

**NEW YORK STATE  
MEDICAID PROGRAM**

**HEARING AID/AUDIOLOGY  
MANUAL**

**POLICY GUIDELINES**

## Table of Contents

Section I - Requirements for Participation in Medicaid .....	3
Section II- Hearing Screening and Testing Services .....	4
Section III- Hearing Aid/Audiology Services.....	4
Section IV- Phases of Care .....	5
Section V- Hearing Aid Recommendation Requirements For all eligible patients .....	5
Section VI- Written Statements Required.....	7
Section VII- Record Keeping Requirements .....	8
Section VIII- Out of State Providers.....	9
Section IX- Who May Dispense .....	9
Section X- Basis of Payment for Services Provided.....	10
Section XI- Hearing Aid Coverage Criteria.....	13
Section XII- Prior Authorization Requirements .....	14
Section XIII- Prior Approval Requirements .....	14
Section XIV- Documentation Required with Prior Approval Requests .....	15
Section XV - Definitions .....	18

## Section I - Requirements for Participation in Medicaid

### *Providers*

Provider, for the purpose of this section, means an audiologist, hearing aid dispenser, certified clinic or speech and hearing center, with the appropriate specialty, enrolled in the Medicaid program.

Hearing aids must be dispensed by a provider who is licensed/registered by the appropriate authority, in the state in which the provider is located.

### *Multiple Operating Locations*

Hearing Aid providers must be enrolled in the Medicaid Program and must have a national provider identification (NPI) number.

Hearing Aid providers must enroll each location that furnishes care, services or supplies for which reimbursement is sought

An additional operating location cannot be added to an existing provider service address unless it is a result of an address change.

### *Standards of Quality*

Hearing Aid providers are expected to be knowledgeable about the items they dispense and to provide information to the beneficiary about the use and care of the item. In addition they are expected to provide the necessary fittings and adjustments.

Hearing Aid providers are required to provide information regarding warranty services and to uphold the terms of the warranty.

Hearing Aid providers are responsible for any needed replacements or repairs that are due to defects in quality or workmanship.

Hearing Aid providers are expected to be knowledgeable about the Medicaid program's coverage criteria, frequency limits and application of correct billing codes. Knowingly making a claim for same/similar, unfurnished or inappropriate services or items are unacceptable practices and are subject to system edits and recoupment.

## Section II- Hearing Screening and Testing Services

Hearing screening and testing can be provided by any licensed practicing provider who may administer hearing services within their scope of practice using accepted standards and practices for screening, medical clearance, testing, and evaluation.

## Section III- Hearing Aid/Audiology Services

The Medicaid Program provides payment for:

- Audiology services,
- Audiometric screening, and
- Hearing aid services and products

that are furnished to eligible patients, when medically necessary, to alleviate disability caused by the loss or impairment of hearing.

The Program also provides payment for hearing aid repairs and replacement of accessories when medically necessary to maintain a patient's hearing aid in functional order.

### **Who May Provide Hearing Services**

*Audiology services* to eligible patients may be provided:

- by an approved speech and hearing center,
- by an Article 28 facility with an appropriate ENT or Audiology specialty, or
- by a self-employed or salaried audiologist or audiologist/hearing aid dealer, or
- by audiologists in group practice

*Hearing aid services* to eligible patients may be provided:

- by an approved speech and hearing center,

- by an Article 28 facility with an appropriate ENT or Audiology specialty, or
- by a hearing aid dealer or audiologist/hearing aid dealer.

## Section IV- Phases of Care

The phases of care for hearing aids/audiological services are:

- Hearing Screening;
  - Medical Clearance;
  - Audiological Testing, Examination and Evaluation; and
  - Hearing Aid Dispensing.
1. Audiology services shall be made available by a qualified audiologist upon referral of a licensed physician or nurse practitioner for audiometric examination and testing and, if necessary, a hearing aid evaluation.

*A referral is not required for a conformity evaluation or a hearing screening*

2. Hearing aids shall be made available based upon the results of an audiometric examination or testing by a qualified audiologist or otolaryngologist.

## Section V- Hearing Aid Recommendation Requirements

### *For All Eligible Patients*

In order to ensure that a patient receives maximum and continuing benefit from the use of a hearing aid, there must be a written recommendation from an otolaryngologist or an audiologist for a hearing aid which conforms to the requirements outlined in this Policy Manual.

