

# Utilization Management (UM) Criteria for Occupational and Physical Therapy Services - Medicare

## Utilization Management Criteria Statement

- **Principles**
- **Diagnostic and Treatment Indications for Medically Necessary Occupational and Physical Therapy Services**
- **Circumstances which Occupational or Physical Therapy Services May Not Be Medically Necessary**
- **Process**
- **NCAL Approving Bodies**
- **UM Criteria References**

## Utilization Management Criteria Statement

This document includes criteria that supports utilization management (“UM”) of certain provider requested health care services. (Refer to the “UM Criteria References” section, below.)

UM occurs when a qualified practitioner other than the treating clinician reviews the treating clinician’s request against UM criteria. The qualified practitioner is in the position to approve, deny, delay or modify the service request based on a determination of medical necessity. These criteria are consistent with professional standards of practice and provided for your reference.

If you are in a treatment relationship with a member, then your clinical recommendations are not subject to these criteria. Your treatment recommendations are guided by your professional judgment and informed, where applicable, by clinical practice guidelines and clinical support tools found in the UM Criteria References section, below.

## Principles

The Permanente Medical Group, Inc. (“TPMG”) and Southern California Permanente Medical Group (“SCPMG”) provide occupational and physical therapy services when medically necessary.

**Occupational therapy** provides task-oriented therapeutic activities and exercises designed to significantly improve, develop or restore physical functions lost or impaired; or to help an individual relearn daily living skills or compensatory techniques to improve the level of independence in the activities of daily living.

**Physical therapy** is a dynamic profession with an established theoretical and scientific base and widespread clinical applications in the restoration and promotion of optimal physical function. Physical therapists diagnose and manage movement dysfunction and enhance physical and functional abilities.

## Diagnostic and Treatment Indications for Medically Necessary Occupational and Physical Therapy Services

The following identifies the diagnostic and treatment indications for which occupational or physical therapy services may be medically necessary plus other considerations in determining medical necessity.

**Musculoskeletal Pathology or Dysfunction**, including limitations in joint range of motion and/or mobility, deterioration from previous function of muscle strength and/or decreased endurance, soft tissue dysfunction, alterations in postural control and alignment.

**Neuromuscular Pathology or Dysfunction**, including deterioration from previous function or significant delay of gross and/or fine motor coordination, alterations in tone- increased or decreased, deterioration from previous function or significant delay of motor planning skills, deterioration from previous function or significant delay of balance, loss of selective motor control, decrease in bilateral integration.

**Neurocognitive Pathology or Dysfunction**, including evaluation and treatment for sensory deficits when they impact overall health or cause significant impairment of function when there is a reasonable expectation that treatment will lead to improvement in health or function. Therapy is not provided for sensory disorders in the absence of a functional impairment.

**Pathology or Dysfunction of the Vascular System**, including primary or secondary lymphedema, edema and venous stasis.

**Pathology or Injury to Skin**, including burns and/or scars following injury or surgery, open wounds.

**Design of Maintenance Activities**, including physical exercise, drills, techniques that a patient performs outside of therapy or after any therapy has concluded.

**Assessments of Impairment**, including appropriate assessments as part of a multidisciplinary or interdisciplinary team of motor skills and/or activities of daily living impairment; appropriate assessments of post therapy functions and periodic reviews of appropriate maintenance activities.

**Significant delay**, when considering services for individuals with developmental delays and disorders shall take into account the following considerations:

1. Whether the individual scores below the 7th percentile for the lower of his or her chronological age or developmental level (also calculated as 1.5 standard deviations below the

- member's expected mean) on a standardized test used in the evaluation of activities of daily living or motor skills; OR
2. If the individual at any age is not able to participate in standardized testing (whether because of age or inability to understand or cooperate in the testing process), an occupational therapist or physical therapist designated by PMG has determined that the individual has a delay in activities of daily living or motor skills commensurate with consideration (a).

Occupational and physical therapy services are those that require the skills of licensed providers of physical therapy and occupational therapy, within such provider's scope of practice, and in accordance with law.

Occupational and physical therapy services are provided on an episodic basis.

Inpatient occupational and physical therapy services may be provided in the hospital, as appropriate.

Outpatient physical therapy and occupational therapy services are provided episodically in the physical therapy or occupational therapy medical office.

