

## Chapter PW-MA 25

MEDICAL ASSISTANCE PROGRAM—  
PSYCHOTHERAPY

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**Note:** This administrative code rule will become part of the comprehensive medical assistance program rules currently being promulgated by the department.

**PW-MA 25.01 Introduction.** (1) **STATEMENT OF INTENT.** The intent of these rules is to specify when and under what conditions outpatient psychotherapy and certain inpatient psychotherapy may be provided and be reimbursed under the medical assistance program in Wisconsin.

(2) **EFFECT OF RULES.** The following rules have the full force and effect of law as provided in ch. 227, Stats. These rules do not repeat the statutes governing the medical assistance program. Persons using these rules should therefore be aware of and familiar with the relevant statutory sections.

(3) **TO WHOM THE RULES APPLY.** The rules apply to all providers of outpatient and certain inpatient psychotherapy under the medical assistance program.

**History:** Cr. Register, March, 1978, No. 267, eff. 4-1-78.

**PW-MA 25.02 Definitions.** (1) "Board" means a community mental health board established under s. 51.42, Stats., a developmental disabilities board established under s. 51.437, Stats., or a community human services board established under s. 46.23, Stats.

(2) "Department" means the department of health and social services.

(3) "Differential diagnostic examination" means an examination and assessment of the person's emotional and social functioning which shall include one or more of the following: neurologic studies, psychological tests and psycho-social assessments of the recipient's functioning.

(4) "Medical assistance program" means the programs operated by the department of health and social services under Title XIX of the federal social security act, related federal regulations, and ch. 49, Stats.

(5) "Outpatient facility" means a facility licensed or approved by the department under s. 632.89, Stats.

(6) "Prescription" means an order by a physician for treatment for a particular person. The order shall be in writing and shall include the date of the order, the name and address of the physician, the physician's medical assistance provider number, the name and address of the recipient, the recipient's medical assistance eligibility number, the nature of the recommended treatment based upon the diagnostic examination, and the physician's signature.

(7) A "provider" means a natural person certified by the department to participate in the medical assistance program with the following minimum qualifications:

(a) A licensed physician who has completed a residency in psychiatry.

(b) A licensed psychologist.

(c) A person with any of the following masters degrees and course work emphasis in clinical psychology: counseling and guidance, counseling psychology, clinical psychology, a psychology or school psychology.

(d) A person with a masters degree in social work from a graduate school of social work accredited by the council on social work education with course work emphasis in case work or clinical social work.

(e) A person with a masters degree in psychiatric mental health nursing from a graduate school of nursing accredited by the national league of nursing.

(7m) Providers defined by pars. (c) through (e) shall also have 2,000 hours of postgraduate supervised experience in clinical practice. Supervised during the 2,000 hour postgraduate period means a minimum of one hour per week of face-to-face supervision by another person meeting the minimum qualifications to be a provider.

**Note:** On April 26, 1978 the joint committee for review of administrative rules partially suspended subsection (7m). Subsection (7m) as adopted by the department prior to the committee's suspension read as follows:

(7m) "Providers defined by pars. (c) through (e) shall also have 2,000 hours of postgraduate supervised experience in clinical practice. Supervised during the 2,000 hour postgraduate period means a minimum of one hour per week of face-to-face supervision by another person meeting the minimum qualifications to be a provider."

(8) "Psychotherapy" for purposes of this rule means treatment of an individual with mental illness or medically significant emotional or social dysfunctions by psychological or interpersonal means. The treatment is a planned and structured program which is based on information from a differential diagnostic examination and which is directed at the accomplishment of specified goals. The treatment goals may include removing, modifying, or retarding existing symptoms, mediating disturbed patterns of behavior, and promoting positive personal growth and development by enhancing the ability to adapt and cope with internal and external stresses.

(9) "Recipient" means a natural person eligible to receive benefits under the medical assistance program.

