

# Clinical Policy: Physical, Occupational, and Speech Therapy Services

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Revision Log

## Description

To provide guidelines for the authorization of outpatient or home care speech therapy, occupational therapy, and/or physical therapy evaluation and treatment services. Initial evaluation requirements are based on the individual benefit contract.

*Note: This policy should only be used if there is no relevant clinical decision support criteria.*

## Policy/Criteria

- I. It is the policy of PA Health & Wellness<sup>®</sup> (PHW), that *outpatient speech therapy, occupational therapy, and/or physical therapy services* is considered medically necessary when all the following criteria are met:
  - A. Signs and symptoms of physical deterioration or impairment in one or more of the following areas, or for prevention of disability in one or more of the following areas:
    1. Sensory/motor ability;
    2. Functional status as evidenced by inability to perform basic activities of daily living (ADLs) and/or mobility;
    3. Cognitive/psychological ability;
    4. Cardiopulmonary status;
    5. Speech/language/swallowing ability/cognitive-communication disorders that result in disability;
  - B. Treatment is ordered by an examining physician or other qualified healthcare professional (e.g., nurse practitioner, physician's assistant, etc.), and a formal evaluation is conducted by a licensed/registered speech, occupational, or physical therapist. The evaluation must include all of the following:
    1. History of illness or disability;
    2. Relevant review of systems;
    3. Pertinent physical assessment;
    4. Current and previous level of functioning;
    5. Tests or measurements of physical function;
    6. Potential for improvement in the patient's physical function;
    7. Recommendations for treatment and patient and/or caregiver education;
  - C. Treatment requires the judgment, knowledge, and skills of a licensed/registered therapist or therapy assistant and cannot be reasonably learned and implemented by non-professional or lay caregivers. Repetitive therapy drills which do not require a licensed/certified professional's feedback are not covered services;
  - D. Treatment meets accepted standards of discipline-specific clinical practice and is targeted and effective in the treatment of the diagnosed impairment or condition;
  - E. Treatment does not duplicate services provided by other types of therapy or services provided in multiple settings;
  - F. Treatment conforms to a plan of care (POC) specific to the diagnosed impairment or condition. The written POC signed by the therapist must include all of the following:

1. Diagnosis with date of onset or exacerbation;
2. Short- and long- term functional treatment goals are specific to the diagnosed condition or impairment, and measurable relative to the anticipated treatment progress. Planned treatment techniques and interventions are detailed, including amount, frequency, and duration required to achieve measurable goals;
3. Education of the member/enrollee and primary caregiver, if applicable. This should include a plan for exercises/interventions to be completed at home between sessions with the therapist;
4. A brief history of treatment provided to the member/enrollee by the current or most recent provider, if applicable;
5. A description of the current level of functioning or impairment, and identification of any health conditions which could impede the ability to benefit from treatment;
6. Most recent standardized evaluation scores, with documentation of age equivalency, percent of functional delay, or standard deviation (SD) score, when appropriate, for the diagnosis/disability;
7. Any meaningful clinical observations, summary of a member's/enrollee's response to the evaluation process, and a brief prognosis statement;
8. Member/enrollee agrees to participation and plan of care;

Note: Standardized scores  $\geq 1.5$  SD below the mean (except where state requirements are more stringent) may qualify as medically necessary as defined by age equivalent/chronological age; however, such a score may not be used as the sole criteria for determining eligibility for initial or continuing treatment services.

G. Treatment is expected to do one of the following:

1. Produce clinically significant and measurable improvement in the level of functioning within a reasonable, and medically predictable period of time;
2. Prevent significant functional regression as part of a medically necessary program. Note: If under age 21 and a clinical and functional plateau is achieved, the provider adjusts the POC and provides monthly (or as appropriate) reassessments to update and modify the home care program. If functional level is in jeopardy or declining, the POC can be adjusted accordingly by the therapy provider;
3. Address likely loss or regression of present level of function within a reasonable and medically predictable period of time, and the member/enrollee is receiving medically necessary early and periodic screening, diagnosis and treatment (EPSDT) therapy;

Note: Where appropriate, nationally recognized clinical decision support criteria will be used as a guideline in the medical necessity decision making process.

H. If treatment is to be performed in the home, all of the following:

1. The treatment can be safely and adequately performed in the home environment;
2. The diagnosed impairment or condition makes transportation to an outpatient rehab facility impractical or medically inappropriate.

