

SUPERIOR HEALTH PLAN

Specific policy administered by National Imaging Associates, Inc. (NIA)

Clinical guidelines OUTPATIENT HABILITATIVE PHYSICAL AND OCCUPATIONAL THERAPY	
Physical Medicine – Clinical Decision Making	Original Date: November 2015
Guideline Number: NIA_CG_603	Last Revised Date (by Superior Health Plan): September 2021
	Last Reviewed Date (by NIA Committee): October 2020
	Implementation Date: September 2021

* Refers to health plan specific language

Policy Statement

Habilitative physical and occupational therapy services may or may not be covered **for** all **members** of this organization. If the service is covered, it may or may not require prior authorization. These guidelines apply to all markets and populations, including teletherapy, contracted with this organization through the corresponding state health plans unless a market specific health plan has been developed. Services may be covered when provided for the end result of achieving age-appropriate growth/development, correcting or improving a physical condition, or helping a patient acquire, maintain, or regain functional skills for successful participation in everyday activities. These services must be provided by a skilled and licensed therapy practitioner and in a manner that is in accordance with accepted standards of practice for discipline-specific therapies. It must also be clinically appropriate in amount, duration, and scope to achieve their purpose and considered effective treatment for the current injury, illness, or condition.

Habilitative physical and occupational therapy should meet the definitions at the end of this document, be provided in a clinic, office, home, or in an outpatient setting and be ordered by either a primary care practitioner or specialist.

National Imaging Associates will not deny requests for Medicaid members **without consideration of** coverage under federal Early and Periodic Screening, Diagnostic and Treatment (EPSDT) guidelines.

INDICATIONS

Physical and/or occupational therapy evaluation and treatment services are considered medically necessary when the following criteria are met:

- Must have written referral from primary care practitioner or other non-physician practitioner (NPP) as permitted by state guidelines.
- Physical and occupational therapy initial evaluations and re-evaluations that include patient history such as recent illness, injury, or disability along with diagnosis and date of onset and/or exacerbation of the condition. Prior and current level of function as well as identification of any underlying factors that have impacted current functional performance must also be noted (AJOT, 2015, 2017; APTA, 2009).
- **Documentation should clearly reflect why the skills of a therapist are needed. There must be evidence as to whether the services are considered reasonable, effective treatments requiring the skills of a therapist or whether they can be safely and effectively carried out by non-skilled personnel without the supervision of qualified professionals.**
- **Progress notes/updated plans of care that cover the patient's specific overall functional progress toward their goals will be required every 60-90 days or per state requirements.**
- **Clinical documentation should include:**
 - **The patient's current level of function, any conditions that are impacting the member's ability to benefit from skilled intervention.**
 - **Objective measures of the patient's overall functional progress relative to each treatment goal as well as a comparison to the previous progress report.**
 - **Skilled treatment techniques that are being utilized in therapy as well as the patient's response to therapy and why there may be a lack thereof.**
 - **Well defined, timebound, functional treatment goals that follow a hierarchy of complexity to achieve the target skills for a functional goal. Goals of intervention should target the functional deficits identified by the skilled therapist during the assessment.**
 - **Re-evaluation/annual testing, or more frequently if required by state guidelines, (for habilitative therapy) using formal standardized assessment tools and formal assessment of progress must be performed to support progress, ongoing delays, and medical necessity for continued services.**
 - **An explanation of any significant changes in the plan of care and clinical rationale for why the ongoing skills of a PT/OT are medically necessary.**
- **It is expected that a discharge plan, with the expected treatment frequency and duration, must be included in the plan of care. The discharge plan must indicate the plan to wean services once the patient has attained their goals, if no measurable functional improvement has been demonstrated, or if the program can be carried out by caregivers or other non-skilled personnel.**

- **Development of an age-appropriate home regimen to facilitate carry-over of targeted skills and strategies as well as patient, family, and caregiver education in home exercises and self-monitoring should be evident in the documentation. Indication of compliance of the home regimen should be documented to show maximum benefit of care.**

