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. 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 st 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 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	92507	92508	92521	92522	92523	92524	92597	92605	92606
92607	92608	92609	92618	92626	92627	94668	96105	97010	97012	97014	97016
97018	97022	97024	97026	97028	97032	97033	97034	97035	97036	97037	97039
97110	97112	97113	97116	97124	97139	97140	97150	97161	97162	97163	97164
97165	97166	97167	97168	97530	97533	97535	97537	97542	97545	97546	97750
97755	97760	97761	97763	97799	G0129	G0237	G0238	G0239	G0283	S9152	

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References:

- CMS Manual System Pub 100-04 Medicare Claims Processing Transmittal 3940

Revision History

Company(ies)	DATE	REVISION
EmblemHealth	10/3/2025	• Updated Applicable Codes table: ○ Removed: 92596, 97151, 97158, G0157, G0158, G0159, G0160, G0161, G2168, G2169, S9128, and S8990
EmblemHealth	10/3/2025	• Transferred policy content to individual company-branded template. No changes to policy title or policy number.
EmblemHealth ConnectiCare	5/30/2024	• New Policy