Home health occupational and physical therapy may be prescribed as part of a home health care plan and provided episodically in the home.

Note:

- Therapies, interventions and techniques for some behavioral and psychological symptoms of behavioral health care conditions, including developmental conditions, may be available from PMG behavioral health care providers or speech and language pathologists.

## General principles governing intervention for occupational and physical therapies

Occupational or physical therapy services can be indicated where there is a reasonable expectation of functional progress, as determined by a physical or occupational therapist, as applicable, and a PMG physician who is competent to evaluate the specific clinical issues involved in the healthcare services requested, such that the patient will achieve:

1. significant, measurable improvement in the patient's mobility or basic activities of daily living functions beyond what would have been expected through the normal course of maturation or healing without the services; OR
2. significant, measurable reversal of deterioration from previous levels or significant measurable improvement beyond what would have been expected through the normal course of maturation or healing without the services.

Determinations regarding a "reasonable functional progress" (as referenced above) shall be based upon evidence-based medicine.

Reasonable functional progress shall also take into consideration whether, in the clinical judgment of a licensed occupational or physical therapist, as appropriate, an individual is an appropriate candidate for occupational or physical therapy based on the following: (a) ability to participate in and/or benefit from the therapy process; (b) adequate attention span, cooperation, and endurance to participate in active treatment in the therapy process; (c) demonstration of behavior conducive to engaging in the therapy process; and (d) reasonable ability to generalize the therapy from the episodic sessions.

## Circumstances which Occupational or Physical Therapy Services May Not Be Medically Necessary

Some of these circumstances in which physical or occupational therapy may not be medically necessary are described below:

- **Individualized Education Program (IEP) Development**--Services requested by educational systems for development of an IEP. However, reports describing medically necessary physical or occupational therapy services rendered according to these guidelines may also be provided to educational systems for the development of an IEP at the request of the patient.
- **Recreational therapy**
- **Activities that provide diversion or general motivation** (e.g. encouraging participation in sports, adaptive PE, weight loss)
- **Specialized job testing** for the sole purpose of determining a person's ability to perform a particular job
- **Services solely for palliative purposes**, including massage and whirlpool
- **Non-evidence-based techniques** such as Alexander technique, cranio-sacral therapy, rolfing.
- **Exercise Programs for healthy individuals**, including development and delivery of exercise programs; assisted walking
- **Maintenance programs.** Drills, techniques and exercises after completion of medically necessary physical or occupational therapy services to preserve the patient's present level of function and prevent regression of that function. Maintenance begins when the therapeutic goals of the treatment plan have been achieved or when no further functional progress is apparent or expected to occur. Maintenance does not require the skills of a qualified provider of physical or occupational therapy services. The patient is responsible for practicing learned drills, techniques and exercises to preserve his or her present level of function and prevent regression of that function. Maintenance includes ongoing supervision of independent exercise programs, supervision/observation of activities of daily living, and supervision of independent transfer activities.
- **Duplicative rehabilitative therapy:** When individuals receive ABA, physical, occupational, or speech therapy, the therapists should provide different treatments that reflect each therapy discipline's unique perspective on the individual's impairments and functional deficits, and not duplicate the same treatment.

## Process

### Occupational or Physical Therapy Evaluation

A patient with an indication for which occupational or physical therapy services may be medically necessary will be assessed by a licensed occupational or physical therapist. The occupational or physical therapy evaluation must be documented in the patient's medical record. That documentation must include the occupational or physical therapist's findings of the assessment and treatment recommendations.

## Consideration for Enrollment in Occupational or Physical Therapy

Enrollment in occupational or physical therapy services will be determined by the clinical judgment of a licensed occupational or physical therapist, which may include a contracted licensed occupational or physical therapist, in conjunction with the patient's PMG referring physician.

