

## MEDICARE REQUIREMENTS FOR STUDENT SUPERVISION

For those settings that serve Medicare patients, it is important to be aware of both new and existing Medicare payment policies. CMS has published specific criteria relating to how and when the program will pay for services when the student participates in service delivery. When developing fieldwork plans for sites that serve Medicare patients, you should consider two issues:

1. Whether Medicare payment rules specifically allow students to participate in the delivery of services to Medicare beneficiaries, and
2. Which type and level of supervision the Medicare program requires.

If seeking reimbursement for services when the student participates in service delivery, you should review the following:

- Relevant Medicare coverage criteria
- Your [state practice act and regulations](#), which may address occupational therapy services provided by students.

### **Medicare coverage of services when a student participates in service delivery**

The following sets out for each Medicare setting whether Medicare payment rules specifically allow or restrict coverage of services provided by students and which *type* and *level of supervision* Medicare requires to raise the services provided by students to the level of covered "skilled" occupational therapy. Practitioners should take care to ensure an appropriate level of supervision, regardless of whether CMS has issued a specific rule regarding students.

### **Inpatient hospital and inpatient rehabilitation facility (IRF)—Medicare Part A**

CMS has not issued specific rules, but in the excerpt here referencing skilled nursing facilities (SNFs), CMS mentions other inpatient settings. In the Final SNF PPS Rule for FY 2012 (76 Fed. Reg. 48510-48511), CMS stated: *"We are hereby discontinuing the policy announced in the FY 2000 final rule's preamble requiring line-of-sight supervision of therapy students in SNFs, as set forth in the FY 2012 proposed rule. Instead, effective October 1, 2011, **as with other inpatient settings, each SNF/provider will determine for itself the appropriate manner of supervision of therapy students consistent with state and local laws and practice standards.**"* See relevant state law for further guidance on supervision for the services to be considered occupational therapy.

**Services provided by therapy students may count toward the IRF the three-hour rule/intensity of therapy services requirement.** In 2018, in response to AOTA advocacy, [CMS confirmed in writing](#) that “CMS has not changed its policy with regard to the [Conditions of Participation] and the provision of healthcare services by students in hospitals, including therapy students providing rehabilitative services in hospitals and IRFs.” CMS further emphasized that proper supervision must be provided for student services to be recognized as counting toward the intensive rehabilitation program requirements. See our [Joint Statement on Use of Students in Hospitals](#) for AOTA’s position on this issue.

### **Skilled nursing facility (SNF)—Medicare Part A**

The minutes of therapy services provided by OT and OTA students may be recorded on the Minimum Data Set (MDS) as minutes of therapy received by the beneficiary. See the MDS Version 3.0 Resident Assessment Instrument Manual ([MDS 3.0 RAI Manual](#)), Chapter 3, Section O “Therapies” for details. It is AOTA’s policy that OTAs may supervise OTA students, not OT students.

The MDS 3.0 RAI Manual, Chapter 3, Section O includes the following guidance for therapy students:

#### **Therapy Students**

*Medicare Part A—Therapy students are not required to be in line-of-sight of the professional supervising therapist/assistant (Federal Register, August 8, 2011). Within individual facilities, supervising therapists/assistants must make the determination as to whether or not a student is ready to treat patients without line-of-sight supervision. Additionally all state and professional practice guidelines for student supervision must be followed.*

*Time may be coded on the MDS when the therapist provides skilled services and direction to a student who is participating in the provision of therapy. All time that the student spends with patients should be documented.*

*For "individual therapy," the RAI manual states:*

*When a therapy student is involved with the treatment of a resident, the minutes may be coded as individual therapy when only one resident is being treated by the therapy student and supervising therapist/assistant (Medicare A and Medicare B). The supervising therapist/assistant shall not be engaged in any other activity or treatment when the resident is receiving therapy under Medicare B. However, for those residents whose stay is covered under Medicare A, the supervising therapist/assistant shall not be treating or supervising other*

*individuals and he/she is able to immediately intervene/assist the student as needed.*

**Because of advocacy by AOTA, CMS recognized Recommended Guidelines by AOTA, APTA, and ASHA:** AOTA, APTA, and ASHA worked together to develop suggested guidelines for CMS to incorporate into its guidance on student supervision. CMS recognized the guidelines and posted them on its website after issuing the FY 2012 SNF PPS final rule (Federal Register, August 8, 2011). In the final rule, CMS stated, “we appreciate the detailed supervision guidelines that several of the trade associations have developed, which we recognize as playing a significant role in helping to define the applicable standards of practice on which providers rely in this context.”