**History:** Cr. Register, March, 1978, No. 267, eff. 4-1-78.

**PW-MA 25.03 Psychotherapy qualifying for reimbursement.** A licensed physician who has completed a residency in psychiatry, a licensed psychologist, or an outpatient facility operated by or under contract to a board or another outpatient facility may, if certified as a provider under Wisconsin's Medical Assistance program, provide and receive reimbursement for psychotherapy services under the medical assistance program if the following conditions are met:

(1) A differential diagnostic examination is performed by a provider in accordance with PW-MA 25.02 (3). A physician's prescription is not necessary to perform the examination. The department shall establish

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minimum requirements for differential diagnostic examinations and place limitations on their reimbursement. The need for and number of diagnostic examinations performed shall be subject to departmental review for reasonableness.

(2) That prior to the actual provision of psychotherapy services a physician provider as defined in PW-MA 26.02 (7) (a) prescribes therapy in writing based upon the differential diagnostic examination and a determination that the recipient can best be treated through psychotherapy.

Note: On April 26, 1978 the joint committee for review of administrative rules partially suspended subsection (2). Subsection (2) as adopted by the department prior to the committee's suspension read as follows:

(2) That prior to the actual provision of psychotherapy services a physician provider as defined in PW-MA 26.02 (7) (a) prescribes therapy in writing based upon the differential diagnostic examination and a determination that the recipient can best be treated through psychotherapy.

(3) Psychotherapy is furnished by a:

(a) Provider defined under section PW-MA 26.02 (7) (c) to (e) who is under the supervision of a licensed physician or licensed psychologist who is also a provider, and who is:

1. Working in an outpatient facility operated by or under contract to a board, or another outpatient facility, which is approved to participate in the medical assistance program, or

2. Working for a provider who is a licensed physician or a licensed psychologist in private practice.

(b) Provider who is a licensed physician or a licensed psychologist and who is:

1. Working in an outpatient facility operated by or under contract to a board, or another outpatient facility, which is certified to participate in the medical assistance program, or

2. Working in private practice.

~~(4) Reimbursement may be made for up to 5 hours of therapy for the development of a treatment plan and the initiation of treatment without prior authorization from the department. Time spent for the differential diagnostic examination is not considered part of the initial 5 hours.~~

~~(5) Reimbursement beyond the initial 5 hours may be claimed for psychotherapy furnished after receipt of authorization by the department. Persons who review prior authorization requests for the department shall have the same minimum training required of providers.~~

~~(6) The department may authorize reimbursement for a specified amount of psychotherapy to be furnished to a recipient for up to a 90 calendar day period beginning with the date of authorization.~~

(a) The prior authorization request shall include the following information:

1. The name, address and medical assistance provider or identifier numbers of the providers conducting the diagnostic examination and performing psychotherapy.

2. The physician's original prescription for treatment.

3. A detailed summary of the differential diagnostic examination, setting forth the severity of the mental illness or medically significant emotional or social dysfunction and the medical necessity for psychotherapy, and the expected outcome of treatment.

4. A copy of the treatment plan which shall relate to the findings of the diagnostic examination and specify behavior and personality changes being sought.

5. A statement of the estimated frequency of treatment sessions, the estimated cost of treatment and the anticipated location of treatment.

(b) The provider requesting prior authorization and the recipient shall be notified in writing of the department's decision.

(7) The psychotherapy furnished is in accordance with the definition in PW-MA 25.02(8) above.

~~(8) (a) If the provider believes that additional psychotherapy is necessary beyond the initial 90 calendar days authorized by the department, a physician may prescribe such additional psychotherapy as is deemed necessary. Prior authorization for such treatment shall be sought in the manner described in (6).~~

~~(b) The department may waive the necessity of one 90 day review at a time for recipients whose condition requires long term care.~~

(9) Reimbursement for psychotherapy services shall be as follows:

(a) For the services of any provider working in an outpatient facility, reimbursement shall be to the facility;

(b) For the services of any provider who is working for, or who is, a licensed physician or a licensed psychologist in private practice, reimbursement shall be to the physician or psychologist.