All recommendations for hearing aids for Medicaid-eligible patients must be in compliance with Article 37 of the **NYS General Business Law**.

The written recommendation must indicate that the recipient is in need of a hearing aid and include the results of pure tone and speech (clinical) audiometry conducted in a sound treated room and/or test suite meeting the American National Standard Institute's specifications.

The otolaryngologist or qualified audiologist may either write a general recommendation for a hearing aid, or prescribe a specific device by indicating manufacturer and model required.

In support of a prescription for a specific hearing aid, sound field speech audiometry or equivalent testing methods must be performed. These tests must be conducted by or under the direction and personal supervision of an otolaryngologist or licensed audiologist. When a specific device is prescribed, the dealer must dispense as written.

When a general recommendation is made, the hearing aid dealer may perform hearing measurements by means of an audiometer or other testing equipment used solely for the purpose of selecting, fitting or dispensing an instrument designed to aid or improve human hearing.

Hearing aids must be dispensed within six months of the date of the recommendation.

### **Services Provided to Patients Under 21 Years of Age**

The program expects that a provider will adhere to the following:

#### **Newborn Hearing Screening**

In New York State, newborn hearing screening is *mandated*. Maternity hospitals and birthing centers must screen newborns for hearing loss before discharge. Infants who fail screening tests must be referred for audiological evaluation as soon as possible.

Timely follow-up is important for infants who do not pass their initial hearing screening and for those infants who fail two initial newborn screenings. Referral to the Early Intervention Program in the infant's county of residence can take place at two main junctures in the newborn hearing process:

- After an infant fails two hearing screenings, the infant may be referred to early intervention for a confirmatory (diagnostic) test; or
- If an infants who has failed his/her initial screening does not receive follow-up screening within 75 days post-discharge, the facility responsible for reporting data to the Department (usually the birth facility) may refer the family to Early Intervention for the purpose of facilitating a second hearing screening.

## ***Hearing Screening for Children Under 21***

For children less than three years of age, follow the most recent version of American Academy of Pediatrics' (AAP) Recommendations for Preventive Pediatric Health Care for age-specific intervals at which subjective history and/or routine standardized hearing testing should be performed.

Children less than three years of age who have test findings indicative of hearing loss, or are deemed to be at increased risk for hearing problems should be referred for age-appropriate hearing testing.

It is recommended that providers refer the child to a speech and hearing center certified by the Physically Handicapped Children's Program (PHCP) or other appropriately licensed or credentialed providers. These children may also be referred to the Early Intervention Program in the child's county of residence.

Pure tone screening should be performed at ages specified in the current version of AAP's Recommendations for Preventive Pediatric Health. If a hearing impairment is suspected at any age, the child should be referred for age-appropriate hearing testing. It is recommended that providers refer the child to a speech and hearing center certified by PHCP or other appropriately licensed or credentialed providers.

Providers serving children under 21 years, should refer to the Hearing Section in the EPSDT/CTHP Manual for Child Health Plus A (Medicaid)

<http://www.emedny.org/ProviderManuals/EPSDTCTHP/index.html>

## **Section VI- Written Statements Required**

1. Audiology services, except for screenings, shall be supported by a written statement of a physician or nurse practitioner referring the patient to a qualified audiologist.

*The written referral must be maintained with the patient record.*

2. Hearing aid services shall be supported by written results of audiometry or equivalent testing as required by a hearing aid recommendation or prescription signed by a qualified audiologist or licensed otolaryngologist.
3. A statement of patient rights and obligations shall be provided to the patient by the hearing aid dispenser at the time the hearing aid is dispensed.

*This statement shall be signed by the patient, with a copy maintained in the records and shall explain that the forty-five days immediately subsequent to dispensing of the hearing aid constitutes a trial period for that aid.*

Such statement shall explain the patient's obligation to return to the dispenser:

- for all necessary adjustments and calibrations of the hearing aid during the 45-day trial period and
  - to provide written confirmation of benefit from use of the hearing aid; or
  - to ultimately return an unsatisfactory hearing aid.
4. At the end of the trial period, a statement of an audiologist, primary care giver or the patient himself/herself, providing verification of benefit from use of the hearing aid is required.