DEVELOPMENTAL DELAY CRITERIA

- **To establish a developmental delay, all of the following criteria must be met:**
- **Tests used must be norm-referenced, standardized, and specific to the therapy provided.**
- **Retesting with norm-referenced standardized test tools for re-evaluations must occur yearly and may occur every 180 days. Tests must be age appropriate for the child being tested and providers must use the same testing instrument as used in the initial evaluation. If reuse of the initial testing instrument is not appropriate, i.e., due to change in member status or restricted age range of the testing tool, provider should explain the reason for the change.**
- **Eligibility for therapy will be based upon a score that falls 1.5 standard deviations (SD) or more below the mean in at least one subtest area of composite score on a norm-referenced, standardized test. Raw scores must be reported along with score reflecting SD from mean.**
- **When the member's test score is less than 1.5 SD below the mean, a criterion-referenced test along with informed evidenced-based clinical opinion must be included to support the medical necessity of services and will be sent to physician review to determine medical necessity.**
- **If a child cannot complete norm-referenced standardized assessments, then a functional description of the child's abilities and deficits must be included. Measurable functional short- and long-term goals will be considered along with test results. Documentation of the reason a standardized test could not be used must be included in the evaluation.**
- **In the case of feeding difficulties, the notes must clearly indicate a functional feeding delay as a result of underlying impairments. This may include gagging/choking, oral motor or upper extremity coordination deficits or maladaptive behaviors due to a food intolerance/aversion preventing adequate oral intake that contribute to malnutrition or decreased body mass index. Fine motor and/or sensory testing as well as detailed clinical observations of oral motor skills should also be included in the documentation if functional feeding delays are a result of these component parts of the overall task. Parent report of limited food choices is not adequate to support the medical need for feeding therapy. There must also be evidence of ongoing progress and a consistent home regimen to facilitate carry-over of target feeding skills, strategies and education of patient, family, and caregiver. Therapy for picky eaters who can eat and swallow normally meeting growth and developmental milestones and eat at least one food from all major food groups (protein, grains, fruits, etc.) is not medically necessary.**
- **Treatment goals must be individualized, realistic, measurable, and time-bound in order to identify the functional levels related to appropriate maintenance or maximum therapeutic benefit. Goals of intervention should target the functional deficits identified by the skilled therapist during the assessment and promote attainment of age-appropriate**

developmental milestones, functional mobility and/or ADL skills appropriate to the patient's age and circumstances (Houtrow, 2019). Although identified as component parts of participation, underlying factors, performance skills, **member** factors or the environment should not be the targeted outcome of long-term goals. In like manner, underlying factors such as strength, range of motion, or cognition should not be the sole focus of short-term goals (Amini, 2018). When documenting interventions, an explicit connection must be made to what participation outcome the intervention will target.

- Intervention selections must be evidence-based, chosen to address the targeted goals and representative of the best practices outlined by the corresponding national organizations (AJOT, 2015, 2017).
- The plan of care must include goals detailing type, amount, duration, and frequency of therapy services required to achieve targeted outcomes. The frequency and duration must also be commensurate with the patient's level of disability, medical and skilled therapy needs as well as accepted standards of practice while reflecting clinical reasoning and current evidence (Bailes, 2008).

Frequency and Duration Criteria for PT/OT Services

- **Frequency must always be commensurate with the member's medical and skilled therapy needs, level of disability and standards of practice; it is not for the convenience of the member or the responsible adult.**
- **Exceptions to therapy limitations may be covered if the medically necessary criteria are met for the following:**
 - **Presentation of new acute condition**
 - **Therapist intervention is critical to the realistic rehabilitative/restorative goal, provided documentation proving medical necessity is received.**
- **When therapy is initiated, the therapist must provide education and training of the member and responsible caregivers, by developing and instructing them in a home treatment program to promote effective carryover of the therapy program and management of safety issues.**

High Frequency

- **High frequency (3 times per week) can only be considered for a limited duration (approximately 4 weeks or less) or as otherwise requested by the prescribing provider with documentation of medical need to achieve an identified new skill or recover function lost due to surgery, illness, trauma, acute medical condition, or acute exacerbation of a medical condition, with well-defined specific, achievable goals within the intensive period requested.**
- **Therapy provided three times a week may be considered for 2 or more of these exceptional situations:**
 - **The member has a medical condition that is rapidly changing.**
 - **The member has a potential for rapid progress (e.g., excellent prognosis for skill acquisition) or rapid decline or loss of functional skill (e.g., serious illness, recent surgery).**

- The member's therapy plan and home program require frequent modification by the licensed therapist.
- On a case-by-case basis, a high frequency requested for a short-term period (4 weeks or less) which does not meet the above criteria may be considered with all of the following documentation:
 - Letter of medical need from the prescribing provider documenting the member's rehabilitation potential for achieving the goals identified.
 - Therapy summary documenting all of the following:
 - Purpose of the high frequency requested (e.g., close to achieving a milestone)
 - Identification of the functional skill which will be achieved with high frequency therapy
 - Specific measurable goals related to the high frequency requested and the expected date the goal will be achieved.
- A higher frequency (4 or more times per week) may be considered on a case-by-case basis with clinical documentation supporting why 3 times a week will not meet the member's medical needs.

Moderate Frequency

- Therapy provided two times a week may be considered when documentation shows one or more of the following:
 - The member is making very good functional progress toward goals.
 - The member is in a critical period to gain new skills or restore function or is at risk of regression.
 - The licensed therapist needs to adjust the member's therapy plan and home program weekly or more often than weekly based on the member's progress and medical needs.
 - The member has complex needs requiring ongoing education of the responsible adult.

