**E D U C A T I O N A N D W O R K F O R C E D E V E L O P M E N T C A B I N E T O F F I C E O F V O C A T I O N A L R E H A B I L I T A T I O N**

**Matthew Bevins Beth Kuhn**

Governor Commissioner

**Hal Heiner Buddy Hoskinson**

Secretary Executive Director

TO: Office of Vocational Rehabilitation (OVR) Staff

**UPDATE SERVICE FEE MEMORANDUM**

CP-LB-04-05-13

Branch Managers, Counselors, and Assistants

CDPVTC Director, Case Management Director, and Counselors

Office for the Blind (OFB) Staff

Client Assistance Program (CAP)

|  |  |  |
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| FROM: | Patricia Selch, Program AdministratorSystems and Fiscal Management Branch | Lori Bishop Branch ManagerDeaf/Hard of Hearing Services |
| DATE: | **REVISIONS: September 30, 2010****REVISIONS: March 15, 2010****REVISIONS: February 15, 2007****REVISIONS: October 1, 2015 Pat Selch****REVISIONS: October 20, 2015 Pat Selch****REVISIONS: February 29, 2016 Pat Selch** |  |

RE: Guidelines on Open Fit/Receiver in the Ear (RITE)/Post Auricle Hearing Aids – Updates

Cost Participation – New

Fee Schedule for Hearing Aids and Earmolds – Increase

Hearing Aid Guidelines – Updates

**Open Fit/Receiver in the Ear (RITE)/BiCROS/Post Auricle Hearing Aids.**

Exceptions are no longer needed for these types of hearing aids as long as they are still within VR price guidelines. They are considered to be typical hearing aid technology.

**Cost Participation**

A recent change in the Kentucky Administrative Regulation (781) was adopted 2-5-16. As a result and effective immediately COST SHARING with regard to hearing aids will change to be consistent with that regulation change. THE 1ST $1000.00 associated with the purchase of hearing aids IS EXEMPT FROM COST SHARING. Any amount above $1000.00 will be SUBJECT TO OUR CURRENT COST SHARING POLICIES. Please refer to the Policy and Procedure Manual on the OVR.KY.GOV website to review that policy. This will apply to the purchase of hearing aids including binaural hearing aids (if recommended), ear molds (if applicable), and related shipping costs. Hearing aids are still considered a service under Rehabilitation Technology. This regulation change and subsequent related policy changes only relate to hearing aids.

Here are some examples:

A pair of hearing aids is priced at $2,200.  OVR will pay $1,000.  The remaining $1,200 is subject to consumer cost sharing policies

A pair of hearing aids is priced at $999.  OVR will pay $999.  The consumer will not be asked to share in the cost of the hearing aids.

Effective 10-1-2015 the dispensing fees are now considered a service under "diagnosis and treatment" and will be subject to cost participation. This cost participation policy includes split billing the costs and requiring the vendor to collect the balance from the consumer. The authorization will be sent to the vendor for OVR's part and the consumer will make payment arrangements with the vendor. .

**SERVICE FEE MEMO** (UPDATE – HA Guidelines)

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**Hearing Aid Guidelines**

A comprehensive audiometric evaluation (92557) and hearing aid evaluation (92590 or 92591) can only be provided by a licensed/board certified audiologist. Provision by a licensed professional other an audiologist will require an exception. Please note that only an audiologist can perform and bill for comprehensive audiometric evaluation (92557). An outcome measurement must be performed to validate the purchase of technology (i.e. aided audiogram, real ear, aided speech or the hearing aid diary, testing in noise, etc). An evaluation of the auditory system from a physician skilled in the diseases of the ear (otalaryngologist) should be provided when symptoms of ear pathology and/or conductive hearing loss are present.

A communication assessment must be completed by a Communication Specialist before the purchase of hearing aids. The communication assessment should cover communication difficulties in basic areas such as face-to-face communications, telephone communications, environmental sounds and situations, small group and large group situations and electronic media/special equipment in settings such as work, school/home, etc. This information is helpful to determine the appropriate hearing aid circuitry and assistive devices needed in order to meet the consumer’s communication demands on the job.