Should the patient fail to return and provide such written confirmation, a written explanation from the dispenser may be used in lieu of this confirmation-of-benefit to support billing and for entry into the patient record.

*These documents must be maintained with the patient record.*

## Section VII- Record Keeping Requirements

Hearing aid dealers must meet the record-keeping requirements outlined in **Information For All Providers, General Policy**, available online at:

<http://www.emedny.org/ProviderManuals/AllProviders/index.html>.

In addition to meeting the general record keeping requirements outlined in the General Information Section of this manual, the provider filling an order for hearing aid services must keep on file the fiscal order signed by the prescriber and the delivery statement signed by the beneficiary for any item for which Medicaid payment is claimed.

For audit purposes, these signed, written orders, in addition to other supporting documentation such as invoices and delivery receipts, must be kept on file for six years from the date of payment.

Hearing aid dealers must maintain at each of their business locations the records specified in the Official Codes, Rules and Regulations of the New York State (NYS) Department of State available at:

<http://www.dos.state.ny.us/lcns/lawbooks/hearing.htm>.



## Section VIII- Out of State Providers

### *Prescribers*

For persons 21 years of age and older, out-of-state audiologist, otolaryngologists and health care facilities licensed by the appropriate agency in that state may issue written recommendations for hearing aids for Medicaid patients.

### *Dispensers*

In order to participate in the New York Medicaid Program, out-of-state hearing aid dispensers must be enrolled in the New York State Medicaid Program.

## Section IX- Who May Dispense

### *For-Profit Providers*

A person, partnership, association, organization, or corporation formally registered under the provisions of Article 37 of the General Business Law, with the NYS Department of State as a hearing aid dealer, or dispensing audiologist and enrolled in the Medicaid program, may dispense hearing aids to recipients in accordance with the *Hearing Aid/Audiology Services Fee Schedule*, available online at:

<http://www.emedny.org/ProviderManuals/HearingAid/index.html>.

The Secretary of State's approval of an application is contingent upon the applicant's compliance with specific standards. While this Manual elaborates on some, it does not discuss all of these requirements in detail. They may be found in their entirety in the Official Codes, Rules and Regulations of the Department of State, available at:

<http://www.dos.state.ny.us/lcns/lawbooks/hearing.htm>.

Hearing aid dealers must continue to comply with these regulations. Failure to abide by these regulations will cause a hearing aid dealer to have his/her certificate of registration revoked. *When this occurs, the hearing aid dealer automatically forfeits the right to participate in the Medicaid Program.*

## **Not-for-Profit Providers**

Under the Medicaid Program, hearing aid devices and accessories may be dispensed on a not-for-profit basis by a licensed otolaryngologist or certified speech and hearing center which is approved to render services under the PHCP, or by an Article 28 Facility that is eligible to participate under Title XVIII of the Social Security Act (Medicare) and is certified to render speech and hearing or audiology services.

When the costs are not included in the facility's rate, reimbursement for hearing aids will be made at the lower of the price charged by the facility to the general public or the acquisition cost.

Reimbursement for accessories will be made at the lowest of the price charged by the facility to the general public or the facility's acquisition cost or the State Maximum Fee Schedule amount.

The administrative and dispensing fees contained in the State Fee Schedule will **not** be paid to not-for-profit facilities.

Facilities may bill for visits at the established clinic rate to cover reasonable and necessary costs for the dispensing of the aid.

## **Section X- Basis of Payment for Services Provided**

### **General Guidelines**

For payment to be made by the Medicaid Program, a beneficiary must be eligible on the date of service. It is the provider's responsibility to confirm the beneficiary's eligibility on the date the order is received and on the date of service.

Prior approval/prior authorization does not guarantee payment.

The item must be provided prior to being billed to the Medicaid Program. No item/service may be billed prior to being furnished.

Reimbursement amounts for the purchase of hearing aids and accessories are for new, unused items.

Reimbursement amounts are payment in full.

Any insurance payments including Medicare must be collected prior to billing Medicaid and must be applied against the total price of the item. Payment will not be made for items provided by a facility or organization when the cost of these items is included in the facility's Medicaid rate, per Department regulation at Title 18 NYCRR 505.5 (d) (1) (iii). It is the dispensing provider's responsibility to verify with the facility whether the item is included in the facility's Medicaid rate.

