

*North Carolina*  
**State Health Plan**  
for Teachers and State Employees and  
NC Health Choice for Children  

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**North Carolina Health Choice Medical Policy**

**Services For Children With Special Needs: Physical Health Services**

**Policy Number: NHCAD0220**

**See also NC Health Choice Medical Policy number NHCAD0230, “Behavioral Health Services for Children with Special Health Care Needs”**

**Definition:**

Covered services included in the core plan of the NC Health Choice Program are the same as those that were covered under the NC State Employee’s Indemnity Health Plan effective until 07/01/2008, with the addition of routine dental, vision, and hearing-related services. Children who are enrolled in the NCHC Program and who are identified as having special needs may be eligible for additional coverage under the special needs plan. Covered services in the special needs plan are similar to those covered under the NC Health Check Program (Medicaid for children), except for long term care and respite care. (Only emergency respite care is eligible for coverage under the NCHC Program special needs plan; other respite care and long term care are not covered.) This medical policy for children with special needs only pertains to physical health services (e.g., medical nutrition therapy, enteral formulas for tube feedings, durable medical equipment, medical supplies, skilled rehabilitative therapies). Mental health/Drug and alcohol treatment and Developmental disability services are addressed separately in NCHC Medical Policy AD0230, NC Health Choice Behavioral Health Services for Children with Special Health Care Needs. Information regarding eligibility and coverage for emergency respite services may be obtained by calling the Children with Special Health Care Needs Help Line at 1-800-737-3028 or on-line at <http://www.dhhs.state.nc.us/dma/CHIP/respitecov2.pdf>.

Children with special needs are children that have been diagnosed as having one or more of the following conditions which in the opinion of the diagnosing physician is likely to continue indefinitely (at least for one year), interferes with daily routine, and requires extensive medical intervention and extensive family management:

1. Birth defect, including genetic, or congenital
2. Developmental disability as defined under G.S.122C-3
3. Mental or behavioral disorder
4. Chronic and complex illnesses
5. Acquired disorders

**Coverage:**

To be eligible for coverage for services under the special needs plan, a child must be enrolled in the NCHC Program and must meet the above definition of children with special needs as certified by the child’s diagnosing medical doctor.

In order for a service to be covered through the special needs plan, it must ordinarily not be covered under core benefits of the NC Health Choice Program; it must be a routinely reimbursed service under the NC Health Check Program (Medicaid for children); and Medicaid medical necessity criteria for the service must be met. For a partial list of physical health services that are not ordinarily covered under core benefits of the NC Health Choice Program, but that may be covered for eligible children when medically necessary under the special needs plan, please see the Partial List of Potential Special Needs Services at the end of this policy. This list is not all inclusive.

**Approval:**

1. All services under the special needs plan require prior approval.
2. A current certification by the child’s diagnosing physician that the child meets the above definition of children with special needs must be on file with the State Health Plan’s Claims Processing Contractor. To be considered current, the certification must have been completed and dated within the 12 months prior to the requested date(s)

for the service. Physician certification forms are available on request by calling the Children with Special Health Care Needs Help Line at 1-800-737-3028 and are also available for downloading from the internet at [www.dhhs.state.nc.us/dma/cpcont.htm#provf](http://www.dhhs.state.nc.us/dma/cpcont.htm#provf).

3. All services for which prior approval is requested are first reviewed by the Claims Processing Contractor for the State Health Plan for eligibility for coverage under core benefits of the NCHC Program.
  - a. If the service is determined to be eligible for coverage under core benefits, then coverage is authorized under core benefits of the Plan.
  - b. If the service is determined to not be eligible for coverage under core benefits of the NCHC Program, but it is determined by the State Health Plan's Claims Processing that the services may be eligible for coverage under the special needs plan, then the Claims Processing Contractor will send a Physician Certification form to the child's diagnosing physician for completion (unless a current completed and signed certification form for the child is already on file).
  - c. If the physician certifies via the returned form that the child meets the above definition for children with special needs, the Claims Processing Contractor will forward the submitted request for prior approval with all other submitted supporting documentation (including the physician certification form and any submitted letters of medical necessity and medical records) to the Department of Health and Human Services, Division of Public Health, Children and Youth Branch staff (hereafter referred to as DPH staff) to disseminate to the appropriate clinical consultant (hereafter referred to as DPH clinical consultant or consultant staff) for review and determination of coverage.
    - i. A child health speech and language consultant will be involved in the review and determination of coverage for services related to speech and language.
    - ii. A child health audiology consultant will be involved in the review and determination of coverage for services related to hearing.
    - iii. A physical therapy consultant will be involved in the review and determination of coverage for services related to physical and occupational therapy and some durable medical equipment, orthotics, prosthetics, and supplies.
    - iv. The pediatric medical consultant will be involved in the review of any of the above items and for other requested medical services as needed (e.g., formula, medications, medical nutrition therapy, some durable medical equipment, medical supplies).
    - v. The DPH clinical consultant will determine whether the requested service is eligible for coverage under the special needs plan based on the clinical documentation provided for review and will either approve or deny the request, or else pend the request for additional needed information/documentation. If additional information/documentation is received for further review, the request will first be rereviewed for coverage under core benefits by the Claims Processing Contractor, and if still not eligible for coverage under core benefits, will then be rereviewed for coverage under the special needs plan by DPH consultant staff.
  - d. If the child's physician certifies that the child does not meet the above definition of children with special needs, or if the physician does not return the form within 10 business days, then the request will **not** be referred for review under the special needs plan, and the provider and member will be notified that coverage has been denied for services under core benefits of the Plan.
4. The following documentation must be provided with all requests for prior approval:
  - a. Member identification number.
  - b. Patient's mailing address.
  - c. Patient's diagnosis
  - d. Specific service(s) to be provided including Health Services Code(s)
  - e. Dates of service
  - f. Physician certification form completed no more than 12 months prior to the requested dates of service (see Approval Procedures item 3. above)
  - g. Physician letter of medical necessity or medical records documenting medical necessity
  - h. Other required documentation as listed in NC Health Choice Medical Policy that addresses the type of service being provided (if applicable; for e.g., NC Health Choice Medical Policy NCHCAH0200 for Durable Medical Equipment) or as requested by the State Health Plan's Claims Processing Contractor's analyst or medical director or by DPH consultant staff

