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Northwest Utilization Review

UR 43: Outpatient Physical/Occupational/Speech Therapy Medical Necessity Criteria

Department: Utilization Review
Applies To: KPNW Region
Review Responsibility: UROC
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Medical necessity criteria and policy are applied only after member eligibility and benefit coverage is determined. Questions concerning member eligibility and benefit coverage need to be directed to Membership Services.

Medicare: These criteria apply to all Commercial and Medicare members with a rehabilitation/ habilitation benefit; also, see *SPECIAL GROUP CONSIDERATIONS* for additional information.

~~FOR POLICY AND PROCESS, PLEASE SEE UR 43~~, UTILIZATION REVIEW PHYSICAL/OCCUPATIONAL/ SPEECH THERAPY POLICY AND PROCEDURES

PURPOSE: To provide guidelines for the medical necessity of member's outpatient (including Intermediate Care Facility setting) physical therapy, occupational therapy and speech therapy (PT/OT/ST services. This policy does not apply to PT/OT/ST services provided in an inpatient setting, Skilled Nursing Facility or therapies provided through Home Health services.

DEFINITIONS

A. Acute: less than 30 days.

B. Acute exacerbation: A significant increase in frequency, duration, or intensity of symptoms typically associated with a person's existing condition.

C. Subacute: 30 to 90 days.

D. Chronic: greater than 90 days.

E. Maintenance Therapy: any treatment program designed to maintain, prevent, or slow further deterioration of the patient's functional status.

F. Neurodevelopmental Disorder: A congenital or acquired neurologically based condition in which a child does not reach developmental milestones at normative times and fails to master age-appropriate acquired skills such as selfcare, gross and fine motor skills, coordination and motor planning skills, communication skills (including speech, speech with augmentative and alternative communication device, language skills, sensory/motor skills, or swallowing and feeding skills). Residual effects can persist into adulthood.

G. Sustainable: able to be maintained. For purposes of PT, OT, and ST, progress toward goals can be maintained across visits and following discharge.

H. Physicians: for purposes of these criteria, physicians who can refer to PT/OT/ST are (1) a doctor of medicine or osteopathy; (2) a doctor of dental surgery or of dental medicine; (3) a doctor of podiatric medicine; (4) a doctor of optometry; or (5) a chiropractor. See REFERENCES section for entire definition of Physicians, as defined in 1861(r)(1) of the Social Security Act.

MEDICAL NECESSITY CRITERIA FOR PHYSICAL, OCCUPATIONAL and SPEECH THERAPY

Initiation Criteria

Outpatient physical therapy, occupational therapy and speech therapy are considered medically necessary when all of the following criteria are met:

A. For initial evaluation

1. the member is referred by an examining *physician, physician assistant, or nurse practitioner
   *See REFERENCES and DEFINITIONS sections for definition of *Physicians*, as defined by the Social Security Act
2. the member's condition is acute, subacute, neurodevelopmental, an acute exacerbation of a chronic condition or a function-limiting chronic condition,
3. the member's condition can be expected to show measurable, significant, sustainable functional improvement within a reasonable and generally predictable period of time as a result of the prescribed therapy

B. For initiation of therapy treatment

1. the prescribed therapy services are of the complexity and nature to require that they be performed by a licensed PT, OT, or ST provider,
2. the therapy plan of care includes the member's diagnosis, initial objective status, with planned treatment interventions to address the identified impairments, treatment frequency and duration; measurable, time-specific, functional goals for therapy; and expected potential for achievement of goals.
3. Treatment does not duplicate services provided by other types of therapy, or services provided in multiple settings, including but not limited to those provided as part of an individual educational plan (IEP) or an individual service plan (ISP).
4. For pediatric members (also see **Special Group Considerations** below):
   a. when the member falls below the 16th percentile (1.0 SD below the mean) on a standardized test that requires clinician-observed member performance and is consistent with professional standard of practice. For those members whose deficits negate the validity of a standardized test, they must demonstrate, through clinician-observed member performance, a clinically significant impairment using a norm-referenced developmental assessment. Clinically-based surveys that do not require observation by a skilled provider cannot be the sole determining factor in qualifying for therapy treatment approval, however will be considered in the overall determination of medical necessity.

b. for Pediatric Speech/Articulation disorder, the evaluating Speech Language Pathologist has determined that the articulation deficits are not expected to improve with normal maturation.

NOTE: If a referral is made to a PT/OT/ST provider outside of KP, or out of the plan service area, it must be authorized by the Regional Referral Center.

Continuation Criteria

Continued outpatient physical therapy, occupational therapy and speech therapy are considered medically necessary when all of the following criteria are met:

1. Member continues to meet initiation criteria
2. Documentation establishes evidence of clinically significant objective measurable improvement AND evidence of observable improvement in functional task performance in at least 50% of established goals, as compared to most recent reporting period.
3. There is documented evidence that the member and/or caregiver are participating in and adhering to a home exercise program (HEP).
4. Member has not yet met discontinuation criteria.