**II.** It is the policy of PHW that *continued authorization for outpatient speech therapy, occupational therapy, and/or physical therapy services* is considered **medically necessary** when all the following criteria are met:

- A. Treatment progress must be clearly documented in an updated POC/current progress summary signed by the therapist, and submitted by the requesting provider at the end of each authorization period and/or when additional visits are being requested. Documentation must include the following:
1. Updated standardized evaluation scores with documentation of age equivalency, percent of functional delay, or SD score, if applicable;
  2. Objective measures of functional progress relative to each treatment goal and a comparison to the previous progress report;
  3. Summary of response to therapy with documentation of any issues which have limited progress;
  4. Documentation of member/enrollee participation in treatment, or caregiver's participation if member/enrollee is unable to participate in treatment;
  5. Documentation of participation in or adherence with a home exercise program (HEP), if applicable;
  6. Brief prognosis statement with clearly established discharge criteria;
  7. An explanation of any significant changes to the POC and the clinical rationale for revising the POC;
  8. Prescribed treatment modalities with anticipated frequency and duration;
  9. Physician or other qualified healthcare professional (e.g., nurse practitioner, physician's assistant, etc.) signature must be on the POC or on a prescription noting the service type;
  10. If applicable, Individualized Family Service Plan/Individualized Education Program (IFSP/IEP) or attestation is submitted and verifies no duplication of services for children with developmental delays.
- B. If treatment is to be performed in the home, all of the following:
1. The treatment can be safely and adequately performed in the home environment;
  2. The diagnosed impairment or condition makes transportation to an outpatient rehab facility impractical or medically inappropriate.

**III.** It is the policy of PHW that *discontinuation of outpatient speech therapy, occupational therapy, and/or physical therapy services* is considered **medically necessary** when all the following criteria are met:

- A. Reasons for discontinuing treatment may include, but are not limited to, the following:
1. Treatment goals have been achieved as evidenced by one or more of the following:
    - a. No longer demonstrates functional impairment or has achieved goals set forth in the POC;
    - b. Has returned to baseline function;
    - c. Will continue therapy with a HEP;
    - d. Has adapted to impairment with assistive equipment or devices;
    - e. Is able to perform ADLs with minimal to no assistance from caregiver;
  2. A functional plateau in progress has been reached, or additional therapy will no longer be beneficial;

- a. A denial of treatment due to “failure to benefit or progress” may be made in those cases when a condition or developmental deficit being treated has failed to be ameliorated or effectively treated despite the application of therapeutic interventions in accordance with the POC, or if maximum medical benefit has been achieved;
3. Unable to participate in the POC due to medical, psychological, or social complications;
4. Non-compliance with a HEP and/or lack of participation in scheduled therapy appointments;
- B. Treatment(s) may be re-instituted in accordance with this policy should a documented regression occur.

**IV.** It is the policy of PHW that *reevaluation authorization for outpatient speech therapy, occupational therapy, and/or physical therapy services* is considered **medically necessary** when all the following criteria are met:

- A. A formal reevaluation by a licensed/registered therapist is considered medically necessary up to once every six months when there is documentation of one of the following (but is not a requirement for assessing the need for continued treatment):
  1. New clinical findings or a significant change in condition that was not anticipated in the POC;
  2. Failure to respond to therapeutic interventions outlined in the POC.

### **Background**

Physical and occupational therapy are defined as therapeutic interventions and services that are designed to improve, develop, correct or ameliorate, rehabilitate or prevent the worsening of physical functions and functions that affect activities of daily living (ADLs) that have been lost, impaired or reduced as a result of an acute or chronic medical condition, congenital anomaly or injury. Various types of interventions and techniques are used to focus on the treatment of dysfunctions involving neuromuscular, musculoskeletal, or integumentary systems to optimize functioning levels and improve quality of life.<sup>1,2</sup>

Speech therapy is defined as services that are necessary for the diagnosis and treatment of speech and language disorders that result in communication disabilities and for the diagnosis and treatment of swallowing disorders (dysphagia), regardless of the presence of a communication disability. Speech therapy is designed to correct or ameliorate, restore or rehabilitate speech/language communication and swallowing disorders that have been lost or damaged as a result of chronic medical conditions, congenital anomalies or injuries.<sup>3</sup>

