
Program Memorandum Intermediaries/Carriers

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal AB-02-080

Date: JUNE 7, 2002

CHANGE REQUEST 2073

SUBJECT: Payment for Services Furnished by Audiologists

This Program Memorandum (PM) makes the medical coverage determinations for audiology tests similar and comparable to ophthalmology tests as outlined in §2320 of the Medicare Carriers Manual and §3157 of the Medicare Intermediary Manual.

Diagnostic testing, including hearing and balance assessment services, performed by a qualified audiologist is paid for as "other diagnostic tests" under §1861(s)(3) of the Social Security Act (the Act) when a physician orders testing to obtain information as part of his/her diagnostic evaluation or to determine the appropriate medical or surgical treatment of a hearing deficit or related medical problem. Services are excluded by virtue of §1862(a)(7) of the Act when the diagnostic information required to determine the appropriate medical or surgical treatment is already known to the physician, or the diagnostic services are performed only to determine the need for or the appropriate type of a hearing aid.

Diagnostic services performed by a qualified audiologist and meeting the above requirements are payable as "other diagnostic tests." The payment for these services is determined by the reason the tests were performed, rather than the diagnosis or the patient's condition. Payment for these services is based on the physician fee schedule amount except for audiology services furnished in a hospital outpatient department which are paid under the Outpatient Prospective Payment System. Non-hospital entities billing for the audiologist's services may accept assignment under the usual procedure or, if not accepting assignment, may charge the patient and submit a nonassigned claim on their behalf.

If a physician refers a beneficiary to an audiologist for evaluation of signs or symptoms associated with hearing loss or ear injury, the audiologist's diagnostic services should be covered even if the only outcome is the prescription of a hearing aid. If a beneficiary undergoes diagnostic testing performed by an audiologist without a physician referral, the tests are not covered even if the audiologist discovers a pathologic condition.

As provided in §1861 (l)(3) of the Act, a qualified audiologist is an individual with a master's or doctoral degree in audiology and who:

- A. Is licensed as an audiologist by the state in which the individual furnishes such services; or
- B. In the case of an individual who furnishes services in a state which does not license audiologists, has:
 1. Successfully completed 350 clock hours of supervised clinical practicum (or is in the process of accumulating such supervised clinical experience),
 2. Performed not less than 9 months of supervised full-time audiology services after obtaining a master's or doctoral degree in audiology or a related field, and
 3. Successfully completed a national examination in audiology approved by the Secretary.

To determine whether a particular audiologist is qualified under the above definition, you must check individual qualifications. If states have statutory licensure or certification requirements, then you should obtain a current listing of audiologists holding the required credentials in the state.

NOTE: There is no provision for direct payment to audiologists for therapeutic services.

The *effective date* for this Program Memorandum (PM) is July 7, 2002.

The *implementation date* for this PM is July 7, 2002.

These instructions should be implemented within your current operating budget.

This PM may be discarded after July 1, 2003.

The contact person for this PM is Diane Milstead at (410) 786-3355.