Therapy extension requests require the following documentation to be submitted in order for requests to be reviewed:

1. Progress report that addresses each treatment goal, with inclusion of member's initial status, last reporting period status and current reporting period status, with specific reference to the parameters outlined in previous status. Objective measure parameters must be consistent across reporting periods.
2. Planned treatment techniques and interventions are detailed including amount frequency and duration required to achieve ongoing progress toward functional, measurable goals.
3. Identification of any health conditions or other factors which could impede the member's ability to benefit from treatment.
4. Summary of member's response to therapy, with documentation of any issues which have limited progress.
5. Brief prognosis statement with clearly established discharge criteria.
6. An explanation of any significant changes to the member's Plan of care, and the clinical rationale for revising the treatment plan.
7. Reevaluation
   a. For pediatric members: Retesting with norm referenced or criterion-reference standardized tools for re-evaluations is required annually for chronic or developmental conditions. Tests must be age appropriate for the child being tested and providers must use the same testing as used in the initial evaluation. If re-use of the initial testing instrument is not appropriate ie due to change in client status or restricted age range of the testing tool, the provider must justify the change.

Discontinuation of Therapy

Continued outpatient physical therapy, occupational therapy and speech therapy are considered not medically necessary in the following situations:

- Member no longer demonstrates functional impairment or has achieved goals set forth in the POC or has returned to their prior level of function.

- Member has adapted to impairment with assistive/adaptive equipment or devices
- Member has been receiving services over an extended period and it cannot be determined whether the progress is due to therapeutic intervention or natural development
- Member is unable to participate in the plan of care due to medical, psychological, or social, complications
- Member (and/or family/caregiver) is non-compliant with Home Exercise Program and/or lacks participation in scheduled therapy appointments
- For Pediatric members, if the member scores equal to, or less than 1.0 standard deviation below the mean on a standardized test that is consistent with professional standard of practice.
- Member does not meet continuation criteria

Determination for consideration of a new episode of therapy intervention

The member may be eligible for a new evaluation/reassessment no sooner than 6 months following the end of the prior episode of care unless there has been a significant change in member's condition that justifies additional consideration for therapy services.

Exclusions and Limitations

Physical, Occupational, and Speech Therapy services are not covered in the following circumstances:

- For maintenance therapy for chronic conditions **except for members on a Washington group or Washington individual contract with a neuro-developmental condition, maintenance therapy is covered when, in the judgment of a KP practitioner, the condition would result in significant deterioration without such treatment. Neuro-developmental disorders include a broad spectrum of disabilities, delays in normal development and/or impairments in functional activity.**
- For drills, techniques, and exercises after completion of medically necessary therapy. This includes sports-enhancement therapy. The member is responsible for practicing independent community program, including learned drills, techniques, and exercises to preserve or enhance the present level of function and prevent regression of that function.
- For instruction of a secondary language.
- Self-correcting disorders (e.g. natural dysfluency or articulation errors that are self-correcting)
- Support groups
- A member whose impairments/goals are related to skills that are routinely taught as part of a school curriculum will be deemed educationally, rather than medically necessary, and the member will be referred to the School/District to obtain services, regardless of IEP status
- Summer programs for therapy normally provided by school districts during the school year
- Any service, program, or procedure performed in a non-conventional setting (this includes, but is not limited to camps, educational, vocational, recreational settings, or in the member's home (unless member resides in ICF.)
- Any treatment that is considered investigational or unproven within the professional community.
- Virtual rehabilitation services must be limited to 25% of total visits within episode of care.
- See Aquatic Therapy Section below.

AQUATIC THERAPY*

Aquatic therapy is a type of physical therapy or occupational therapy intervention. Scope of services will be limited to development of an independent pool therapy program that the member (and caregiver, as indicated) can perform upon discharge from skilled services.
To be considered for authorization for aquatic based therapy, the member must have demonstrated an inability to tolerate exercise for rehabilitation under gravity-based weight bearing conditions (land-based therapy) according to the following criteria:

1. Failed trial of land-based therapy*:
    - trial of at least 6 sessions within 3 consecutive months

    WITH:

    - therapist-documented insufficient progress towards established

    AND

    - Recommendation for Aquatic Therapy

        *A licensed Physical Therapy or Occupational Therapy provider may request an exception of the stated visit requirement for land-based therapy should they determine, during the course of such intervention, that further participation in land-based program would be detrimental to member's rehabilitation process, and that aquatic therapy is clinically indicated. Such exceptions are subject to UM review.

*Some insurance policies exclude aquatic therapy. See EOC for exclusions and limitations.