Hearing aid vendors working with OVR consumers who have hearing aid insurance shall file and reimburse OVR for services. Effective 10/1/2013 Hearing aids are under rehabilitation technology and not based on financial need and should be

purchased out of the counselor’s regular budget using expenditure category code 92G. The Expenditure Category Code for hearing aid accessories is 92H (dry n’ store, batteries, etc.). The following Expenditure Category Codes remain under Rehabilitation Technology (RT) and will also be purchased out of counselor’s regular budget. Please use these codes when purchasing rehabilitation technology for deaf or hard of hearing consumers.

Effective 10-1-15

OVR will only purchase BTE or Full Shell ITE hearing aids that are FM/ALD ready or compatible (i.e. wireless connectivity or manual [not auto] telecoil). The maximum allowable fee for a hearing aid (conventional, programmable, digital) is $800.00 which shall include the cost of the hearing aid, any additional circuitry needed, and FM compatible option (wireless connectivity or telecoil). The appropriate dispensing fee, earmold (BTE only), and shipping may be added to the cost of the hearing aid.

Use code 00080 for exceptions. Exceptions require DHHS Branch approval prior to purchasing the hearing aid. To request an exception, send the exception form, hearing test, hearing aid recommendation, and communication assessment to Program Administrator of Hard of Hearing/Late Deafened Services in Central Office for approval. Once approval has been obtained, then you must indicate on the description line on the pay authorization the specific exception (i.e. ITC, CIC, or BTE/ITE hearing aid if provided by a vendor outside the vendor list).

Effective 10-1-2015

Hearing aids will continue to be considered a service under "Rehabilitation Technology" however based on the recent changes in the regulations the first $1000.00 is not subject to cost sharing and any amount above $1000.00 will be subject to cost sharing. (Expenditure category 92G “rehabilitation technology” from the caseload budget)

The dispensing fee is considered a service under "Diagnosis and Treatment " and therefore will be subject to cost sharing. (Expenditure category 24F “diagnosis and treatment” from the caseload budget). These services are typically provided following the development of the IPE and should be reflected on the IPE. On rare occasions there may be a reason to provide these services prior to the IPE development to complete an assessment but that will require justification.

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| 92 D | Telecommunication Devices (for individuals who are deaf or hard of hearing) Examples: TDD, amplifiedphones, phone amplifiers |
| 92 E | Assistive Listening Devices - (ALDS) | (There is a separate SFM for ALD’s) |  |
| 92 F | Alerting Devices (for individuals who are deaf or hard of hearing) Examples: flashing/vibrating alarm clocks,flashing/vibrating phone or door signalers |

**SERVICE FEE MEMO** (UPDATE – HA Guidelines)

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OVR has price agreements with **Oticon, Phonak, Siemens, and Starkey, ReSound, Unitron and Widex** (includes hearing aid accessories and FM/ALD’s). Please note extended warranties are included in agreements. A hearing aid recommendation from any other manufacturer requires an exception. Vendors will attach a VR authorization to hearing aid orders to verify the VR discount to the manufacturer. Hearing aids alone do not meet the expanded definition of physical restoration.

When OVR is not participating in the cost of a consumer’s hearing aid, the

consumer must purchase the hearing aid directly from the vendor at their cost.

**FEE SCHEDULE**

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| **Code** | **Procedure** | **Allowable Rate** |
| 00073 | Conventional Hearing Aid(Not to exceed $800.00)(Use OVR price list: Oticon, Phonak, Siemens, Starkey, ReSound, Unitron or Widex) | Enter OVR Price Exp code 92G BUN caseload |
| 00074 | Programmable/Digital BTE/ITE Hearing Aid(Not to Exceed $800.00)(Use OVR price list: Oticon, Phonak, Siemens, Starkey, ReSound, Unitron or Widex) | Enter OVR Price Exp Code 92G BUN caseload |
| 00077 | Original Custom Earmold (BTE only) | $ 50.00Exp Code 92G BUN caseload |
| 00078 | Dispensing Fee Per Standard Conventional Aid(Up to 6 visits during first year for adjustments) | $150.00Exp Code 24F BUN caseload |
| 00079 | Dispensing Fee Per Programmable/Digital Aid(Up to 6 visits during first year for adjustments) | $360.00Exp Code 24F BUN caseload |
| \*00080 | Hearing Aid Exceptions – Require DHHS Brand approval(i.e., ITC or CIC or BTE or Full Shell ITE ConventionalAnd/or Digital hearing aids more than $800.00 or that are  **NOT** on the OVR price list). | By ReportExp Code 92G BUN caseload |