## Plan of Care

**Documentation Requirements:** The following care plan is required for occupational or physical therapy services:

1. Occupational or physical therapy should be provided in accordance with an ongoing, written care plan.
2. The care plan should include sufficient information to determine the medical necessity of treatment. The care plan should be specific to the diagnosis, presenting symptoms, and findings of the physical or occupational therapy evaluation. The care plan should provide for coordination of care with other members of the patient's health care team.
3. The care plan must be signed by the patient's PMG referring physician and occupational or physical therapist, when the therapist is not a KFH or PMG employee, or as required by law.
4. The care plan should include:
  1. The diagnosis and treating diagnosis.
  2. The date of onset or exacerbation of the disorder/diagnosis.
  3. Specific statements of goals.
  4. Quantitative objectives measuring current and/or age-adjusted level of functioning.
  5. A reasonable estimate of when the goals will be reached.
  6. The specific treatment techniques and/or exercises to be used in treatment.
  7. The frequency and duration of treatment.
  8. The frequency of patient re-evaluation.
5. The care plan should be ongoing and periodically updated based on reassessment, and treatment should demonstrate reasonable functional progress:
  1. The patient should be reassessed regularly, and there should be documentation of progress made toward the goals of occupational or physical therapy.
  2. The treatment goals and subsequent documentation of treatment results should specifically demonstrate that occupational or physical therapy services are contributing to such improvement.

## Continuation of Therapy

Continuation of therapy is based on significant, measurable improvement in the patient's condition based on the written care plan and the clinical judgment of the treating physical or occupational

therapist or healthcare professional who is competent to evaluate the specific clinical issues involved in the healthcare services requested by the provider such as those by a licensed physician or occupational or physical therapist. Regular evaluation of the patient is required to determine that continuation of therapy is medically appropriate.

## Discontinuation of Therapy

Occupational and physical therapy services will be discontinued when:

1. The patient has reached an age-appropriate function (less than or equal to 1 SD below the mean, greater than or equal to a standard score of 85 or greater than or equal to the 16<sup>th</sup> percentile), OR
2. The patient is able to safely access their environment with supervision (i.e. walking on the grass, getting in and out of a shower, ascending and descending stairs) OR
3. There has been failure to show progress in the patient's mobility or basic activities of daily living functions beyond what would have been expected through the normal course of maturation without the services, over a reasonable period of time but no less than 3 months, OR
4. There is an inability to benefit from therapy related to but not limited to: attention or behavior difficulties, poor attendance and/or poor compliance with home program.

Discontinuation or graduation from occupational nor physical therapy follows clinical justification and documentation of the rationale for the discontinuation/graduation from treatment.

At any time after therapy has been discontinued for the above reasons, the patient may be referred for an updated occupational or physical therapy evaluation to determine the medical necessity of resuming therapy.

These criteria address the medical necessity of existing, generally accepted services and technologies. PMG physicians can use these criteria as a resource. The criteria are not meant to replace the independent clinical judgment of the physician.

## NCAL Approving Bodies

TPMG Head & Neck Surgery Chiefs of Service	7/7/11, 8/3/18
TPMG Pediatric Chiefs of Service	7/5/11, 8/3/18
TPMG Physical Medicine & Rehabilitation (PM&R) Managers	7/5/11
TPMG Physical Medicine & Rehabilitation (PM&R) Chiefs of Service	7/7/11, 7/2012, 11/18/15
TPMG Chiefs of Pediatric Physical Medicine and	7/2012

Rehabilitation (PM&R) (Pedi Rehab)	
Regional Center Review Committee	7/2012
Director, Pediatric Developmental Disabilities Office	8/2/13, 11/11/15, 8/3/18
	7/20/11, 7/25/12, 8/13/13, 7/23/14, 7/29/15, 2/24/16
APICs for Outside Services	8/23/17,8/22/18, 8/28/19,8/24/20
Resource Management Committee (RMC)	8/3/11, 6/14/12, 9/5/12, 8/13/13, 7/29/14, 7/28/15, 12/22/15, 8/22/17, 8/28/18, 9/24/19, 8/25/20, 12/22/20, 01/26/21, 08/24/21, 05/24/22, 07/25/23, 08/27/2024
Quality Oversight Committee	8/13/11, 6/13/12, 8/14/13, 9/10/14, 9/9/15, 1/13/16, 11/8/17, 10/10/18, 10/9/19, 04/14/21, 07/13/22

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- <https://www.aota.org/~media/Corporate/Files/Advocacy/State/Resources/PracticeAct/Model%20Definition%20of%20OT%20Practice%20%20Adopted%2041411.pdf>
- Self-Care Measurement Tool Selection: Clearing the Confusion, OTcourses.com, By Wendy K. Anemaet, DPT, PhD, GCS, CWS, GTC, COS-C Michelle E. Moffa-Trotter, PT, GTC

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