5. To ensure the provider and the member know whether the item or service will be covered either under core benefits or the special needs plan of the NCHC Program, the State Health Plan's Claims Processing Contractor will respond to the request either by a fax to the provider if approved or by a letter to both the provider and the member if denied.
6. Appeals
  - a. The Appeals and Grievance process for non-coverage determinations for services under the special needs plan is the same process followed for all NCHC members with the following additional step when the child has been certified by his/her physician as meeting the above definition of children with special needs and the requested service was eligible for review for possible coverage under the special needs plan but coverage was not authorized under the special needs plan per review by DPH consultant staff: First level appeal/grievance will first include another review under core benefits, AND if still determined to be non-covered under core benefits will ALSO include another review by DPH consultant staff for coverage under the special needs plan.
  - b. Except as noted under (6.a.) above, the overall Appeals and Grievance process is the same for both the NCHC Program and the special needs plan. Additional general information about the process can be found in the "NC Health Choice Handbook" and in the "NC Health Choice Information for Children with Special Needs and Their Families" Handbook, both available on-line at <http://www.dhhs.state.nc.us/dma/cpcont.htm#handbook> or by calling the Children with Special Health Care Needs Help Line at 1-800-737-3028.
  - c. Further information about and assistance with the appeals and grievance process is available by calling Customer Services at 1-800-422-4658.

**Limitations and Exclusions:**

1. Benefits are not available for services under the NC Health Choice special needs plan if any of the criteria outlined under the Coverage section mentioned earlier are not met.
2. There is no entitlement for any person to benefits through the NC Health Choice special needs plan. The Department of Health and Human Services in the NC Health Choice legislation "shall, from federal funds received and state funds appropriated for the Program, pay for services for children with special health care needs authorized under this section."

**Authority**

- G.S. 108A-70.23(a) - (g)
- G.S. 135-42(b)
- G.S. 108A-70.21(b)

**Reviewed:**

- October 1998
- April 2004
- November 2007

**Revised:**

- May 2008
- February 2009
- May 2009

**POTENTIAL LIST OF SPECIAL NEEDS SERVICES THAT MAY BE COVERED FOR ELIGIBLE CHILDREN WHEN MEDICALLY NECESSARY (please note that this list is not all inclusive)**

**Physical Therapy:**

May provide services which would be considered to be clinically appropriate as determined by goals and measurable objectives outlined in treatment plan.

**Speech Therapy:**

1. Covered for communication disabilities associated with behavioral, learning and/or psychological disorders.
2. Group therapy up to four children in a group is covered.

**Hearing:**

Hearing aids which fit in the ear canal are limited to children 12 years of age or older.

**Nutrition Therapy:**

1. Services include assessment/evaluation and treatment in a variety of places of service.
2. Provider qualifications/credentials:
  - a. a licensed Dietitian/Nutritionist, licensed by the North Carolina Board of Dietetics/Nutrition; or
  - b. a Registered Dietitian, registered with Commission on Dietetic Registration

**Formula:**

Medically necessary enteral and oral nutrition products (including formula).

**Durable Medical Equipment/Assistive Technology**

Pediatric specialty bath chairs systems and accessories  
E0240 Bath/Shower Chair, with or without wheels, any size  
E0247 Transfer bench for tub or toilet with or without commode opening  
W4016 Bath chair, pediatric  
Pediatric specialty toilet systems  
Pediatric specialty floor mobility devices  
Pediatric specialty stander accessories  
Pediatric specialty positioning systems and accessories  
Pediatric specialty beds, cribs and accessories  
E1231-E1238 manual wheelchair frames as a back-up for a power wheelchair  
Wheelchair accessories not covered under the core plan  
Pediatric specialty positioning chairs and positioning accessories  
Thermoregulation items

**Augmentative and Alternative Communication Devices**

Some devices and/or accessories may be covered when not covered under Core plan

**Cochlear Implant Replacement Parts and Repairs**

Some parts and repairs may be covered when not covered under Core plan

Several additional DME items may be covered that are listed on the Medicaid DME fee schedule at:

[http://www.dhhs.state.nc.us/dma/fee/dme\\_rates.pdf](http://www.dhhs.state.nc.us/dma/fee/dme_rates.pdf)

Several additional home health supplies may be covered if child has already been enrolled in an ongoing basis with a home health company. The home health supply fee schedule can be found at:

<http://www.dhhs.state.nc.us/dma/fee/hh.pdf>

Selected over-the-counter (OTC) medications may be covered when prescribed by a physician for certain diagnoses; all such requests are reviewed on an individual consideration basis. A list of OTC medications that may possibly be covered can be found at <http://www.ncdhhs.gov/dma/APA/A2.pdf> under Attachment A, "North Carolina Division of Medical Assistance --- Covered Over-the-Counter Medications."