(10) Psychotherapy is performed only in the following locations:

(a) Office of the provider.

(b) Outpatient office of a hospital

(c) Outpatient facility

(d) Nursing home

(e) Licensed child caring institution, or the institution's group homes, day treatment and related facility when provided by the institution's own staff.

(f) School

(g) Client's home or foster home

(11) The provider who performs psychotherapy must engage in face-to-face contact with the recipient for at least 5/6 of the time for which reimbursement is claimed under the medical assistance program.

Note: On May 26, 1978, the joint committee for review of administrative rules suspended subsections (4), (5), (6) (intro) and (8) in their entirety. Subsections (4), (5), (6) (intro) and (8) adopted by the department prior to the committee's suspension read as follows:

(4) Reimbursement may be made for up to 5 hours of therapy for the development of a treatment plan and the initiation of treatment without prior authorization from the department. Time spent for the differential diagnostic examination is not considered part of the initial 5 hours.

(5) Reimbursement beyond the initial 5 hours may be claimed for psychotherapy furnished after receipt of authorization by the department. Persons who review prior authorization requests for the department shall have the same minimum training required of providers.

(6) The department may authorize reimbursement for a specified amount of psychotherapy to be furnished to a recipient for up to a 90 calendar day period beginning with the date of authorization.

(8) (a) If provider believes that additional psychotherapy is necessary beyond the initial 90 calendar days authorized by the department, a physician may prescribe such additional psychotherapy as is deemed necessary. Prior authorization for such treatment shall be sought in the manner described in (6).

(b) The department may waive the necessity of one 90 day review at a time for recipients whose condition requires long-term care.

History: Cr. Register, March, 1978, No. 267, eff. 4-1-78.

**PW-MA 25.04 Freedom of choice.** Recipients shall be given the opportunity to go to any provider who meets the requirements of this rule for psychotherapy.

History: Cr. Register, March, 1978, No. 267, eff. 4-1-78.

**PW-MA 25.05 Group sessions.** (1) A psychotherapy group session means a session at which there are more than 1 but not more than 10 recipients receiving psychotherapy services together from one or two providers.

~~(2) The reimbursement rate per recipient in a psychotherapy group session shall be determined as follows:~~

~~(a) The sum of 120% of the authorized hourly rate (s) for individual therapists divided by the number of recipients in the group.~~

~~(b) Psychotherapy furnished by a board or organization under contract with a board shall be charged at the rate approved by the department.~~

Note: On April 26, 1978, the joint committee for review of administrative rules suspended PW-MA 25.05 (2). Section PW-MA 26.05 (2) adopted by the department prior to the committee's suspension read as follows:

(2) The reimbursement rate per recipient in a psychotherapy group session shall be determined as follows:

(a) The sum of 120% of the authorized hourly rate (s) for individual therapists divided by the number of recipients in the group.

(b) Psychotherapy furnished by a board or organization under contract with a board shall be charged at the rate approved by the department.

History: Cr. Register, March, 1978, No. 267, eff. 4-1-78.

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**PW-MA 25.06 Emergency psychotherapy.** (1) Emergency psychotherapy may be performed by a provider for a recipient without a prescription for treatment when the provider has reason to believe that the recipient may immediately injure himself or herself or any other person. A prescription for the emergency treatment must be obtained within 48 hours of the time the emergency treatment was provided excluding weekends and holidays. Reimbursement for emergency psychotherapy may be made in accordance with 25.03 (9). Subsequent treatment may be provided if PW-MA 25.03 is followed.

History: Cr. Register, March, 1978, No. 267, eff. 4-1-78.

**PW-MA 25.07 Psychotherapy records.** Records shall be maintained by providers in accordance with standard record keeping requirements of the medical assistance program.

History: Cr. Register, March, 1978, No. 267, eff. 4-1-78.