicaid eligibility;~~.~~ and

4. picking up the hearing aid(s) and returning for any necessary adjustments within the hearing aid trial period established with the provider ~~time allotted for such adjustments~~.

2003.4 COCHLEAR AND AUDITORY BRAINSTEM IMPLANTS

2003.4A COVERAGE AND LIMITATIONS

1. Bilateral and unilateral cochlear implants are a Nevada Medicaid covered benefit when determined to be medically necessary for eligible recipients with profound hearing impairment. Covered services include but are not limited to:

   a. otologic examination.

   b. audiological evaluation.

   c. physical examination.

   d. psychological evaluation.

   e. surgical implantation of the device.

2003.6 BONE-ANCHORED HEARING AID (BAHA) SYSTEM

2003.6A COVERAGE AND LIMITATIONS

Bone Anchored Hearing Aid (BAHA), also called an implantable bone conduction hearing aid, is a Nevada Medicaid covered benefit when it is determined medically necessary for eligible recipients five years and older. The BAHA is an alternative hearing device for recipients unable to use conventional hearing instruments.

BAHA Softbands and BAHA Headbands are a covered benefit for children of any age who have conditions that are eligible for a BAHA implant. The BAHA system is designed to treat:

1. Conductive or Mixed Hearing Loss from possible causes of:
    a. chronic otitis media.
    b. congenital malformations where the cochlear function is good but there are no ear canals.
    c. Cholesteatoma.
    d. middle ear dysfunction/disease.
    e. external otitis.
2. Unilateral Sensorineural Deafness or Single Sided Deafness (SSD) from possible causes of:
    a. acoustic neuroma tumors, other surgical intervention.
    b. sudden deafness.
    c. neurological degenerative disease.
    d. trauma.
    e. ototoxic treatments.
    f. genetic.
    g. Meniere's Disease.

3. Audiologic/Medical criteria:

Recipients must be referred by an M.D. or Ear, Nose and Throat Specialist with documentation to determine medical candidacy for such a device. This may include a radiology report. Assessment by an audiologist to determine if the type and degree of hearing loss meet the necessary criteria is also required.

a. Mixed and Conductive Hearing Loss with the following criteria:

1. >5 years of age.

2. <45 dB HL BC pure tone average (PTA) (measured at 0.5, 1, 2 and 3K Hz).

3. >or equal to 60% speech discrimination scores (using standardized test).

4. bilateral fitting-symmetric bone conduction thresholds are defined as no more than 10 dB difference of the pure tone average (PTA) or less than 15 dB individual frequencies.

b. Single Sided Deafness with the following criteria:

1. >5 years of age.

2. normal hearing in contralateral ear. (Normal hearing is defined as pure tone average air conduction (PTAAC) threshold equal to or better than 20 dB HL [measured at 0.5, 2 and 3 kHz]).

3. Functions by transcranial routing of the signal.

c. Additional qualifying criteria should include:

1. sufficient bone volume and bone quality present for successful implant placement; and

2. no contraindications to anesthesia or surgery; and

3. careful consideration given to the recipient's physical, psychological and emotional state as determined by physician or audiologist; and

4. well informed recipients who have the right expectations of the BAHA system and are highly motivated, as determined by physician or audiologist; and

5. recipients who are able to maintain and clean the skin around the abutment or with the aid of others. For children, the responsibility falls on the parents o~~fr~~ guardians; and

6. recipients trained in the care, use of the device and comfortable with connecting and disconnecting the sound processor from the abutment, prior to the fitting of the speech processor.

4. Warranty: The limited warranty must be included in the documentation from the product manufacturer. Services beyond the warranty must be prior authorized.

5. Follow-Up: It is important the audiologist provides a follow-up program for the recipient.

2003.6B PRIOR AUTHORIZATION

Prior authorization is required with medical documentation to substantiate the request for the BAHA implant, softband or headband.

The physician who performs the BAHA implant surgery must obtain prior authorization from the QIO-like vendor before providing the service. Authorization is based on medical necessity. Each request must include documentation to show the recipient has met Medicaid criteria for the procedure.

2003.6C RECIPIENT RESPONSIBILITY

Along with previously mentioned responsibilities, the recipient is also responsible for:

1. removing the sound processor prior to bathing, showering, swimming or engaging in any water activities, as it is not water proof;

2. never exposing the sound processor to extreme heat or cold; and

3. avoiding the loss of the sound processor during physical activity by removing it or using the safety line provided.