



# Guidelines for Medical Necessity Determination for Occupational Therapy

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This edition of *Guidelines for Medical Necessity Determination* (Guidelines) identifies the clinical information that MassHealth needs to determine medical necessity for occupational therapy services performed in *outpatient and home settings*. These Guidelines are based on generally accepted standards of practice, review of the medical literature, and federal and state policies and laws applicable to Medicaid programs.

Providers should consult MassHealth regulations at [130 CMR 450.000 \(all providers\)](#), [432.000 \(independent therapists\)](#), [410.000 \(acute outpatient hospitals\)](#), [430.000 \(rehabilitation centers\)](#), [403.000 \(home health agencies\)](#), and [433.000 \(physicians\)](#) for information about coverage, limitations, service conditions, and other prior-authorization requirements. Providers serving members enrolled in a MassHealth-contracted accountable care partnership plan (ACPP) or managed care organization (MCO) should refer to the ACPP's or MCO's medical policies for covered services.

MassHealth reviews requests for prior authorization on the basis of medical necessity. If MassHealth approves the request, payment is still subject to all general conditions of MassHealth, including member eligibility, other insurance, and program restrictions.

## 1

### SECTION I. GENERAL INFORMATION

Occupational therapy is defined as skilled therapy services, including diagnostic evaluation and therapeutic intervention, which are designed to improve, develop, correct, rehabilitate, or prevent the worsening of functions that affect the activities of daily living (ADLs), including self-care (i.e., bathing, dressing, feeding, grooming, toileting) and instrumental activities of daily living (IADLs) that are impaired or have been reduced as a result of specific disease, injury, or congenital disorder. Skilled occupational therapy programs are designed to improve quality of life by recovering competence and preventing further injury or disability, and to improve the individual's ability to perform tasks required for independent functioning. MassHealth-approved prescribers for home health agencies are physicians and podiatrists; approved prescribers for outpatient therapy providers or independent therapists are physicians and nurse practitioners.

MassHealth considers approval for coverage of occupational therapy services on an individual, case-by-case basis, in accordance with 130 CMR 450.204.

# 2

## SECTION II. CLINICAL GUIDELINES

### A. CLINICAL COVERAGE

MassHealth bases its determination of medical necessity for skilled occupational therapy services on a combination of clinical data and the presence of indicators that would affect the relative risks and benefits of the service. These include, but are not limited to, the following.

1. The member presents signs and symptoms of functional impairment impacting his or her performance of ADLs and/or instrumental activities of daily living (IADLs) in one or more of the following areas, including, but not limited to
  - a. Sensory ability—problems with sensation, sensory processing, or visual perception;
  - b. Motor ability—problems with range of motion, muscle strength, muscle tone, endurance, balance, dexterity, or coordination;
  - c. Cognitive ability—problems with orientation, concentration (attention loss); comprehension, learning, organization of thought, problem-solving, or memory that impact physical functioning; and
  - d. Psychological ability—problems with apathy, depression, anxiety, perceived incompetence, lack of persistence, or decreased coping skills in a social environment impacting physical functioning.
2. A medical history and a physical exam conducted by the prescribing provider determine and document the factors or medical conditions contributing to the functional impairments and the need for skilled occupational therapy services.
3. A written referral from the prescribing provider for skilled occupational therapy services is directed toward the evaluation and treatment of a specific disease, injury, or congenital disorder.
4. An initial or updated comprehensive evaluation has been conducted by a licensed occupational therapist to determine the member's current medical status, disability, level of functioning, health and psychosocial status, and the need for occupational therapy treatment. This must include results of a standardized assessment and/or an objective and subjective description of the member's current level of functioning. For members receiving long-term therapy, this document must be updated at least annually.
5. A written treatment plan has been developed by the evaluating or treating occupational therapist that includes all of the following elements.
  - a. The diagnosis, with date of onset or exacerbation of condition;
  - b. Specific short- and long-term, measurable functional treatment goals and potential for achievement;
  - c. The treatment modality techniques and interventions to be used, including treatment time and frequency, required to achieve goals;
  - d. Estimated duration of treatment to achieve documented goals;
  - e. Safety measures to prevent injury;
  - f. Education of the member and primary caregiver incorporated in all treatment sessions,

documented, to promote awareness and understanding of the diagnosis, prognosis, and treatment;

- g. Detailed development of a home exercise/activity program with demonstration of compliance;
  - h. Discharge plan; and
  - i. Progress reports and/or summaries from treatment sessions, which must be included to provide justification for the treatment plan and services provided as directed in the plan of care. These must include a summary of all treatment provided and results achieved (response to treatment, changes in the member's condition, and goals met) during previous periods of therapy services, as applicable, as a direct result of skilled occupational therapy intervention. Documentation for members receiving concurrent occupational therapy treatment in two settings must clarify that no duplication of treatment is occurring. Documentation must include goals addressed in both settings to support medical necessity of continued concurrent occupational therapy.
6. The type of service requested includes one or more of the following.
- a. Evaluation—the administration of diagnostic and prognostic tests, as required, of a member's level of function to design an active corrective or restorative treatment; or
  - b. Treatment—the administration of treatment must be based on results of the evaluation and applicable professional standards that guide treatment.
7. Therapy services are reasonable and necessary as follows.
- a. The member's condition requires treatment of a level of complexity and sophistication that can only be safely and effectively performed by a licensed occupational therapist or, when permissible under applicable MassHealth regulations, a licensed occupational therapy assistant (OTA) supervised by a licensed occupational therapist.
  - b. The treatment plan, outlined under Section II.A.5, is expected to significantly improve the member's condition within a reasonable and predictable period of time, or prevent the worsening of functions that affect the ADLs that have been lost, impaired, or reduced as a result of acute or chronic medical conditions, congenital disorders, or injuries.
  - c. The amount, frequency, and duration of services are reasonable by professionally recognized standards of practice for occupational therapy.
  - d. Services are provided under the care of a licensed prescribing provider with a written treatment plan that has been developed in consultation with a licensed occupational therapist.

