



REIMBURSEMENT POLICY STATEMENT OHIO MEDICARE ADVANTAGE

Original Issue Date	Next Annual Review	Effective Date
10/01/2017	10/01/2018	11/01/2017
Policy Name		Policy Number
Occupational and Physical Therapy		PY-0297
Policy Type		
Medical	Administrative	Pharmacy
REIMBURSEMENT		

Reimbursement Policies prepared by CSMG Co. and its affiliates (including CareSource) are intended to provide a general reference regarding billing, coding and documentation guidelines. Coding methodology, regulatory requirements, industry-standard claims editing logic, benefits design and other factors are considered in developing Reimbursement Policies.

In addition to this Policy, Reimbursement of services is subject to member benefits and eligibility on the date of service, medical necessity, adherence to plan policies and procedures, claims editing logic, provider contractual agreement, and applicable referral, authorization, notification and utilization management guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any federal or state coverage mandate, Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

This Policy does not ensure an authorization or Reimbursement of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced herein. If there is a conflict between this Policy and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination.

CSMG Co. and its affiliates may use reasonable discretion in interpreting and applying this Policy to services provided in a particular case and may modify this Policy at any time.

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A. SUBJECT

Occupational and Physical Therapy

B. BACKGROUND

Reimbursement policies are designed to assist you when submitting claims to CareSource. They are routinely updated to promote accurate coding and policy clarification. These proprietary policies are not a guarantee of payment. Reimbursement for claims may be subject to limitations and/or qualifications. Reimbursement will be established based upon a review of the actual services provided to a member and will be determined when the claim is received for processing. Health care providers and their office staff are encouraged to use self-service channels to verify member's eligibility.

It is the responsibility of the submitting provider to submit the most accurate and appropriate CPT/HCPCS code(s) for the product or service that is being provided. The inclusion of a code in this policy does not imply any right to reimbursement or guarantee claims payment.

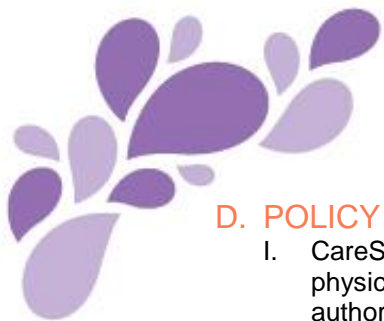
Occupational and Physical therapy services help improve the lives of patients through comprehensive evaluations, recommendations for adaptive equipment and training in its use, and guidance and education for family members and caregivers.

Occupational therapy (OT) focuses on adapting the environment, of the member, to fit their needs. This includes helping people regain skills after an injury, supporting older adults that have experienced a physical or mental change and teaching children with disabilities how to increase participation in school and social activities.

Physical therapy (PT) focuses on increasing the member's physical ability to participate in their environment. This includes helping people regain physical strength, reduce pain, function and independence after an injury or mental change. PT teaches member's how to manage their physical condition, prevent further injury and achieve long-term health benefits.

C. DEFINITIONS

- **Maintenance Program** - is a program created by a therapist that maximizes or maintains the progress the patient has made during therapy or helps to prevent or slow further deterioration due to a disease or illness.
- **Medically necessary** – health products, supplies or services that are necessary for the diagnosis or treatment of disease, illness, or injury and meet accepted guidelines of medical practice.
- **Occupational therapy** - is a health profession that helps patients develop skills in order to achieve independence in their activities of daily living.
- **Physical Therapy** - is a health profession that helps patients reduce pain and improve or restore mobility to achieve independence in their activities of daily living.
- **Rehabilitative therapy** - occurs when the skills of a therapist (as defined by the scope of practice for therapists in each state) are necessary to safely and effectively furnish a recognized therapy service, whose goal is improvement of an impairment or functional limitation.
- **Skilled Therapy** – is a service can be only be administered by a therapist. If a service can be self-administered or safely and effectively furnished by an unskilled person, without the direct or general supervision of a therapist, the service cannot be regarded as a skilled therapy service even though a therapist actually furnishes the service.
- **Therapist** - refers to physical therapists and occupational therapists qualified according to Medicare policy.



D. POLICY

- I. CareSource members may receive up to 30 occupational therapy services visits and/or 30 physical therapy services visits per calendar year (January 1 – December 31st) without prior authorization. All physical and occupational therapy services must be medical necessary.