SPECIAL GROUP CONSIDERATIONS

NOTE: In response to the Washington Supreme court ruling in the O.S.T. v. Regence case, the OIC had instructed carriers to amend their 2015 filings to remove the age limits for neurodevelopmental therapies related to conditions found in the Diagnostic and Statistical Manual of Mental Health Disorders.

NOTE: Due to the legal, Federal and State guidance on the PPACA and Mental Health parity, treatment of mental health disorders is considered an essential health benefit (EHB) and no PT/OT/ST visit limits will be applied when treatment is associated with a mental health diagnosis (as indicated by F codes) and is medically necessary.

Source	Policy
For Medicare Members:	
CMS National Coverage Manuals	None
National Coverage Determinations (NCD)	None
Local Coverage Determinations (LCD)	None

Local Coverage Articles (for reference only)	None
Kaiser Permanente Medical Policy	Criteria apply As a result of the Jimmo v. Sebelius Settlement Agreement: January 2014 revisions to the Medicare Benefit Policy Manual related to Skilled Nursing facility, Home Health and Outpatient skilled care clarified that a beneficiary's lack of restoration potential cannot serve as the basis for denying coverage in this context. Rather, such coverage depends upon an individualized assessment of the beneficiary's medical condition and the reasonableness and necessity of the treatment, care, or services in question. Moreover, when the individualized assessment demonstrates that skilled care is, in fact, needed in order to safely and effectively maintain the beneficiary at his or her maximum practicable level of function, such care is covered (assuming all other applicable requirements are met). Conversely, coverage in this context would not be available in a situation where the beneficiary's maintenance care needs can be addressed safely and effectively using nonskilled personnel.

Insurance Type other than Medicare	Criteria Policy Application
For Commercial Members:	
Oregon Commercial	Criteria apply
Oregon Choice Products (includes Added Choice/Point of Service (POS), Dual Choice, PPO+)	Subject to Prior Authorization List. If prior authorization is required, criteria apply.
Washington Commercial	Criteria apply. See ***WA SB 5887** below re: authorizing PT/OT/ST services.
Washington Choice Products (includes Added Choice/Point of Service (POS), Dual Choice, PPO+)	Subject to Prior Authorization List. If prior authorization is required, criteria apply. See ***WA SB 5887** below re: authorizing PT/OT/ST services.
For Medicaid Members:	
Oregon Medicaid	UR43 criteria applies to all members. Members 21 years old and older are subject to Prioritized List of Healthcare Services; however members under 21 years of age are not subject to Prioritized List of Healthcare Services and are reviewed for medical necessity under UR43.
Washington Medicaid (Molina)	Do not apply, subject to WAC 182-545-200 (7)
For Other LOB's:	
Self-Funded	Criteria apply
Employee Retirement Income Securities Act (ERISA)	Criteria apply
Federal Employees Benefit Program (FEHBP)	Criteria apply
DC Congressional	Criteria apply

**Washington Senate Bill 5887 states that health carriers cannot require utilization management or review, including prior, concurrent, or post-service authorization, for an initial evaluation and management visit and up to six treatment visits in a new episode of care. This applies to services such as chiropractic, physical therapy, occupational therapy, acupuncture and Eastern medicine, massage therapy, and speech and hearing therapies.*

REFERENCES

Physicians - as defined in 1861(r)(1) of the Social Security Act: The term "physician", when used in connection with the performance of any function or action, means
(1) a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the State in which he performs such function or action (including a physician within the meaning of section 1101(a)(7)),
(2) a doctor of dental surgery or of dental medicine who is legally authorized to practice dentistry by the State in which he performs such function and who is acting within the scope of his license when he performs such functions,
(3) a doctor of podiatric medicine for the purposes of subsections (k), (m), (p)(1), and (s) of this section and sections 1814(a), 1832(a)(2)(F)(ii), and 1835 but only with respect to functions which he is legally authorized to perform as such by the State in which he performs them,
(4) a doctor of optometry, but only for purposes of subsection (p)(1) of this section and with respect to the provision of items or services described in subsection (s) which he is legally authorized to perform as a doctor of optometry by the State in which he performs them, or
(5) a chiropractor who is licensed as such by the State (or in a State which does not license chiropractors as such, is legally authorized to perform the services of a chiropractor in the jurisdiction in which he performs such services), and who meets uniform minimum standards promulgated by the Secretary, but only for the purpose of sections 1861(s)(1) and 1861(s)(2)(A) and only with respect to treatment by means of manual manipulation of the spine (to correct a subluxation) which he is legally authorized to perform by the State or jurisdiction in which such treatment is provided.
For the purposes of section 1862(a)(4) and subject to the limitations and conditions provided in the previous sentence, such term includes a doctor of one of the arts, specified in such previous sentence, legally authorized to practice such art in the country in which the inpatient hospital services (referred to in such section 1862(a)(4)) are furnished.

CLINICAL

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