Low Frequency

- Therapy provided one time per week or every other week may be considered when the documentation shows one or more of the following:
 - The member is making progress toward the member's goals, but the progress has slowed, or documentation shows the member is at risk of deterioration due to the member's development or medical condition.
 - The licensed therapist is required to adjust the member's therapy plan and home program weekly to every other week based on the member's progress.
 - Every other week therapy is supported for members whose medical condition is stable, they are making progress, and it is anticipated the member will not regress with every other week therapy.

Note: As the member's medical need for therapy decreases, it is expected that the therapy frequency will decrease as well.

Maintenance Level/Prevent Deterioration

- **For members who are 20 years of age and younger only, this frequency level (e.g., every other week, monthly, every 3 months) is used when the therapy plan changes very slowly, the home program is at a level that may be managed by the member or the responsible adult, or the therapy plan requires infrequent updates by the skilled therapist. A maintenance level or preventive level of therapy services may be considered when a member requires skilled therapy for ongoing periodic assessments and consultations and the member meets one of the following criteria:**
 - **Progress has slowed or stopped, but documentation supports that ongoing skilled therapy is required to maintain the progress made or prevent deterioration.**
 - **The submitted documentation shows that the member may be making limited progress toward goals or that goal attainment is extremely slow.**
 - **Factors are identified that inhibit the member's ability to achieve established goals (e.g., the member cannot participate in therapy sessions due to behavior issues or issues with anxiety).**
 - **Documentation shows the member and the responsible adult have a continuing need for education, a periodic adjustment of the home program, or regular modification of equipment to meet the member's needs.**
 - **Clear documentation of the skilled interventions rendered and objective details of how these interventions are preventing deterioration or making the condition more tolerable must be provided. The notes must also clearly demonstrate that the specialized judgment, knowledge, and skills of a qualified therapist (as opposed to a non-skilled individual) are required for the safe and effective performance of services in a maintenance program.**

Criteria for Discontinuation of Therapy

- **Discontinuation of therapy may be considered in one or more of the following situations:**
 - **Member no longer demonstrates functional impairment or has achieved goals set forth in the treatment plan or plan of care.**
 - **Member has returned to baseline function.**
 - **Member can continue therapy with a home treatment program and deficits no longer require a skilled therapy intervention and, for members who are 20 years of age and younger only, maintain status.**
 - **Member has adapted to impairment with assistive equipment or devices.**
 - **Member is able to perform ADLs with minimal to no assistance from caregiver.**
 - **Member has achieved maximum functional benefit from therapy in progress or will no longer benefit from additional therapy.**
 - **Member is unable to participate in the treatment plan or plan of care due to medical, psychological, or social complications; and responsible adult has had**

- instruction on the home treatment program and the skills of a therapist are not needed to provide or supervise the service.**
- **Testing shows member no longer has a developmental delay.**
 - **Plateau in response to therapy/lack of progress towards therapy goals. Indication for therapeutic pause in treatments or, for those under age 21, transition to chronic status and maintenance therapy.**
 - **Non-compliance due to poor attendance and with member or responsible adult, non-compliance with therapy and home treatment program.**
 - Member has achieved the maximum therapeutic value of a treatment plan has been achieved, no additional functional improvement is apparent or expected to occur, and the provision of services for a condition ceases to be of therapeutic value.
 - For patients no longer showing functional improvement, a weaning process of one to two months may occur. If the patient shows signs of regression in function, the need for skilled physical or occupational therapy can be re-evaluated at that time. Periodic episodes of care may be needed over a lifetime to address specific needs or changes in condition resulting in functional decline.
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BACKGROUND

Definitions

Habilitative Physical or Occupational Therapy

Treatment provided by a state-**licensed** physical or occupational therapist designed to help a person learn, obtain, maintain, prevent deterioration, or improve age-appropriate skills and functioning for daily living (Amini, 2018; APTA, 2009). These skills may have never been present, lost or impaired due to a congenital, genetic or early acquired condition. There must be measurable improvement and progress towards functional goals within an anticipated timeframe toward a patient's maximum potential. Treatment may also be appropriate in an individual with a progressive disorder when it has the potential to prevent the loss of a functional skill or enhance the adaptation to such functional loss. Ongoing treatment is not appropriate when a steady state of sensorimotor functioning has yielded no measurable functional progress.

Rehabilitative Physical or Occupational Therapy

Treatment provided by a state- **licensed** physical or occupational therapist designed to help a person recover from an acute injury or exacerbation of a chronic condition that has resulted in a decline in functional performance. The specific impact of injury or exacerbation on the patient's ability to perform in their everyday environment must be supported by appropriate tests and measures in addition to clinical observations. Services must be provided within a reasonable time frame (frequency/duration) to restore lost function or to teach compensatory techniques if full recovery of function is not possible.

