



Guidelines for Medical Necessity Determination for Physical Therapy

These Guidelines for Medical Necessity Determination (Guidelines) identify the clinical information MassHealth needs to determine medical necessity for physical 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 (outpatient hospitals), 430.000 (rehabilitation centers), 403.000 (home health agencies), and 433.000 (physicians) for information about coverage, service limitations, and prior-authorization requirements applicable to this service. Providers serving members enrolled in MassHealth-contracted managed care organizations (MCOs) should refer to the 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.

Section I. General Information

Physical therapy is defined as therapy services, including diagnostic evaluation and therapeutic intervention, that are designed to improve, develop, correct, rehabilitate, or prevent the worsening of physical functions that have been lost, impaired, or reduced as a result of acute or chronic medical conditions, congenital anomalies, or injuries. Physical therapy emphasizes a form of rehabilitation focused on treatment of dysfunctions involving neuromuscular, musculoskeletal, cardiovascular/pulmonary, or integumentary systems through the use of therapeutic interventions to optimize functioning levels.

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

Section II. Clinical Guidelines

A. Clinical Coverage

MassHealth determines medical necessity for physical therapy services by considering multiple criteria. These criteria include, but are not limited to, the following.

1. The member presents signs and symptoms of physical deterioration or impairment in one or more of the following areas:
 - a. **Sensory/motor ability** – problems with sensory integration, attention and cognition, circulation, cranial and peripheral nerve integrity, ergonomics and body mechanics, gait, locomotion and balance, integumentary integrity, joint integrity and mobility, motor function, muscle performance, neuromotor development, posture, range of motion, reflex or sensory integrity.

- b. **Functional status** – inability to perform basic activities of daily living (ADLs) or instrumental activities of daily living (IADLs) that involve personal self-care (for example, feeding, dressing, bathing, or continence), functional mobility for home management (for example, making a bed), work, school, or community activities.
 - c. **Cognitive ability** – problems with orientation, concentration (attention loss), comprehension, learning, organization of thought, problem-solving, or memory.
 - d. **Respiratory ability** – impairments in aerobic capacity, aerobic endurance, ventilation, or respiration change.
2. A medical history and a physical exam have been conducted by a *licensed physician or clinician* to determine factors or medical conditions contributing to the physical deterioration or functional impairments. The history and physical must include:
 - a. a brief description of the condition and date of onset;
 - b. the member’s functional status before the onset of the condition;
 - c. tests and measures used to diagnose the disorder;
 - d. any past treatments; and
 - e. the member’s current medical status or other disabilities.
3. The risk factors have been identified and documented. Such factors can include, but are not limited to, the following:
 - a. congenital defects resulting in deterioration of functional levels;
 - b. progressive or static neurological conditions that slow, or promote deterioration of, body functions such as Parkinson’s disease, multiple sclerosis, amyotrophic lateral sclerosis, Huntington’s disease, and myasthenia gravis;
 - c. medical conditions resulting in nervous-system damage that may necessitate active restorative therapy (for example, cerebrovascular accidents, traumatic brain injury, or spinal cord injuries);
or
 - d. impaired cognitive function from severe injury due to trauma, stroke, infection, tumor, surgery, or progressive neurological disease.
4. A comprehensive evaluation has been conducted to determine the member’s current medical status, disability, level of functioning, health and psychosocial status, and the need for treatment.
5. A written treatment plan that includes all of the following elements has been developed:
 - a. the diagnosis with date of onset or exacerbation of the condition;
 - b. the anticipated functional treatment goals and potential for achievement;
 - c. the short-term and long-term functional treatment objectives that are specific and measurable;
 - d. the treatment techniques and interventions to be used, including amount, frequency, and duration required to achieve goals;
 - e. education of the member and primary caregiver to promote awareness and understanding of diagnosis, prognosis, and treatment; and
 - f. a summary of all treatment provided and results achieved (response to treatment, changes in the member’s condition, problems encountered, and goals met) during previous periods of therapy services as applicable.
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 (for example, gait evaluation, range of motion, balance, or muscle strength) to design an active corrective or restorative treatment or maintenance program.
 - b. **Therapeutic exercise** – task-oriented activities designed, for example, to optimize aerobic capacity, aerobic endurance, functional status, balance coordination, postural stabilization, muscle strength, and mobilization and manipulation to restore specific loss of function or range of motion.
 - c. **Functional training** – Instruction of compensatory techniques to improve level of independence in ADLs and IADLs, such as teaching the member how to use a prosthetic device.

- d. **Mechanical and electrotherapeutic modalities** – superficial or deep thermal agents, mechanical methods, and electrical stimulation of neuromuscular, integumentary, musculoskeletal tissues to improve the response in physical functions.
- 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 physical therapist;
 - b. the treatment program outlined under Section I.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 anomalies, or injuries;
 - c. the amount, frequency, and duration of services are reasonable by professionally recognized standards of practice for physical therapy; and
 - d. services are provided under the care of a licensed physician, or when allowed by MassHealth regulations, by a licensed nurse practitioner, with a written treatment plan that has been developed in consultation with a licensed physical therapist.

B. Noncoverage

MassHealth does not consider physical 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 non-diagnostic, non-therapeutic, routine, or repetitive procedures to maintain general welfare and do not require the skilled assistance of a licensed therapist.
2. The treatment constitutes non-therapeutic services, such as general exercise programs to promote overall fitness and endurance, for diversion or for general motivation.
3. The therapy replicates services that are provided concurrently by any other type of therapy, particularly occupational therapy and speech and language therapy, which should provide different treatment goals, plans, and therapeutic modalities. (Refer to the MassHealth Guidelines for Medical Necessity Determination for Occupational Therapy and for Speech and Language Therapy.)
4. There is no clinical documentation or treatment plan to support the need for therapy services or continuing therapy.
5. Services are considered research or experimental in nature.

Section III: Submitting Clinical Documentation

- A. Prior authorization is required for physical 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 need for the services being requested.
- B. Documentation of medical necessity must include all of 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. the member’s medical history and last physical exam, as indicated in Section I.A.2;
 5. a comprehensive evaluation of the member’s condition, as indicated in Section I.A.4;
 6. a written treatment plan, goals, and the member’s rehabilitation potential, including any risk factors or comorbid conditions affecting the treatment plan, as indicated in Section I.A.5;
 7. the proposed type of service, amount, frequency, and duration of treatment; and
 8. documentation of measurable progress toward previously defined goals.



- C. Clinical documentation must be submitted using the MassHealth Prior Authorization Request and the Request and Justification for Therapy Services. The forms must be completed by the licensed physician, or a licensed nurse practitioner when allowed by MassHealth regulations, and the physical therapist involved in the member's care. Consult the Automated Prior Authorization System (APAS) at www.masshealth-apas.com for instructions for electronic submissions.
- D. MassHealth bases its determination of medical necessity for physical therapy services on a combination of clinical data and the presence of indicators that would complicate treatment or affect recovery, or when evaluations demonstrate measurable and objective progress.

Select References

American Physical Therapy Association. *Guide to Physical Therapy Practice*. Second Edition. Alexandria, VA. 2001.

American Physical Therapy Association. Standards of Practice and the Criteria. 2004. Available at www.apta.org.

Centers for Medicare and Medicaid Services. *Intermediary Manual, Part 3, Chapter 2, Coverage of Services*. Sections 3142-3149. Available at www.cms.hhs.gov. Accessed June 2004.

O'Sullivan S and Schmitz T. *Physical Rehabilitation Assessment and Treatment*. Fourth Edition. F.A. Davis Company, Philadelphia, PA. 2000.

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

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Approved by:  , Medical Director