

Program Memorandum Carriers

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal B-01-34

Date: APRIL 30, 2001

CHANGE REQUEST 1573

SUBJECT: Payment for Services Furnished by Audiologists

The purpose of this Program Memorandum (PM) is to make the medical coverage determinations for audiology tests similar and comparable to ophthalmology tests as outlined in §2320 of the Medicare Carriers 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). This type of testing is paid for 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 under §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. The entity 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 non-assigned 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, then these tests are not covered, even if the audiologist discovers a pathologic condition.

As provided in §1861(l)(3) of the Social Security 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 qualifies under the above definition, the carrier will check individual qualifications. A source for determining an audiologist's professional qualifications is the American Speech-Language-Hearing Association's national directory. This directory lists certified individuals and lists other directories available from State speech and hearing associations. In addition, if States have statutory licensure or certification requirements, then carriers 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 PM is May 29, 2001.

The *implementation date* for this PM is May 29, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after January 31, 2002.

The contact person for this PM is Paul W. Kim at (410) 786-7410.