



Therapy Cap Values for Calendar Year (CY) 2018

MLN Matters Number: MM10341

Related Change Request (CR) Number: 10341

Related CR Release Date: November 9, 2017 Effective Date: January 1, 2018

Related CR Transmittal Number: R3918CP Implementation Date: January 2, 2018

PROVIDER TYPES AFFECTED

This MLN Matters® Article is intended for physicians, therapists, and other providers submitting claims to Medicare Administrative Contractors (MACs), including Home Health & Hospice MACs, for outpatient therapy services provided to Medicare beneficiaries.

PROVIDER ACTION NEEDED

Change Request (CR) 10341 provides the amounts for outpatient therapy caps for Calendar Year (CY) 2018. For physical therapy and speech-language pathology combined, the CY 2018 cap is \$2,010. For occupational therapy, the CY 2018 cap is \$2,010. Make sure that your billing staffs are aware of these therapy cap value updates.

BACKGROUND

The Balanced Budget Act of 1997, P.L. 105-33, Section 4541(c) applies, per beneficiary, annual financial limitations on expenses considered incurred for outpatient therapy services under Medicare Part B, commonly referred to as “therapy caps.” The therapy caps are updated each year based on the Medicare Economic Index.

Section 5107 of the Deficit Reduction Act of 2005 required an exceptions process to the therapy caps for reasonable and medically necessary services. The exceptions process for the therapy caps has been continuously extended several times through subsequent legislation. Most recently, Section 202 of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) extended the therapy caps exceptions process through December 31, 2017.

ADDITIONAL INFORMATION

The official instruction, CR10341, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R3918CP.pdf>.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/>.

DOCUMENT HISTORY

Date of Change	Description
November 13, 2017	Initial article released.

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