For more information regarding the Medicaid Eligibility Verification System, providers can access the following link: [MEVS Manual](#)

<http://www.emedny.org/providermanuals/AllProviders/supplemental.html#MEVSPM>

Audiology services and audiometric screening and hearing aid services shall be reimbursed in accordance with the fee schedule set forth in the NYS Fee Schedule for Hearing Aid/Audiology Supplies and Services.

The fee schedule is available online at:

<http://www.emedny.org/ProviderManuals/HearingAid/index.html>.

### **Dispensing Fee**

The dispensing fee includes, but is not limited to the following, for the life of the hearing aid under normal use:

- all repairs and/or replacement of defective parts plus labor within the warranty period,
- cleaning by original dispenser,
- all fittings,
- all adjustments,
- all instructions to the recipient in the use of the device,
- a one month supply of batteries at time of dispensing.

The dispensing fee, as listed on the fee schedule shall be payable to all qualified hearing aid dispensers.

NOTE: A garment bag, if applicable, is included in the reimbursement of the hearing aid and is not separately billable.

## **Administrative Fee**

Effective for dispensing dates on and after **July 1, 2003**, the “administration fee” is a component of the dispensing fee code. There is no longer a separate billing code for “administrative fee”. Please see the Reimbursement section for further instructions in the instance that an aid is returned or benefit cannot be confirmed.

## **Claims**

The claim for the hearing aid and dispensing fees may be submitted upon provision of the aid.

If it is determined during the trial period that the patient will not keep the aid, the claim for the returned aid must be voided and the claim for the dispensing fee code must be adjusted to deduct the amount indicated as “dispensing” in the description of the dispensing fee procedure code.

The dispenser is entitled to retain the payment for the administrative fee portion in such circumstances. The dispensing fee is applicable for the initial or replacement aid and may only be billed by a for-profit dealer.

*Only the administrative portion of the dispensing fee (not the entire dispensing fee) is applicable for replacement of lost or stolen aids within the manufacturer’s warranty.*

## **Reimbursement**

Reimbursement shall be made for the acquisition cost of hearing aid(s), supported by a copy of the invoice.

- The invoice supporting the acquisition cost of a hearing aid shall list the following information for the hearing aid for which reimbursement is requested:
  - the brand name,
  - the model number,
  - the serial number, and.
  - any applicable discounts from the manufacturer

Reimbursement as listed on the fee schedule shall be made to qualified audiologists for a hearing aid evaluation and hearing aid check to confirm benefit

from the aid, provided that the audiologist is not the dispenser of the aid and, therefore, ineligible for a dispensing fee (which includes payment for these services).

**When benefit of a hearing aid cannot be confirmed and the aid is returned to the dispenser, payment for that aid and the dispensing fee is forfeited. However, the administrative portion of the fee is still payable.**

When benefit can not be confirmed because the patient does not return the aid to the dispenser, the dispensing fee is forfeited and the acquisition cost of the aid may be reimbursable when requests are supported by documentation of reasonable attempts by the dispenser to provide continuity of service.

Should a patient lose eligibility after an earmold(s) and/or hearing aid is ordered but before it is dispensed, Medicaid reimbursement will be made only for the earmold(s).

## Section XI- Hearing Aid Coverage Criteria

Medicaid reimbursement for hearing aids is dependent upon documented need and a statement (psycho/social assessment) that the patient is alert, oriented and able to utilize their aide appropriately and the following criteria, **regardless of order source**:

### ➤ Monaural Hearing Aid

- Hearing loss in the better ear of 30 dBHL or greater (re - ANSI 1969) for the pure tone average of 500, 1000 and 2000Hz.
- A spondee threshold in the better ear of 30 dBHL or greater when pure tone thresholds cannot be established.
- Hearing loss in each ear is less than 30 dBHL at the frequencies below 2,000 Hz and thresholds in each ear are greater than 40 dBHL at 2,000 Hz and higher.

### ➤ Binaural Hearing Aid

Same as the criteria for Monaural Hearing Aid plus one or more of the following:

- significant , vocational or educational demands;

- previous user of binaural hearing aids within the past five (5) years supported by written documentation of medical need;
- significant visual impairment, i.e. severe low vision as defined by the AMA best corrected visual of 20/200 or below or a visual acuity score of < 50; and
- children.