## **B. NONCOVERAGE**

MassHealth does not consider occupational therapy services to be medically necessary under certain circumstances. Examples of such circumstances include, but are not limited to, the following.

- 1. The services involve nondiagnostic, nontherapeutic, routine, or repetitive procedures to maintain general welfare and do not require the skills of a licensed occupational therapist.
- 2. The treatment program attempts to recreate a work environment to rebuild self-esteem and recondition a member for his or her unique job situation, rather than treat a specific medical condition.

3. The occupational therapy replicates services that are provided concurrently by any other type of therapy, including occupational therapy treatment in another setting and/or physical therapy and speech and language therapy that provide different treatment goals, plans, and therapeutic modalities. (Refer to the [MassHealth Guidelines for Medical Necessity Determination for Physical Therapy](#) and the [MassHealth Guidelines for Medical Necessity Determination for Speech and Language Therapy](#).)
4. The therapy is intended to improve or restore function where the member suffers a temporary loss or reduction of function that could reasonably be expected to improve without such therapy as the member resumes activities, such as deconditioning following prolonged bed rest.
5. The services are not considered reasonable or necessary as defined in Section II.A.7 for diagnosis or treatment of an illness or injury when functional goals or objectives are related solely to specific employment opportunities, work skills, or work settings.
6. The service is for a disorder not associated with a medical condition.
7. The service replicates concurrent services provided in a different setting with similar treatment goals, plans, and therapeutic modalities.
8. The service replicates concurrent services provided by a different provider in the same setting with similar goals, plans, and therapeutic modalities.
9. Home-based services are requested and the services are more appropriately provided in a setting other than the person's home, or the person's need is such that home-based services will not meet the need.
10. The services are primarily educational, emotional, or psychological in nature and provided in a school or behavioral health setting.
11. The services are intended for maintenance of functional skills that do not require the specialized knowledge and judgment of a licensed occupational therapist to ensure safety or effectiveness of intervention.
12. The treatment is for a dysfunction or impairment that is self-correcting in nature or is expected to resolve through further development and could reasonably be expected to improve without treatment.
13. The medical condition and/or functional limitation(s) does not require the level of sophistication and training of a licensed occupational therapist and the need can be met with a lower level of service.
14. The purpose of the treatment is educationally, vocationally, or recreationally based.
15. There is no clinical documentation or treatment plan to support the need for therapy services or continuing therapy.
16. The services are considered research or experimental in nature.

# 3

## SECTION III: SUBMITTING CLINICAL DOCUMENTATION

Prior authorization is required for occupational therapy services for all members after the 20th visit within a 12-month period. The request for prior authorization must be accompanied by clinical documentation that supports the medical necessity for services being requested.

- A. Documentation of medical necessity must include the applicable [Request and Justification for Therapy Services](#) form, completed in its entirety, as well as the following.
1. The primary diagnosis name and ICD-CM code specific to the treatment for which services are requested;
  2. The secondary diagnosis name and ICD-CM code specific to the medical condition;
  3. The severity of the signs and symptoms of functional impairments;
  4. A comprehensive occupational therapy evaluation of the member's condition, as indicated in Section II.A.4;
  5. Occupational therapy progress notes from the last two weeks or, if there are no progress notes from the last two weeks, the two most recent progress notes;
  6. A written occupational therapy treatment plan; goals; and the member's rehabilitation potential, including any risk factors or comorbid conditions affecting the treatment plan, as indicated in Section II.A.5;
  7. The proposed type of service, and the amount, frequency, and duration of treatment;
  8. Documentation of measurable progress toward previously defined goals;
  9. For members receiving occupational therapy in two settings, documentation of the goals of therapy for each setting and justification that they are sufficiently different to support continued, concurrent occupational therapy;
  10. A written and signed referral/prescription by an approved prescribing provider for continued occupational therapy services; and
  11. Any additional information requested by MassHealth to establish medical necessity.
- B. Clinical information must be submitted by a licensed occupational therapist. *Providers are strongly encouraged to submit requests electronically.* Providers must submit all information pertinent to the diagnosis using the [Provider Online Service Center \(POSC\)](#), or by completing a MassHealth Prior Authorization Request form (using the PA-1 paper form found at [www.mass.gov/masshealth](http://www.mass.gov/masshealth)) and attaching pertinent documentation. The PA-1 form and documentation should be mailed to the address on the back of the form. Questions about POSC access should be directed to the MassHealth Customer Service Center at 1-800-841-2900.

## SELECT REFERENCES

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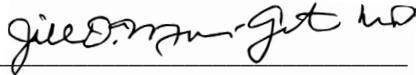
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These Guidelines are based on review of the medical literature and current practice in physical therapy. MassHealth reserves the right to review and update the contents of these Guidelines and cited references as new clinical evidence and medical technology emerge.

This document was prepared for medical professionals to assist them in submitting documentation supporting the medical necessity of the proposed treatment, products, or services. Some language used in this communication may be unfamiliar to other readers; in this case, contact your health-care provider for guidance or explanation.

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