- II. Reimbursement for PT/OT therapy services is based on Local coverage Determination (LCD) L34049:
 - A. Must be medically necessary and, under accepted standards of medical practice, be considered specific and effective treatment for the patient's condition.
 - B. Services must be skilled therapy and based on individual needs. Services that do not require the professional skills of a therapist to perform or supervise are not medically necessary.
 - C. An initial evaluation/assessment of the member's need for OT/PT therapy services and progress notes must be documented and maintained in the member's health record which includes the following:
 1. Documentation of the appropriate diagnosis of the disorder or a description of the physical or sensory functionality deficit.
 2. Documentation of each service provided to the member.
 3. Detailed staff notes that include the member's progress towards their goals.
 4. The date of each service.
 5. The beginning and end times of each service.
 6. The signature and title of the individual providing each service.
 7. Rationale requiring the unique skills of a therapist to apply, including the complicating factors Area(s) being treated Subjective findings to include pain ratings, pain location, and effect on function
 8. The Physician/ Non-physician practitioner (NPP) must sign and date along with their professional identification (MD, DO, PT, OT)
 - D. Member must be under the care of a physician or Non-physician practitioner (NPP)
 - E. Services must be under a therapy plan of care that has been created and certified by the physician or NPP
 - F. The Plan of Care must include:
 1. A rehabilitation diagnosis
 2. Individualized plan based on the member's evaluation / examination
 3. Specific interventions to be used to treat the patient's needs
 4. Anticipated short term and long term goals, expected outcomes, any predicted level of improvement
 5. The intensity, frequency, and duration for care.
 6. The anticipated discharge plans.
 - G. Only the actual time of the provider's direct one-on-one contact with the patient is to be billed.
 - H. Treatment should be consistent with the nature/ severity of illness / injury
 - I. If treatment is given on the same day as the initial evaluation, the treatment is billed using the appropriate CPT codes. The documentation must clearly describe the treatment that was provided in addition to the evaluation.
 - J. Use of these procedures requires the qualified professional/auxiliary personnel to have direct (one-on-one) patient contact. Only the actual time of direct contact with the patient providing a service which requires the skills of a therapist is considered for coverage
 - K. A reevaluation may be medically necessary if there has been a significant change in the patient's condition which has caused a change in function, long term goals, and/or treatment plan.
 1. The reevaluation is focused on evaluation of progress toward current goals and making a professional judgment about continued care, modifying goals and/or treatment, or terminating services.
 2. Documentation must show a significant improvement, decline or change in the patient's diagnosis



3. The presence of a condition or functional status that was not anticipated in the current plan of care.
 4. The plan of care may need to be revised and recertified, if significant changes are made, such as a change in the long-term goals.
- IV. Reimbursement is based on submitting a claim with the appropriate ICD-10 diagnosis code to match the OT/PT service CPT code.
- V. If the appropriate ICD-10 diagnosis code is not submitted with the CPT code, the claim will be denied.
- VI. Reimbursement is based on Medicare guidelines. For further information please refer to: <https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=34049&ver=18&CoverageSelection=Both&ArticleType=All&PolicyType=Final&s=All&Keyword=Therapy&KeywordLookUp=Title&KeywordSearchType=And&FriendlyError=NoLCDIDVersion&bc=gAAAACAAAAAAAA%3d%3d&>
- VI. Non-Covered Services
- A. Duplication of services. CareSource will not reimburse for an occupational therapy service or physical therapy service provided, to a member, by more than one (1) provider in which the service is covered during the same time period.
 - B. Services related to recreational activities such as golf, tennis, running, etc., are not covered as therapy services.
 - C. Therapeutic service modalities that the member can be trained and educated to utilize themselves, without a skilled therapist, is not medically necessary and therefore not covered.
 - D. If an existing CPT code does not describe the service performed, an unlisted CPT code may be used. The use of unlisted codes should be rare. If unlisted codes are billed, the claim and medical record must clearly state what modality or procedure is billed as an unlisted code. If not, the unlisted code billed will be subject to denial for insufficient information.
 - E. Low level/cold laser light therapy (LLLT)

Note: Although occupational and physical therapy services do not require a prior authorization for the first 30 visits, CareSource may request documentation to support medical necessity. Appropriate and complete documentation must be presented at the time of review to validate medical necessity.

E. CONDITIONS OF COVERAGE

Reimbursement is dependent on, but not limited to, submitting The Centers for Medicare & Medicaid Services (CMS) approved HCPCS and CPT codes along with appropriate modifiers. Please refer to the CMS fee schedule: <https://www.cms.gov/apps/physician-fee-schedule/search/search-criteria.aspx>

- **The following list(s) of codes is provided as a reference. This list may not be all inclusive and is subject to updates. Please refer to the above referenced source for the most current coding information.**

Note: Code 97010 is never billed alone or paid separately. It may be bundled with any therapy code.



F. RELATED POLICIES/RULES

G. REVIEW/REVISION HISTORY

	DATE	ACTION
Date Issued	10/01/2017	New Policy.
Date Revised		
Date Effective	11/01/2017	

H. REFERENCES

1. About Occupational Therapy. (2017). Retrieved 4/5/2017 from <http://www.aota.org/About-Occupational-Therapy.aspx>
2. Current Procedural Terminology (CPT) and National Uniform Billing Committee (NUBC) Licenses. (2017, January 1). Retrieved 4/11/2017 from <https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=34049&ver=18&CoverageSelection=Both&ArticleType=All&PolicyType=Final&s=All&KeyWord=Therapy&KeyWordLookUp=Title&KeyWordSearchType=And&FriendlyError=NoLCDIDVersion&bc=gAAAACAAAAAAAA%3d%3d&>
3. Medically Necessary - HealthCare.gov Glossary | HealthCare.gov. (2017, March 14). Retrieved 3/14/17 from <https://www.healthcare.gov/glossary/medically-necessary/>
4. Who Are Physical Therapists? (2017). Retrieved 4/5/2017 from <http://www.apta.org/AboutPTs/>

The Reimbursement Policy Statement detailed above has received due consideration as defined in the Reimbursement Policy Statement Policy and is approved.