Maintenance Program

A program established by a licensed therapist that consists of activities and/or mechanisms that will assist the patient in optimizing or maintaining the progress he or she has made during therapy or to prevent or slow further deteriorations due to a diseases or illness.

Medical Necessity

Reasonable or necessary services that require the specific training, skills and knowledge of a physical or occupational therapist in order to diagnose, correct or significantly improve/optimize as well as prevent deterioration or development of additional physical and mental health conditions. These services require a complexity of care that can only be safely and effectively performed by or under the general supervision of a skilled therapist. Services shall not be considered reasonable and medically necessary if they can be omitted without adversely affecting the member's condition or the quality of medical care. A service is also not considered a skilled therapy service merely because it is furnished by a therapist or by a therapy assistant under the direct or general supervision, as applicable, of a therapist. If a service can be self-administered or safely and effectively carried out by an unskilled person, without the direct supervision of a therapist, as applicable, then the service cannot be regarded as a skilled therapy service even though a therapist actually rendered the service. Similarly, the unavailability of a competent person to provide a non-skilled service, notwithstanding the importance of the service to the patient, does not make it a skilled service when a therapist renders the service.

Activities of Daily Living (ADLs)

Essential activities oriented toward taking care of one's own body (also referred to as basic and/or personal activities of daily living). Such activities are fundamental to living in a social world as well as enabling basic survival and well-being. Specific examples include bathing/showering, toileting, dressing, swallowing/eating, feeding, functional mobility, personal device care, personal hygiene/grooming and the functional mobility necessary to perform these activities. The initial evaluation and corresponding plan of care should document baseline impairments as they relate to ADL performance deficits with targeted functional outcomes/goals that are **specific**, measurable, **attainable, relevant** and time **-based (SMART format)**. Subsequent plans should clearly document functional progress toward attainment of these goals in perspective to the patient's potential ability as well as skilled interventions used to target functional outcomes (AJOAT, 2015; AJOT, 2017).

Functional Mobility Skills

They are considered necessary activities of daily life such as ambulation, transfers, and fine motor skills. The initial plan of care documents baseline impairments as they relate to functional skills with goals developed that are **specific**, measurable, **attainable, relevant and time-based (SMART format)**. Subsequent plans of care document progress toward attainment of these goals in perspective to the patients' potential ability.

Sensory Integration Disorder

Sensory integration involves perceiving, modulating, organizing, and interpreting internal sensations from within the body as well as external sensations from the surrounding environment to optimize occupational performance and participation. Deficits in sensory integration can pose challenges in performing activities of daily living, in addition to development, learning, playing, working, socializing and exhibiting appropriate behavior. Differences in interpretation of stimuli can impact motor skills and coordination, further limiting engagement and participation. Sensory processing difficulties can occur across the lifespan. Sensory integrative therapy and evidence-based interventions provide neuroscience-based, cognitive, and/or behavioral approaches that support successful adaptive responses (Kinnealey, 2015).

POLICY HISTORY SUMMARIES:

July 2019

- Definitions were moved to the background so pertinent information was readily available at the beginning of the document.
- Existing definitions were revised to include greater detail with new definitions for *rehabilitative therapy* (for comparative purposes), *medical necessity* and *maintenance program* included.
- Criteria for delay was revised to include clearer and more detailed specifications for functional delays, preferred scoring, and what is required in the absence of standardized testing.
- Criteria for feeding delays were added.
- Additional specifications included for linking testing to the treatment goals, inclusion of functional treatment goals, utilizing appropriate dosing of therapy and specifying skilled interventions.

January 2020

- No content changes following review of the evidence base. Minor copyediting changes.

October 2020

- Added indication of home program compliance for max benefit of therapy as part of updated POC
- Added additional resource which supports episodic care and appropriate frequencies
- Added EPSDT language in policy statement section
- Added annual tests be performed at a minimum of once a year and formalized progress assessment with updated measures at routine intervals may also be needed prior to the one-year mark from previous testing.
- Removed “physician-prescribed” from the medical necessity definition in the background

- Added qualifier for proof of skilled treatment for requested frequencies regardless of level of severity of delay
- Added clarification on need for documentation to support ongoing requested frequencies with showing effective outcomes and reasonable time frames
- Added clarification for when test scores are within normal, yet functional delays are present
- Added teletherapy to the policy statement

September 15, 2021

- **Addition of language from Texas Medicaid Provider Procedures Manual related to frequency and duration, developmental delay**
- **Removal of age equivalency score references**
- **Removal of coordination of services section**

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