### **Hospice—Medicare Part A**

CMS has not issued specific rules. AOTA recommends that the approach for Part A inpatient settings be followed for hospice providers. See relevant state law for further guidance on supervision for the services to be considered occupational therapy.

### **Home health—Medicare Part A**

Regulations (§484.115) specifically cite definitions for "qualified personnel," which do not include students. However, CMS has not issued specific restrictions regarding students providing services in conjunction with a qualified OT or OTA. Services by students can be provided (as allowed by state law) as part of a home health visit, when the student is supervised by an OT or OTA in the home. AOTA recommends that the approach for Part A inpatient settings be followed for home health agencies. See relevant state law for further guidance on supervision for the services to be considered occupational therapy.

### **Medicare Part B—Private practice, hospital outpatient, SNF, CORF, ORF, rehabilitation agency, and other Part B providers including home health agencies when providing Part B services**

Under the Medicare Part B outpatient benefit, the services of students directly assisting a qualified practitioner (OT) are covered when the type and level of supervision requirements are met as follows:

Students can participate in the delivery of services when the qualified practitioner (OT) is directing the service, making the skilled judgment, responsible for the assessment and treatment in the same room as the student, and not simultaneously treating another patient. The qualified practitioner is solely responsible and must sign all documentation.

The following is guidance to the entities that pay for Medicare benefits contained in the [Medicare Benefit Policy Manual, Chapter 15](#)—see Section 230B:

## **1. General**

*Only the services of the therapist can be billed and paid under Medicare Part B. The services performed by a student are not reimbursed even if provided under “line of sight” supervision of the therapist; however, the presence of the student “in the room” does not make the service unbillable. Pay for the direct (one-to-one) patient contact services of the physician or therapist provided to Medicare Part B patients. Group therapy services performed by a therapist or physician may be billed when a student is also present “in the room.”*

### **EXAMPLES:**

*Therapists may bill and be paid for the provision of services in the following scenarios:*

- *The qualified practitioner is present and in the room for the entire session. The student participates in the delivery of services when the qualified practitioner is directing the service, making the skilled judgment, and is responsible for the assessment and treatment.*
- *The qualified practitioner is present in the room guiding the student in service delivery when the therapy student and the therapy assistant student are participating in the provision of services, and the practitioner is not engaged in treating another patient or doing other tasks at the same time.*
- *The qualified practitioner is responsible for the services and as such, signs all documentation. (A student may, of course, also sign but it is not necessary since the Part B payment is for the clinician’s service, not for the student’s services).*

**Medicare Part B SNF:** The MDS Version 3.0 Resident Assessment Instrument Manual ([MDS 3.0 RAI Manual](#)), Chapter 3, Section O provides specific guidelines for services provided by students:

### **Therapy Students**

*Medicare Part B—The following criteria must be met in order for services provided by a student to be billed by the long-term care facility:*

- *The qualified professional is present and in the room for the entire session. The student participates in the delivery of services when the qualified practitioner is directing the service, making the skilled judgment, and is responsible for the assessment and treatment.*
- *The practitioner is not engaged in treating another patient or doing other tasks at the same time.*

— *The qualified professional is the person responsible for the services and, as such, signs all documentation. (A student may, of course, also sign but it is not necessary because the Part B payment is for the clinician's service, not for the student's services.)*

— *Physical therapy assistants and occupational therapy assistants are not precluded from serving as clinical instructors for therapy assistant students while providing services within their scope of work and performed under the direction and supervision of a qualified physical or occupational therapist.*

For "individual therapy," the RAI Manual states:

*When a therapy student is involved with the treatment of a resident, the minutes may be coded as individual therapy when only one resident is being treated by the therapy student and supervising therapist/assistant (Medicare A and Medicare B). The supervising therapist/assistant shall not be engaged in any other activity or treatment when the resident is receiving therapy under Medicare B. However, for those residents whose stay is covered under Medicare A, the supervising therapist/assistant shall not be treating or supervising other individuals and he/she is able to immediately intervene/assist the student as needed.*

AOTA continues to work with a coalition of organizations to advocate for additional government support for educating allied health providers and to develop long-term solutions to the problems caused by Medicare's limitations on reimbursement when students participate in service delivery.