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UPDATE

SERVICE FEE MEMORANDUM
CP-LB-04-05-13

TO: Office of Vocational Rehabilitation Staff
CDPVTC Staff
Client Assistance Program (CAP)

FROM: Holly Hendricks, Director
Deaf/Hard of Hearing Branch

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
Hearing Aid Guidelines – Updates

DATE: Revisions: September 30, 2010
March 15, 2010
February 15, 2007
October 20, 2015 P Selch
February 29, 2016 P Selch
October 25, 2016 P Cruse
August 1, 2019 H Hendricks

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.

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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.

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 than 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 (otolaryngologist) 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

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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 insurance shall file a claim unless written notice can be obtained to verify the lack of coverage for the hearing aids. When insurance is available OVR will process payment based on the Explanation of Benefits (EOB) and the OVR reimbursement policies and procedures.

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).

Hearing aid vendors working with OVR consumers who have insurance shall file a claim unless written notice can be obtained, to verify the lack of coverage for the hearing aids. When insurance is available, OVR will process payment based on the Explanation of Benefits (EOB) and the OVR reimbursement policies and procedures

Effective 10-1-2015

Hearing aids will continue to be considered a service under "Rehabilitation Technology"

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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

****Effective 5/1/19 – VR will not purchase hearing aids from franchises where hearing aids are relabeled and locked. Hearing aids set in locked position does not allow VR consumers the flexibility to have hearing aids serviced at their hearing aid manufacturer’s alternative locations should they need service while traveling on the job.

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| 92 D | Telecommunication Devices (for individuals who are deaf or hard of hearing) Examples: TDD, amplified, phones, 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 |

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.

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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, | Enter OVR Price Exp Code 92G BUN caseload |
| 00077 | Original Custom Earmold (BTE only) | \$ 50.00 Exp Code 92G BUN caseload |
| 00078 | Dispensing Fee Per Standard Conventional Aid (Up to 6 visits during first year for adjustments) | \$150.00 Exp Code 24F BUN caseload |
| 00079 | Dispensing Fee Per Programmable/Digital Aid (Up to 6 visits during first year for adjustments) | \$360.00 Exp Code 24F BUN caseload |
| *0008 | Hearing Aid Exceptions – Require DHHS Brand approval (i.e., ITC or CIC or BTE or Full Shell ITE Conventional And/or Digital hearing aids more than \$800.00 or that are NOT on the OVR price list). | By Report Exp Code 92G BUN caseload |