*FM Systems and tinnitus maskers are not reimbursable by Medicaid.*

## Section XII- Prior Authorization Requirements

### (Dispensing Validation System)

Most hearing aids for children and adults are approved through the automated electronic Dispensing Validation System (DVS). A DVS is submitted in “real time” which means that the status of the request will be available by the end of your DVS session. DVS checks service limits on the procedure code requested, including frequency, units and age. If service limits are not exceeded, an immediate authorization number is returned. If service limits are exceeded, a prior approval must be requested.

When the description is preceded by a “#” in the Procedure Code Section, dispensing validation is required.

A hearing aid DVS authorization will be granted for an approved period of service of 180 days, and can be cancelled by the provider within 90 days of the authorization date.

## Section XIII- Prior Approval Requirements

When recommended by an otolaryngologist, a qualified audiologist or a facility licensed and certified under Article 28 of the Public Health Law to provide speech and hearing or audiology services, prior approval shall be required for all:

- replacement of hearing aids for frequency limits
- binaural hearing aids for persons 21 years of age and older
- “\_\_\_\_\_” Underlined codes in the Procedure Code Section require prior approval if the person is 21 years of age or older.

- special fittings and
- repairs costing \$70 or more.

Repairs costing \$70 or more and batteries not listed in the Fee Schedule shall require prior approval regardless of the source of the order.

**Note:** For patients *under 21 residing in New York State Developmental Centers*, the recommendation for a hearing aid may come from the Developmental Center.

### How to Obtain Prior Approval

Prior approvals may be obtained by submitting eMedNY form 283201 to Computer Sciences Corporation. For complete instructions, see **Prior Approval Guidelines** available at:

<http://www.emedny.org/ProviderManuals/HearingAid/index.html>

## Section XIV- Documentation Required with Prior Approval Requests

### Hearing Aid Requests

The following documentation is required when requesting prior approval for hearing aids:

- Completed prior approval form eMedNY 283202. The form is not required if the request is submitted online via ePACES or other HIPAA-compliant 278 transaction.

If the PA request is submitted online, all supporting medical documentation must be submitted by mail to Computer Sciences Corporation, utilizing the electronic transaction attachment scanning form available for download at:

<http://www.emedny.org/info/phase2/paper.html>;

- Audiogram dated within the previous year of order date that includes air conduction for both ears, bone conduction, and speech discrimination results;
- Medical clearance;
- Psycho-social statement indicating the recipient's ability to use and care for hearing aids, and indication if the recipient will be assisted by a care-giver;

- Hearing aid history, including:
  - make,
  - model,
  - serial number,
  - ear worn,
  - year dispensed and
  - status of current hearing aid(s), including history of hearing aid repair;

**Note: If hearing aid is lost, provide letter from recipient or care-giver describing circumstances of the loss and what will be done to prevent future loss.**

- If requesting **monaural** fit, indicate which ear is being fit;
- If requesting **binaural** fit, provide supporting documentation to verify recipient's qualification for binaural use as indicated in this Manual; and
- If hearing aid is less than 5 years old, indicate why the request is for replacement rather than repair.

## **Repair Requests**

If requesting prior approval for the repair of hearing aids, the following documentation is required:

- Completed prior approval form eMedNY 283202. The form is not required if the request is submitted online via ePACES or other HIPAA-compliant 278 transaction.

If the PA request is submitted online, all supporting medical documentation must be submitted by mail to Computer Sciences Corporation, utilizing the electronic transaction attachment scanning form available for download at:

<http://www.emedny.org/info/phase2/paper.html>;

- Audiogram dated within the past two years;
  - If information is available, indicate if hearing loss remains stable or if there has been a significant change in hearing since original fitting which may require new amplification;
- Make, model, serial number, ear worn, year dispensed of aid to be repaired and repair history;



## Hearing Aid/Audiology Manual Policy Guidelines

---

- Description of the current condition of hearing aid and what repairs are being done;
  - Indication of the current charge for the repair showing Medicaid's twenty percent discount; and
- \*Please note not-for-profit agencies are reimbursed at invoice cost only and must submit a copy of invoice.
- If hearing aid is over 5 years old, indicate why the request is for repair rather than replacement.

