

Outpatient Physical and Occupational Therapy Services (National Government Services Local Coverage Determination)

Coverage Guidance

Coverage Indications, Limitations, and/or Medical Necessity

Medical Necessity

To be considered reasonable and necessary, the services must meet Medicare guidelines. The guidelines for coverage of outpatient therapies have basic requirements in common.

In the case of rehabilitative therapy, the patient's condition has the potential to improve or is improving in response to therapy, maximum improvement is yet to be attained; and there is an expectation that the anticipated improvement is attainable in a reasonable and generally predictable period of time. Refer to CMS Publication 100-02, Medicare Benefit Policy Manual, chapter 15, section 220.2(C).

For example, therapy may not be covered for a fully functional patient who developed temporary weakness from a brief period of bed rest following abdominal surgery. It is reasonably expected that as discomfort reduces and the patient gradually resumes daily activities, function will return without skilled therapy intervention.

A therapy plan of care is developed either by the physician/NPP, or by the physical therapist who will provide the physical therapy services, or the occupational therapist who will provide the occupational therapy services, (only a physician may develop the plan of care in a CORF). The plan must be certified by a physician/NPP.

- If the goal of the plan of care is to improve functioning, the documentation must establish that the patient needs the unique skills of a therapist to improve functioning.
- If the goal of the plan of care is to maintain, prevent or slow further deterioration of functional status function or prevent deterioration, the documentation must establish that the patient needs the unique skills of a therapist to maintain, prevent or slow further deterioration of functional status.

All services provided are to be specific and effective treatments for the patient's condition according to accepted standards of medical practice; and the amount, frequency, and duration of the services must be reasonable.

Services related to recreational activities such as golf, tennis, running, etc., are not covered as therapy services.

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The services that are provided must meet the description of skilled therapy below.

Skilled Therapy

Services that do not require the professional skills of a therapist to perform or supervise are not medically necessary, even if they are performed or supervised by a therapist, physician or NPP. The skills of a therapist may also be furnished by an appropriately trained and experienced physician or NPP, or by an assistant (PTA, OTA) appropriately supervised by a therapist. Therefore, if a patient's therapy can proceed safely and effectively through a home exercise program, self management program, restorative nursing program or caregiver assisted program, payment cannot be made for therapy services.

Consider the following when determining if a service is skilled.

The services shall be of such a level of complexity and sophistication or the condition of the patient shall be such that the services required can only be safely and effectively performed by a qualified clinician, or therapists supervising assistants.

Maintenance 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 to maintain functional status or to prevent or slow further deterioration in functional status.

- If the specialized skill, knowledge and judgment of a qualified therapist are required to establish or design a maintenance program to maintain the patient's current condition or to prevent or slow further deterioration, the establishment or design of a maintenance program by a qualified therapist is covered.
- If skilled therapy services by a qualified therapist are needed to instruct the patient or appropriate caregiver regarding the maintenance program, such instruction is covered.
- If skilled therapy services are needed for periodic reevaluations or reassessments of the maintenance program, such periodic reevaluations or reassessments are covered.
- Such skilled care is necessary for the performance of a safe and effective maintenance program only when (a) the therapy procedures required to maintain the patient's current function or to prevent or slow further deterioration are of such complexity and sophistication that the skills of a qualified therapist are required to furnish the therapy procedure or (b) the particular patient's special medical complications require the skills of a qualified therapist to furnish a therapy service required to maintain the patient's current function or to prevent or

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slow further deterioration, even if the skills of a therapist are not ordinarily needed to perform such therapy procedures.

- If at any point in the treatment it is determined that the treatment becomes repetitive and does not require the unique skills of a therapist, the services are non-covered.
- There may be circumstances where the patient, with or without the assistance of an aide or other caregiver, does activities planned by a clinician. Although these activities may be supportive to the patient's treatment, if they can be done by the patient, aides or other caregivers without the active participation of qualified professional/auxiliary personnel, they are considered unskilled.
- An individualized plan of exercise and activity for patients and their caregiver(s) may be developed by clinicians to maintain and enhance a patient's progress during the course of skilled therapy, as well as after discharge from therapy services. Such programs are an integral part of therapy from the start of care and should be updated and modified as the patient progresses.
- If a patient's limited ability to comprehend instructions, follow directions, or remember skills that are necessary to achieve an increase in function, is so severe as to make functional improvement very unlikely, rehabilitative therapy is not required, and therefore, is not covered. However, limited services in these circumstances may be covered with supportive documentation, if the skills of a therapist are required to establish and teach a caregiver a safety or maintenance program.
 - This does not apply to the limited situations where rehabilitative therapy is reasonable and achieving meaningful goals is appropriate, even when a patient does not have the ability to comprehend instructions, follow directions or remember skills. Examples include sitting and standing balance activities that help a patient recover the ability to sit upright in a seat or wheel-chair, or safely transfer from the wheelchair to a toilet.
 - This also does not apply to those patients who have the potential to recover abilities to remember or follow directions, and treatment may be aimed at rehabilitating these abilities, such as following a traumatic brain injury.
- The use of therapy equipment such as therapeutic pools or gym machines alone does not necessarily make the treatment skilled.
- Medicare does not cover packaged or predetermined therapy services or programs, such as Back Schools or pre-operative joint classes with preset educational activities and exercises for all participants involved. Services must be individualized, medically necessary and require the unique skills of a therapist. (Packaged or predetermined therapy services do not apply to post-surgical protocols that provide ranges and guidance.)