“Medically Necessary Services” refers to services or treatments ordered by an examining physician or other qualified healthcare professional (e.g., nurse practitioner, physician’s assistant, etc.) which, pursuant to the early and periodic screening, diagnosis and treatment (EPSDT) Program, diagnose or correct or significantly ameliorate defects, physical and mental illnesses, and health conditions. “Correct” or “ameliorate” means to optimize a health condition, to compensate for a health problem, to prevent serious medical deterioration, or to prevent the development of additional health problems.<sup>4</sup>

Reviews, Revisions, and Approvals	Revision Date	Approval Date
Policy developed, language included to address therapy services in the HCBS setting to ensure maintenance of safety/functionality in the home as defined in PCSP.	09/18	
Minor wording change in section IF. Children with Developmental Delays Section II: Removed initial paragraph as informative; Clarified ability to request IEP in IIA and revised accordingly; Due to duplication, moved and combined as follows: IIA to IG, IIB to IIIB, IID to IVA2, IIE to IVB, IIF to IIIA8. Outpatient/Home Health Utilization Guidelines Section I: Due to duplication, moved and combined as follows: IA to IIA, (old IIB) and IC to IIB; Removed IB as duplicative.	02/19	03/19
Removed statement from “initial request” section that up to 6 months of treatment may be authorized at a time. Added note before criteria that this policy should only be used if there is no other relevant clinical decision support criteria. In continued authorization, clarified that documentation notes member/caregiver’s participation in treatment, and split out from criteria regarding HEP. In section IV on home care, noted that the Member/Enrollee must meet criteria in sections I or II. References reviewed and updated. Specialist reviewed	12/2020	
Removed section on school based services from I.E.1. Added criteria to section IV. for a formal reevaluation, requiring that there must be documentation of new clinical findings or a significant change in condition, or a failure to respond to therapeutic interventions outlined in the POC. Replaced "member" with "member/enrollee." In I.B, noted that treatment order can come from “other qualified health professional,” with examples, as well as a physician; added “other qualified healthcare professional” with examples to II.A.9, and the background. References reviewed, updated, and reformatted. Revised wording with no clinical significance. Changed “review date” in the header to “date of last revision” and “date” in the revision log header to “revision date.”	10/2021	
Annual review completed. Reorganized criteria in section I.G and reworded G.3. with no clinical significance. Changed I.H. to a note. References reviewed and updated. Specialist reviewed.	2/22/2023	
Annual review. Minor rewording throughout Criteria section with no impact on policy criteria. Removed Criteria I.F.6.a. and added as a notation. Added Criteria I.F.8. that member/enrollee agrees to participation and plan of care. Added Criteria I.H. and Criteria II.B. regarding treatment to be performed in the home. Removed Criteria V. and Criteria VI. Background updated with no impact on criteria. References reviewed and updated. Reviewed by internal specialist.	06/2023	09/2023

**References**

1. American Physical Therapy Association (APTA). Standards of practice for physical therapy (2020). <https://www.apta.org/siteassets/pdfs/policies/standards-of-practice-pt.pdf>. Accessed May 17, 2023.
2. Revised by the Commission on Practice, 2020:, Casto SC, Davis C, et al. Standards of Practice for Occupational Therapy. *Am J Occup Ther.* 2022;75(Supplement\_3):7513410030. doi:10.5014/ajot.2021.75S3004
3. American Speech Language Hearing Association. Speech-language pathology medical review guidelines. (2015). <https://www.asha.org/practice/reimbursement/SLP-medical-review-guidelines/>. Accessed May 17, 2023.
4. Centers for Medicare and Medicaid Services (CMS). Early and periodic screening, diagnostic, and treatment (EPSDT). <https://www.medicaid.gov/medicaid/benefits/early-and-periodic-screening-diagnostic-and-treatment/index.html> Accessed May 08, 2023.
5. Change Healthcare InterQual<sup>®</sup> criteria.
6. American Physical Therapy Association (APTA). Guidelines: physical therapy documentation of patient/client management). <https://www.apta.org/siteassets/pdfs/policies/guidelines-documentation-patient-client-management.pdf>. Accessed May 12, 2023.
7. World Physiotherapy. Standards of physical therapy practice guideline. (Revised 2011). <https://world.physio/sites/default/files/2020-07/G-2011-Standards-practice.pdf>. Accessed May 22, 2023.