## Section XV - Definitions

For the purposes of the Medicaid Program and as used in this Manual, the following terms are defined to mean:

### Article 28 Facility

An Article 28 facility is a health facility as defined under Article 28, Section 2805 of the Public Health Law.

In the context of this Manual, the Article 28 facility must be certified to provide speech and hearing services or audiology services.

### Audiologist/Hearing Aid Dealer

An audiologist/hearing aid dealer is an individual who, in addition to being licensed to practice audiology, is also duly registered with the NYS Department of State, pursuant to Article 37, Section 781(a) of the General Business Law.

Audiologist/hearing aid dealer also refers to a qualified hearing aid dealer who employs a qualified audiologist(s).

### Audiology Services

Audiology services refer to and include:

- audiometric examination or testing,
- hearing aid evaluation,
- conformity evaluation and
- hearing aid prescription or recommendation if indicated.

### Child/Teen Health Program

New York State's Medicaid Program (Child Health Plus A) implements federal EPSDT requirements via the Child Teen Health Program (CTHP). The CTHP care standards and periodicity schedule are provided by the New York State Department of Health, and generally follow the recommendations of the Committee on Standards of Child Health, American Academy of Pediatrics.

The CTHP includes a full range of comprehensive, primary health care services for Medicaid-eligible youth from birth up until age 21 years. In line with the federal EPSDT mandate, New York State's CTHP promotes Early and Periodic

Screening, Diagnosis and Treatment aimed at addressing any health or mental health problems identified during exams.

New York State's EPSDT/CTHP Provider Manual for Child Health Plus A (Medicaid) also emphasizes the recommendations of Bright Futures in order to guide provider practice, and to improve health and mental health outcomes for Medicaid-eligible youth. The EPSDT/CTHP Provider Manual is available online at:

<http://www.emedny.org/ProviderManuals/EPSDTCTHP/index.html>.

### Hearing Aid Services and Products

Hearing aid services and products shall be provided in compliance with Article 37 of the General Business Law.

Services shall include hearing aid:

- selection,
- fitting,
- dispensing,
- checks following dispensing, and
- repairs.

Products shall include:

- hearing aids,
- earmolds,
- batteries,
- special fittings and
- replacement parts.

### Otolaryngologist

An otolaryngologist is a licensed physician who is qualified to engage in the practice of otolaryngology by reason of having passed, or received training acceptable for admission to the examination of the American Board of Otolaryngology.

Such a physician normally confines his/her practice to the problems of the ears, pharynx, larynx, nasopharynx, and the tracheo-bronchial tree.

### **Qualified Audiologist**

To participate in the Medicaid Program, an audiologist must be licensed and currently registered to practice audiology in by the NYS Education Department.

Audiology services provided to Medicaid-eligible patients while temporarily out-of-state shall be provided by audiologists qualified to practice audiology by the appropriate licensing agency of the state in which the audiology services are provided.

### **Qualified Hearing Aid Dealer**

A qualified hearing aid dealer is any person, partnership, association or corporation engaged in the selecting, fitting and dispensing of hearing aids and currently registered in NYS by the Department of State pursuant to Article 37, Section 781(a) of the General Business Law may be qualified to participate in the Medicaid Program.

Hearing aids and related services provided to Medicaid-eligible patients while temporarily out-of-state shall be provided by hearing aid dealers properly meeting the registration requirements of the appropriate agency of the state in which the hearing aids and related services are provided.

### **Replacement Hearing Aid**

A replacement hearing aid is a device that is recommended because the original device was:

- lost, stolen or damaged and is outside the manufacturer's warranty,
- in disrepair with a history of excessive repairs,
- no longer providing adequate benefit .

### **Speech and Hearing Centers Approved by the NYS Physically Handicapped Children's Program**

Pursuant to Title V, Article 25 of the Public Health Law, Section 2580, *Physically Handicapped Children*, the DOH is authorized to approve speech and hearing services in health facilities and to designate facilities meeting the highest professional standards as eligible to provide services to children in the PHCP.

## Hearing Aid/Audiology Manual Policy Guidelines

---

Because of the scope of services in these facilities and the professional staff available through these facilities, their use is recommended as the referral agency under the Medicaid Program.

A list of these approved centers may be obtained by calling the *Growing Up Healthy Hotline* at **(800) 522-5006**.