



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM

Managed Care Organizations Transmittal No. 98

April 14, 2014

TO: Managed Care Organizations
Susan J. Tucker
FROM: Susan J. Tucker, Executive Director
Office of Health Services

RE: Habilitation Services Definition and Coverage Effective January 1, 2014

NOTE: Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal

This transmittal clarifies the benefit requirements under the Alternative Benefit Plan (ABP) for the Medicaid expansion population under Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act. To comply with the final federal rule regarding Essential Health Benefits, Maryland's ABP must cover the same State Plan benefits that are available on Medicaid. In addition, CMS now requires Maryland MCO to provide medically necessary habilitation services to the Medicaid expansion population. Habilitation services are currently covered for children under age 21, but not for other adult Medicaid enrollees. The Medicaid expansion coverage groups eligible to receive these additional habilitation services will include childless adults up to 138 percent of the federal poverty level (FPL) (A01 and A02 coverage groups), as well as parents with incomes between 116 percent and 138 percent of the FPL (A03 coverage group).

Habilitation services are defined as the provision of physical therapy, occupational therapy and speech therapy for the purposes of acquisition and maintenance of skills. At a minimum, all services must be covered in hospital inpatient and outpatient departments, and physical therapy must also be covered in an outpatient setting in the community. However, MCOs have the option to cover occupational and speech therapy in lower cost community settings as well.